

**MODEL ANNEX I**

**ANNUAL CORPORATE GOVERNANCE REPORT  
OF THE LISTED PUBLIC LIMITED COMPANIES**

**ISSUER IDENTIFICATION DETAILS**

END DATE BUSINESS YEAR IN QUESTION 2023

CIF (Tax ID no.): A-28037224

Company Name:

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

Registered address:

C/BALMES, 36. 08007 BARCELONA

**ANNUAL CORPORATE GOVERNANCE REPORT  
OF THE LISTED PUBLIC LIMITED COMPANIES**

**A OWNERSHIP STRUCTURE**

A.1 Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company by-laws contain the provision of double loyalty voting:

No  X

Yes  Date of approval by the Board dd/mm/yyyy

Minimum period of uninterrupted tenure required by the by-laws

Indicate whether the company has awarded votes for loyalty:

No  X

Yes

<b>Date of the last modification of the share capital</b>	<b>Share capital</b>	<b>Number of shares</b>	<b>Number of voting rights (not including additional loyalty-attributed votes)</b>	<b>Number of additional attributed voting rights corresponding to shares with a loyalty vote</b>	<b>Total number of voting rights, including additional loyalty-attributed votes</b>
19/12/23	436,106,917	436,106,917	436,106,917	-	-

Number of shares registered in the special register

pending the expiry of the loyalty period

0
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Observations
<p>On 19 December 2023, the public deed relating to the capital reduction agreed by the General Shareholders' Meeting of Fomento de Construcciones y Contratas S.A. held on 19 July 2023 was registered in the Register of Companies under the second item on the agenda and was approved by the Company's Board of Directors on 11 December 2023, for a nominal amount of 20,560,154 euros, through the redemption of 20,560,154 treasury shares.</p> <p>Consequently, the share capital of FCC stood at 436,106,917 euros, represented by 436,106,917 shares with a nominal value of 1 euro each.</p>

Indicate whether there are different share classes with different associated rights:

Yes  No

Class	Number of shares	Par value	Number of voting rights	Rights and obligations conferred
-	-	-	-	-

Observations

A.2 List direct and indirect holders of significant shareholdings at year-end, excluding directors:

Name or company name of shareholder	% of voting rights attached to the shares (including votes for loyalty)		% voting rights through financial instruments		Total % of voting rights	From the total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
GATES III, WILLIAM H.	-	5.736	-	-	5.736	-	-
CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	60.583	12.176			72.759	-	-

Name or company name of shareholder	% of voting rights attached to the shares (including votes for loyalty)		% voting rights through financial instruments		Total % of voting rights	From the total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
NUEVA SAMEDE 2016, S.L.U.	3.181	-	-	-	3.181	-	-
FINVER INVERSIONES 2020, S.L.U.	11.911	-	-	-	11.911	-	-

Observations

Breakdown of indirect holding:

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attached to the shares (including votes for loyalty)	% voting rights through financial instruments	Total % of voting rights	From the total number of voting rights attributed to the shares, indicate, where appropriate, the additional votes attributed corresponding to the shares with a loyalty vote	
GATES III, WILLIAM H.	CASCADE INVESTMENT, LLC.	3.986	-	3.986	-	-
GATES III, WILLIAM H.	BILL & MELINDA GATES FOUNDATION TRUST	1.750	-	1.750	-	-
CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	DOMINUM DIRECCIÓN Y GESTIÓN, S.A.	8.994	-	8.994	-	-

<b>Observations</b>
<p>Regarding the position of CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V. (CEC):</p> <p>Regarding the holdings through intermediaries (i) 13,873,043 shares in Fomento de Construcciones y Contratas S.A. ("FCC") owned by Nueva Samede 2016 S.L.U. representing 3.18% of FCC's capital stock, this is hereby stated for the exclusive purposes of art. 24.2.B of Royal Decree 1362/2007. In spite of this, CEC does not hold any right to vote on this 3.18%. Therefore, CEC holds directly and indirectly, only 69.578% of FCC's voting rights.</p>

Indicate the most significant changes in the shareholding structure during the year:

<b>Most significant changes</b>
<p>Nueva Samede 2016, S.L.U. participated in the takeover bid presented by Fomento de Construcciones y Contratas, S.A. for 1.57% of its stake.</p>

A.3 Give details of the participation at the close of the financial year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A.2 above:

Name or company name of the Director	% of voting rights attached to the shares (including votes for loyalty)		% voting rights through financial instruments		Total % of voting rights	From the total percentage of voting rights attributed to the shares, indicate, where appropriate, the percentage of additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Dominum Desga, S.A.	0.0001	-	-	-	0.0001	-	-
Esther Koplowitz Romero de Juseu	0.035	3.185	-	-	3.216	-	-
Aboumrad González, Alejandro	0.078	-	-	-	0.078	-	-
Colio Abril, Pablo	0.028	-	-	-	0.028	-	-
Alicia Alcocer Koplowitz	0.083	-	-	-	0.083	-	-

Name or company name of the Director	% of voting rights attached to the shares (including votes for loyalty)		% voting rights through financial instruments		Total % of voting rights	From the total percentage of voting rights attributed to the shares, indicate, where appropriate, the percentage of additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
Carmen Alcocer Koplowitz	0.129	-	-	-	0.129		
Carlos Slim Helú	-	11.911	-	-	11.911	-	-
Gil Madrigal, Manuel	0.000	0.004	-	-	0.004	-	-
Kuri Kaufman, Gerardo	0.114	-	-	-	0.114	-	-
Rodriguez Torres, Juan	0.095	-	-	-	0.095	-	-
Vazquez Lapuerta, Álvaro	0.0004	-	-	-	0.0004	-	-
<b>Total</b>	0.562	15.100			15.662		

<b>Total percentage of voting rights held by the Board of Directors</b>	15.662
<b>Observations</b>	

Breakdown of indirect holding:

Name or company name of the Director	Name or company name of the direct owner	% of voting rights attached to the shares (including votes for loyalty)	% voting rights through financial instruments	Total % of voting rights	From the total percentage of voting rights attributed to the shares, indicate, where appropriate, the percentage of additional votes attributed corresponding to the shares with a loyalty vote
Gil Madrigal, Manuel	Tasmania Inmuebles, S.L.	0.004	-	0.004	-
Koplowitz Romero de Juseu, Esther	Nueva Samede 2016, S.L.U.	3.181	-	3.181	-
Slim Helú, Carlos	Finver Inversiones 2020, S.L.U.	11.911	-	11.911	-

<b>Observations</b>
Finver Inversiones 2020, S.L.U. is 100% owned by Inmobiliaria AEG, S.A. de C.V, which in turn is controlled by Carlos Slim Helú.

List the total percentage of voting rights represented on the board:

<b>Total percentage of voting rights represented on the board of directors</b>	<b>85.24</b>
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<b>Observations</b>

A.4\_\_\_Indicate, as applicable, the family, commercial, contractual or corporate relations between the holders of significant shares, insofar as that they are known by the company, unless they are immaterial or are part of ordinary commercial traffic, with the exception of those reported in section A.6:

<b>Related name or company name</b>	<b>Type of relationship</b>	<b>Brief description</b>
-	-	-

A.5\_\_\_Indicate, as the case may be, the commercial, contractual or corporate relations between the holders of significant shares, and the company and/or its group, unless they are immaterial or are part of ordinary commercial traffic:

<b>Related name or company name</b>	<b>Type of relationship</b>	<b>Brief description</b>
FCC Construcción and Carso Infraestructura y Construcción S.A.B. de C.V.	Corporate	Collaboration agreement to jointly undertake projects in the Americas, excluding the United Mexican States, through the constitution of a special purpose vehicle (SPV): "FCC Américas".

A.6\_\_\_Describe the relationships, unless they are immaterial to the two parties, between significant shareholders or parties represented on the Board and directors, or their representatives, in the case of corporate directors.

Explain, as applicable, how significant shareholders are represented. Specifically, indicate the directors appointed on behalf of significant shareholders whose appointment was promoted by significant shareholders, or who were linked to significant shareholders and/or entities in their group, specifying the nature of these relationships. In particular, include the existence, identity and position of Board members, or representatives of directors, of the listed company, who are, in turn, members of the governing body, or their representatives, in companies that hold significant holdings in the listed company or in entities of the group of these significant shareholders.



<b>Name or company name of related director or representative</b>	<b>Name or company name of related significant shareholder</b>	<b>Company name of the group company of the significant shareholder</b>	<b>Description of relationship/post</b>
Alejandro Aboumrad González	Control Empresarial de Capitales, S.A. de C.V.	Several subsidiaries of the shareholder	Administrator
Gerardo Kuri Kaufmann	Control Empresarial de Capitales, S.A. de C.V.	Carso Infraestructura y Construcción, S.A. de C.V.	Director
		Minera Frisco, S.A.B. DE C.V.	Board Member and Managing Director
		Fortaleza Materiales, S.A.B. DE C.V.	Board Member and Acting Chairman of the Board of Directors
		Elementia Materiales, S.A.P.I. DE C.V.	Director
		Operadora de Sites Mexicanos, S.A.B. de C.V.	Director
		Inmuebles Carso, S.A. de C.V.	Director
Juan Rodríguez Torres	Control Empresarial de Capitales, S.A. de C.V.	Minera Frisco, S.A.B de C. V	Director
		Operadora de Sites Mexicanos, S.A.B. de C.V.	Director
		Carso Infraestructura y Construcción S.A. de C.V.	Director
		Fortaleza Materiales, S.A.P.I. DE C.V.	Director
		Elementia Materiales, S.A.P.I. DE C.V.	Director

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post
Pablo Colio Abril	Control Empresarial de Capitales, S.A. de C.V.	Carso Infraestructura y Construcción S.A.B. de C.V. (CICSA)	Director
		Finver Inversiones 2020, S.L.	Director
		Soinmob Inmobiliaria Española	Director
		Dominium Dirección y Gestión, S.A.	Director
Carlos Slim Helú	Control Empresarial de Capitales, S.A. de C.V.	-	Director appointed at the proposal of significant shareholder.
Esther Koplowitz Romero de Juseu		-	Director appointed at the proposal of significant shareholder.
Alicia Alcocer Koplowitz	Esther Koplowitz Romero de Juseu	-	Director appointed at the proposal of significant shareholder.
Carmen Alcocer Koplowitz	Control Empresarial de Capitales, S.A. de C.V.	-	Director appointed at the proposal of significant shareholder.
Dominum Desga, S.A.	Esther Koplowitz Romero de Juseu	-	Director appointed at the proposal of significant shareholder.

Observations
Refer to Section C.1.10.

A.7 \_\_\_ Indicate whether the Company has been informed of shareholders' agreements that affect it as established in Articles 530 and 531 of the Spanish Corporate Enterprises Act. If so, describe them briefly and list the shareholders bound by the agreement:

Yes  No

Parties to the shareholders' agreement	% of share capital concerned	Brief description of the agreement	Expiry date of the agreement, if any
ESTHER KOPLOWITZ ROMERO DE JUSEU and CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	50.16	Relevant fact of 27 November 2014 (see note)	Open-ended
CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V., NUEVA SAMEDE 2016, S.L.U., INVERSORA CARSO S.A. DE C.V. and ESTHER KOPLOWITZ ROMERO DE JUSEU	72.36	Relevant fact of 05/02/2016 (see note)	Open-ended

Observations
<p><u>Relevant Fact of 27 November 2014:</u></p> <p>FCC's controlling shareholder reported the successful conclusion of negotiations with Control Empresarial de Capitales S.A. de C.V., a company owned by Inmobiliaria Carso S.A. de C.V., which in turn is controlled by the Slim family.</p> <p><u>Relevant Fact of 5 February 2016:</u></p> <p>For the purposes of continuing with the recapitalisation process of Fomento de Construcciones y Contratas, S.A. ("FCC" or the "Company") through a new capital increase of €709,518,762 announced by the Company on 17 December 2015 (the "New Capital Increase"), the Company was informed that, Esther Koplowitz Romero de Juseu ("EK") (and the companies related to her, Dominum Direccion y Gestión, S.A. ("Dominum") and Nueva Samede 2016, S.L.U. ("Nueva Samede")) have entered into a non-extinguishing modifying novation contract with Inversora Carso S.A. de C.V. ("I. Carso") and its subsidiary Control Empresarial de Capitales, S.A. de C.V. ("CEC") of the Investment Agreement signed on 27 November 2014 (the "Novation of the Investment Agreement").</p> <p>The Investment Agreement was included in the relevant fact published on 27 November 2014 and subsequently deposited in the Companies Register of Barcelona.</p> <p>The main aspects of the Novation of the Investment Agreement are to establish the terms and conditions for: (a) the incorporation of Nueva Samede into the Novation as a future shareholder of FCC following the New Capital Increase, (b) the continuation of the FCC recapitalisation process through the New Capital Increase regulating the subscription commitment of both I. Carso as Nueva Samede and (c) the modification of certain provisions regarding Corporate Governance, the share transfer system as well as the removal of the provision regarding the maximum participation of the parties in the Company's capital shares.</p>

Indicate whether the Company is aware of the existence of coordinated actions between its shareholders. If applicable, describe them briefly:

Yes  No

<b>Participants of coordinated action</b>	<b>% of share capital concerned</b>	<b>Brief description of the coordinated action</b>	<b>End date of the coordinated action, if applicable</b>
-	-	-	-

<b>Observations</b>

If there has been any change or termination of these agreements or coordinated actions during the year, expressly indicate:

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A.8 Indicate whether there is any natural or legal person who exercises or may exercise control over the Company pursuant to Article 5 of the Securities Market Law. If so, identify them:

Yes  No

<b>Name or company name</b>
CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.

<b>Observations</b>

A.9 Fill in the following tables about the company's treasury shares:

**At the close of the year:**

<b>Number of direct shares</b>	<b>Number of indirect shares (*)</b>	<b>Total % of share capital</b>
44,957	-	0.010%

<b>Observations</b>

(\*) Through:

Name or company name of the direct owner	Number of direct shares
-	-
<b>Total:</b>	

Observations

Explain any significant changes during the year:

Explain the significant changes
On 27 June 2023, the public deed relating to the capital reduction agreed by the General Shareholders' Meeting of FCC held on 14 June 2023 under the eighth item on the agenda and for a nominal amount of 3,521,417 euros, through the redemption of 3,521,417 treasury shares with a nominal value of 1 euro each, was registered in the Register of Companies.
The following were registered on 27 July 2023: <ul style="list-style-type: none"> <li>• The public deed relating to the capital reduction agreed by the General Shareholders' Meeting of FCC held on 19 July 2023 under the first item on the agenda and for a nominal amount of 854,234 euros, through the redemption of 854,234 treasury shares with a nominal value of 1 euro each.</li> </ul> <p>The public deed to increase the Company's paid-up capital, through which the scrip dividend agreed by the Ordinary General Shareholders' Meeting of FCC has been implemented on 14 June 2023, under the seventh item on the agenda, for a nominal amount of 22,697,739 euros through the issuance of 22,697,739 new shares of the Company, with a nominal value of 1 euro each.</p>
On 19 December 2023, the public deed relating to the capital reduction agreed by the General Shareholders' Meeting of FCC held on 19 July 2023 under the second item on the agenda and by the Company's Board of Directors on 11 December 2023 for a nominal amount of 20,560,154 euros, through the redemption of 20,560,154 treasury shares, was registered in the Register of Companies.

A.10 Describe the conditions and term of the current mandate of the Shareholders' Meeting to the Board of Directors to issue, repurchase or transfer own shares.

**Ordinary General Meeting Resolution of 14 June 2022 (sixth item on the agenda):**

“Authorise the Board of Directors, in accordance with the provisions of Article 297.1.b) of the Corporate Enterprises Act and as broadly as is legally necessary, to increase, once or several times, the share capital of the Company by a maximum amount of up to 50% of the subscribed and paid-up capital as at the date

of this authorisation, i.e. by the sum of €212,586,818. The capital increase or increases, if any, which may be agreed must be carried out within a maximum period of five years from the date of adoption of this resolution.

The capital increase or increases that may be agreed may be carried out, with or without a share premium, either by increasing the par value of existing shares in accordance with the requirements of the Corporate Enterprises Act, or by issuing new ordinary or preference shares, with or without voting rights, or redeemable shares, or any other means permitted by law, or any other means at the same time, with the consideration for the new shares or the increase in the par value of existing shares consisting of cash contributions. The Board may set the terms and conditions of increases in the capital stock and the characteristics of the shares, and freely offer any new shares not subscribed for within the period for exercising pre-emptive subscription rights.

By virtue of this authorisation, the Board of Directors may establish that, in case of incomplete subscription, the capital is increased only in the amount of the subscriptions made, and to rewrite the article of the By-laws relative to the share capital once the increase is agreed and executed.

By virtue of this authorisation, the Board of Directors may also request the admission to trading of any new securities issued in any Stock Exchange or regulated market, national or foreign, under the terms of the applicable legislation.

The Board of Directors is expressly granted the power to exclude, in whole or in part, pre-emptive subscription rights pursuant to section 506 of the Corporate Enterprises Act up to a maximum nominal amount, in aggregate, equal to 20% of the capital stock at the time of this authorisation, in respect of all or any of the issues it resolves on the basis of this authorisation.

In any event, should the Board of Directors opt to suppress the pre-emptive subscription right, it shall, at the time of adopting the corresponding resolution to increase the capital stock, issue a report detailing the specific reasons of corporate interest justifying such measure, which shall be accompanied, if necessary and/or appropriate, by the report of an independent expert referred to in Article 308 of the Corporate Enterprises Act (by reference to Article 506.3 of the Corporate Enterprises Act). These reports would be made available to the shareholders and communicated to the first General Meeting to be held after the resolution to issue.

In accordance with Articles 286, 297.1.b) and 506 of the Corporate Enterprises Act, the Board of Directors has made a report justifying this motion available to the shareholders.

As provided for in article 249 bis l) of the Corporate Enterprises Act, the Board of Directors is expressly authorised 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 granted to the Board of Directors by virtue of this agreement.

This resolution, once passed by the General Meeting, shall render null and void any unused part of the previous resolution to authorise the Board of Directors (under the eighth item on the agenda of the General Meeting of Shareholders of the Company held on 8 May 2019).”

**Ordinary General Meeting Resolution of 14 June 2023 (ninth item on the agenda):**

Authorisation to the Board of Directors, with express power of substitution, for the derivative acquisition of treasury shares and authorisation to subsidiaries to acquire shares in the Company, all within the limits and subject to the requirements of the Corporate Enterprises Act.

The following is proposed: “Authorise the Company and its group companies in which any of the circumstances of article 42, paragraph 1, of the Code of Commerce apply, so that, in accordance with the provisions of articles 146 and 509 of the Corporate Enterprises Act, it may proceed with the derivative acquisition of treasury shares, by means of purchase, sale, exchange, dation in payment or any other transaction permitted by law, at the price resulting from their stock market price on the day of acquisition, which must be between the maximum and minimum values detailed below:

- As a maximum value, that which results from increasing by 20 per cent the maximum contribution of 1 month prior to the time when the acquisition takes place.
- As a minimum value, the value resulting from deducting 20 per cent from the minimum contribution, also from 1 month prior to the time when the acquisition takes place.

By virtue of this authorisation, the Board of Directors, the Executive Committee and the Chief Executive Officer may, jointly and severally, acquire treasury shares, as provided in article 146 of the Corporate Enterprises Act, and may use all or part of the treasury shares acquired to implement programmes or remuneration systems for employees or directors of the Company or its group that are aimed at or involve the delivery of shares or stock options, in accordance with the provisions of the third paragraph, section a) of article 146. 1 of the Corporate Enterprises Act, to their disposal or redemption, to the achievement of potential transactions, corporate or business decisions, as well as to any other legally possible purpose.

This authorisation is granted for five years from the adoption of this resolution by the General Shareholders' Meeting, and the limit on share capital applicable in accordance with pertinent legislation currently in force at the time of the acquisition must also be complied with.

In any case, this authorisation leaves without effect, in the unused part, the authorisation agreed under item 7 of the Agenda by the General Shareholders' Meeting of 28 June 2018”.

#### A.11 Estimated floating capital.

	%
<b>Estimated floating capital</b>	9.014%

<b>Observations</b>

A.12 Indicate whether there are any restrictions (statutory, legislative or of any kind) on the transferability of securities and/or any restrictions on the right to vote.

Specifically state whether there are any type of restrictions that may make it difficult to assume control of the Company through the acquisition of its shares on the market, as well as those prior authorisation or communication systems that, concerning the acquisition or transfer of the Company's financial instruments, are applicable on account of sector regulations.

Yes  No

Description of the restrictions
-

A.13 Indicate whether the general shareholders' meeting has resolved to adopt measures to neutralise a takeover bid by virtue of the provisions of Law 6/2007.

Yes  No

If applicable, explain the approved measures and the terms in which the restrictions will be deemed ineffective:

Explain the measures approved and the terms under which ineffectiveness will occur
-

A.14  Indicate whether the company has issued securities that are not traded on a regulated market in the European Union.

Yes  No

If applicable, indicate the different classes of shares and, for each class of shares, the corresponding rights and obligations.

Indicate the different classes of shares
-

On 27 November 2019, it was reported as a relevant fact, with no. 283974, that FCC Servicios Medio Ambiente Holding, S.A. ("FCCSMAH"), a company fully owned by FCC, approved the issuance of two simple bonds as part of an agreement adopted by the Board of Directors on 13 November 2019.

FCCSMAH completed the pricing of two bond issues, for a total amount of €600 million, paying annual interest of 0.815% and maturing in 2023; and for a total amount of €500 million, paying annual interest of 1.661% and maturing in 2026, respectively. The Bonds were accepted for trading on the unregulated market (Global Exchange Market) of the Irish Stock Exchange.

The €600 million bond issue, with an annual interest of 0.815% and maturing in 2023, was redeemed on 4 December 2023.

On 10 October 2023, the Board of Directors of FCCSMAH adopted a decision to issue non-convertible bonds. FCCSMAH completed the pricing of a €600 million bond issue, paying annual interest of 5.250% and maturing in 2029. The Bonds were accepted for trading on the unregulated market (Global Exchange Market) of the Irish Stock Exchange.



On 1 June 2017, it was reported as relevant fact and as a continuation to relevant facts Nos. 249540 and 252375, the pricing of two single bond issues by FCC Aqualia, S.A. (subsidiary of Fomento de Construcciones y Contratas, S.A.), for the sum of €700,000,000 paying annual interest of 1.413% and maturing in 2022 and for the sum of €650,000,000, paying annual interest of 2.629% and maturing in 2027, respectively.

Both issues were secured against specific assets of the FCC Aqualia Group. Upon approval and registration of the corresponding offering circular, the Bonds were accepted to trading on the unregulated market (Global Exchange Market) of the Irish Stock Exchange. The €700,000,000 bond issue with an annual interest of 1.413% and maturity in 2022 was redeemed on 20 April 2022.

## **B** GENERAL SHAREHOLDERS' MEETING

B.1 \_\_\_ Indicate and, where appropriate, describe, whether there are differences with the system of minimum quorums provided for in the Spanish Corporate Enterprises Act with respect to the quorum of the General Meeting of Shareholders.

Yes  No

	<b>% quorum other than the figure established in Art. 193 Spanish Corporate Enterprises Act for general situations</b>	<b>% quorum other than the figure established in Art. 194 Spanish Corporate Enterprises Act for the special cases set out in Art. 194 of the Spanish Corporate Enterprises Act</b>
<b>Quorum required at 1st call</b>	50.00%	50.00%
<b>Quorum required at 2nd call</b>	45.00%	45.00%

<b>Description of differences</b>
<p>The rules governing the constitution of the General Meeting are set out in Article 17 of the By-laws:</p> <p><b>“Art. 17.- Constitution of the Meeting</b></p> <p>1. The Ordinary or Extraordinary General Meeting of Shareholders shall be validly constituted, at the first call, when the shareholders present or represented account for at least fifty percent (50%) of the subscribed capital with the right to vote; and at the second call, the constitution of the Meeting shall be valid when the shareholders present or represented account for at least forty-five percent (45%) of the subscribed capital with the right to vote. 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.</p> <p>2. Likewise, the percentages mentioned in the previous paragraph shall also be those applicable so that the Ordinary and Extraordinary General Shareholders Meeting can 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, the 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 pre-emptive subscription rights on new shares, the transfer of address abroad and, in general, any modification to the By-laws.</p> <p>3. If, to validly adopt an agreement with respect to any, or several, items on the agenda of the General Meeting of Shareholders, pursuant to the applicable legal or statutory regulations, a certain percentage of the share capital must be in attendance and this percentage is not reached, or the consent of the specific shareholders affected is required and they are not present or represented, the General Meeting of Shareholders shall be limited to discussing and deciding on items on the agenda that do not require the attendance of this percentage of the share capital or the aforementioned shareholders”.</p>

B.2\_\_\_ Indicate whether there are any differences between the company’s manner of adopting corporate resolutions and the regime provided in the Spanish Corporate Enterprises Act and, if so, give details:

Yes  No

Describe how it is different from the regime provided in the Corporate Enterprises Act.

	<b>Super majority other than the figure established in Article 201.2 Corporate Enterprises Act for the hypotheses provided for in 194.1 Corporate Enterprises Act</b>	<b>Other cases of super majority</b>
<b>% established by the entity for the adoption of resolutions</b>	50.01%	0.00%
<b>Describe the differences</b>		
Pursuant to Article 26 ("Deliberations. Adopting resolutions. Minutes"), section 3, of the Articles of Association: "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".		

B.3\_\_\_ Indicate the rules applicable to the modification of the Company's By-laws. In particular, indicate the majorities required to modify the By-laws, as well as, where applicable, the rules in place to protect the rights of shareholders in the modification of the By-laws.

In general, the amendment of the By-laws is a matter for the General Meeting. Regarding the majorities required to amend the By-laws, a quorum of fifty percent (50%) and forty-five percent (45%) of the subscribed share capital with voting rights is required on first and second call, respectively. In turn, for the adoption of the resolution to amend the By-laws, if the capital present or represented exceeds fifty percent (50%) of the capital, the resolution shall be adopted by absolute majority, and the favourable vote of two-thirds of the capital present or represented at the General Meeting shall be required when, at second call, shareholders representing forty-five percent (45%) or more of the subscribed capital with voting rights are present without reaching fifty percent (50%). Notwithstanding the foregoing, 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 share capital present or represented with voting rights vote in favour.

Additionally, as regards the rules laid down for the protection of shareholders' rights in the amendment of the by-laws, these essentially refer to their right to information, as provided for by law. In this regard, the Board draws up a report justifying the proposed amendment, and the notice convening the General Meeting clearly states the articles whose amendment is proposed and the right of all shareholders to examine the full text of the proposed amendment and the report thereon at the registered office, as well as to request the delivery or sending of these documents free of charge, which are also published continuously on the corporate website from the publication of the notice convening the meeting.

Shareholders may also request, up to the fifth day prior to the date scheduled for the meeting, such information or clarifications as they deem necessary regarding the proposed amendment (as well as regarding all the items on the agenda), or ask such questions in writing as they deem appropriate, and may also request, during the meeting, such information or clarifications as they deem appropriate.

In turn, any amendment to the Articles of Association must be voted separately at the General Shareholders' Meeting, even when the amendment of articles or groups of articles with their own autonomy are included in the same item on the agenda.

By way of exception, in accordance with article 4 of the by-laws, the board of directors has the power to change the registered office within Spain, amending the aforementioned article of the by-laws to include the new registered office of the company by virtue of the transfer, and such resolution must be approved by the ordinary majorities required for board resolutions, i.e. an absolute majority of the directors attending the meeting, either in person or by proxy.

B.4 \_\_\_ Indicate the attendance details at the general meetings of shareholders' held in the year to which this report refers and those in the two preceding years:

Date of general meeting	Attendance data				Total
	% of physical presence	% by proxy	% remote voting		
			Electronic voting	Other	
19-07-2023	0.320%	46.953%	0.001%	44.310%	91.585%
Of which, Floating capital:	0.320%	8.933%	0.001%	0.089%	9.345%
14-06-2023	0.207%	46.937%	0.005%	44.020%	91.170%
Of which, Floating capital:	0.207%	9.223%	0.005%	0.154%	9.589%
14-06-2022	0.24%	47.45%	0.00%	43.78%	91.47%
Of which, Floating capital:	0.24%	9.91%	0.00%	0.12%	10.27%
29-06-2021	0.25%	46.46%	0.00%	44.06%	90.77%
Of which, Floating capital:	0.25%	10.90%	0.00%	0.43%	11.58%

Observations
-

B.5 \_\_\_ Indicate whether any item on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders for any reason.

Yes  No

Items on the agenda that have not been approved	% vote against (*)

(\*) If the non-approval of the item can be traced to a cause other than a vote against, an explanation shall be provided in the text section and in the "% vote against" column, "N/A" shall be inserted.

B.6\_\_\_ Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes  No

<b>Number of shares required to attend the General Shareholders' Meeting</b>	
<b>Number of shares required to vote remotely</b>	

<b>Observations</b>

B.7\_\_\_ Indicate whether it has been established that certain resolutions, other than those established by law, involving an acquisition, disposal, contribution of essential assets to another company or other similar corporate transactions, must be submitted for approval by the General Shareholders' Meeting.

Yes  No

<b>Explanation of the resolutions that must be submitted to the General Shareholders' Meeting, other than those established by Law</b>

B.8\_\_\_ Indicate the address and manner of accessing the company's website for information on Corporate Governance and other information on general shareholders' meetings that must be made available to shareholders on the Company's website.

The FCC website ([www.fcc.es](http://www.fcc.es)) has a section dedicated to Corporate Governance, which can be accessed from the home page. This section contains information on the Company's regulations on corporate governance, governing bodies, annual corporate governance and remuneration reports, shareholders' meetings, shareholders' agreements, ethics and integrity. In addition, this tab, under the heading "General Shareholders' Meeting", provides shareholders with specific access for electronic voting and for the electronic shareholders' forum, in accordance with the provisions of article 539.2 of the revised text of the Spanish Corporate Enterprises Act (Ley de Sociedades de Capital).

This section of the website is accessible with two clicks from the homepage. Its contents are structured and hierarchised, under quick access headings and all its pages can be printed out.

The pages in this section have been developed in compliance with Level AA according to the UNE-EN 301549:2022 Standard, valid until 2024, which is based on the Web Content Accessibility Guidelines (WCAG 2.0) published by the World Wide Web Consortium (W3C).

All Priority 1 and Priority 2 requirements have been checked by expert accessibility analysts using manual accessibility analyses, complemented by different semi-automatic tools, user agents and technical aids.

## **C STRUCTURE OF THE COMPANY'S ADMINISTRATION**

### **C.1. Board of Directors**

C.1.1\_\_Maximum and minimum number of directors provided for the By-laws and the number defined by the General Shareholders' Meeting:

<b>Maximum number of directors</b>	15
<b>Minimum number of directors</b>	9
<b>Number of directors defined by the Shareholders' Meeting</b>	12

<b>Observations</b>
At the Ordinary General Shareholders' Meeting of FCC held on 14 June 2023, under the eighth item on the agenda, it was agreed to limit the number of members of the Company's Board of Directors to twelve (12), according to the minimum and maximum limit established in the Articles of Association.

C.1.2\_\_Fill in the following table with Board members:

<b>Name or company name of the Director</b>	<b>Representative</b>	<b>Director category</b>	<b>Position on the Board</b>	<b>First appointment date</b>	<b>Last appointment date</b>	<b>Election procedure</b>	<b>Date of birth</b>
Dominum Desga, S.A	Esther Alcocer Koplowitz	Proprietary	Chairwoman	27-09-2000	02-06-2020	General Shareholders' Meeting Resolution	10/11/1970
Esther Koplowitz Romero de Juseu		Proprietary	Vice Chairwoman	14-06-2023	14-06-2023	General Shareholders' Meeting Resolution	10/08/1950
Pablo Colio Abril		Executive	Chief Executive Officer	12-09-2017	14-06-2022	General Shareholders' Meeting Resolution	8/06/1968
Alejandro Aboumrad González		Proprietary	Vice Chairman	13-01-2015	14-06-2023	General Shareholders' Meeting Resolution	26/02/1980
Carmen Alcocer Koplowitz		Proprietary	Director	14-06-2023	14-06-2023	General Shareholders' Meeting Resolution	01/01/1974
Alicia Alcocer Koplowitz		Proprietary	Director	29/06/2021	29/06/2021	General Shareholders' Meeting Resolution	10/10/1971

Name or company name of the Director	Representative	Director category	Position on the Board	First appointment date	Last appointment date	Election procedure	Date of birth
Manuel Gil Madrigal		Independent	Director	27-02-2015	14-06-2023	General Shareholders ' Meeting Resolution	1/05/1960
Carlos Slim Helú		Proprietary	Director	14-06-2023	14-06-2023	General Shareholders ' Meeting Resolution	28/01/1940
Gerardo Kuri Kaufmann		Proprietary	Director	13-01-2015	14-06-2023	General Shareholders ' Meeting Resolution	17/12/1983
Juan Rodríguez Torres		Proprietary	Director	7-10-2015	02-06-2020	General Shareholders ' Meeting Resolution	5/08/1939
Álvaro Vázquez de Lapuerta		Independent	Director	27-02-2015	14-06-2023	General Shareholders ' Meeting Resolution	30/04/1957
<b>Total number of directors</b>				11			

Note: On 22 February 2023, Director Gerardo Kuri resigned as the CEO of Cementos Portland Valderrivas and of Realía. Therefore, the Company's Board of Directors approved, at the proposal of the Appointments and Remuneration Committee, the change in category from Executive to Proprietary Director.

Indicate any departures, either by resignation or through an agreement reached by the general meeting, that have occurred on the Board of Directors during the reporting period:

Name or company name of the Director	Category of the director at the time of departure	Last appointment date	Date of cessation	Special committees of which he/she was a member	Indicate whether the departure occurred before the end of the term.
Henri Proglío	Independent	08-05-2019	14-06-2023	Audit and Control Committee	No
Alfonso Salem Slim	Proprietary	02-06-2020	14-06-2023	-	Yes
Samede Inversiones 2010, S.L.	Proprietary	08-05-2019	14-06-2023	-	No
Inmobiliaria AEG, S.A. de C.V.	Proprietary	08-05-2019	14-06-2023	-	No

Dominum Dirección y Gestión, S.A.U.	Proprietary	08-05-2019	14-06-2023	-	No
<b>Cause of departure, if before the end of the term of office and other remarks; information on whether the director has sent a letter to the other members of the board and, regarding departures of non-executive directors, an explanation or the opinion of the director who has been dismissed by the general meeting</b>					
<p>Alfonso Salem Slim, who resigned as a member of the Board during its session held on 14/06/2023, in compliance with Art. 19, Section 5, of the Regulations of the Board of Directors of Fomento de Construcciones y Contratas, S.A., sent his resignation letter to all Directors, in which he explained that it was due to personal reasons.</p> <p>Henri Proglio was not re-elected in 2023 as a member of the Board of Directors of the FCC Group.</p> <p>Moreover, the legal entities Samede Inversiones 2010, S.L., Inmobiliaria AEG, S.A. of C.V. and Dominum Dirección y Gestión, S.A.U. were not proposed for re-election during the financial year 2023 members of the Company's Board of Directors, in accordance with the provisions of article 529 bis of the Spanish Corporate Enterprises Act, amended by Law 5/2021, which establishes that listed companies must be managed by a Board of Directors that is solely made up of individuals. In this regard sense, the proposals for the appointment of those who until that moment had been its representatives on the Board as individuals were submitted for approval by the Board, that is, Esther Koplowitz Romero de Juseu, Carlos Slim Helú and Carmen Alcocer Koplowitz.</p>					

C.1.3 Fill in the following tables on the Board members and their different categories:

**EXECUTIVE DIRECTORS**

<b>Name or company name of the Director</b>	<b>Position in company's organisation chart</b>	<b>Profile</b>
Pablo Colio Abril	Chief executive officer of FCC	<p>Architect, graduating from the Higher Technical School of Madrid. He has spent most of his professional career at FCC, a company to which he has dedicated more than 26 years.</p> <p>Within the Group, he has been responsible for the international expansion of the industrial division. Among the positions he has held in the company are managing director of FCC Construction and managing director of FCC Industrial.</p> <p>He is the Chief Executive Officer of FCC Group y and member of its Executive Committee, duties he shares with those of Chairman of FCC Construction, Chairman of FCC Environment, Vice-Chairman of FCC Environmental Services Holding, S.A., and a Director of Cementos Portland Valderrivas, S.A. He is also a Director of the Mexican company Carso Infraestructuras y Construcción (CICSA).</p>



<b>Total number of executive directors</b>	1
<b>% of the total Board</b>	9.09

<b>Observations</b>
On 22 February 2023, Director Gerardo Kuri resigned as the CEO of Cementos Portland Valderrivas and of Realia. Therefore, the Company's Board of Directors approved, at the proposal of the Appointments and Remuneration Committee, the change in category from Executive to Proprietary Director.

### **EXTERNAL PROPRIETARY DIRECTORS**

<b>Name or company name of the Director</b>	<b>Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment</b>	<b>Profile</b>
Esther Alcocer Koplowitz (natural person, acting on behalf of Dominum Desga, S.A.)	Esther Koplowitz Romero de Juseu	<p>Degree in Law, she has completed the Senior Business Management Program (PADE) at the IESE in Madrid.</p> <p>Since January 2013, she has been the president of the FCC Group, a natural person representative of the company Dominum Desga, S.A., and a member of the board, the executive committee and the appointments and remuneration committee of the FCC Group.</p> <p>She is also a director of Cementos Portland Valderrivas, on behalf of EAC Medio Ambiente, S.L., and on the board of directors of Realia.</p> <p>She is a member of the board of trustees of the Princess of Asturias Foundation, a member of the plenary of the Spanish Chamber of Commerce and a member of the executive committee of the IESE Alumni Association (Madrid).</p> <p>She has gathered experience internationally as a director of FCC Environment, FCC's UK environmental services subsidiary, and of SmVaK Ostrava a.s. (end-to-end water cycle, Czech Republic), and as a member of the supervisory board of A.S.A. Abfall Service AG (infrastructure, Central and Eastern Europe).</p> <p>Esther Alcocer Koplowitz holds the following positions:</p> <p>She is joint attorney-in-fact on behalf of the following companies:</p> <p>Diseño Especializado en Organización de Recursos, S.L.</p> <p>Ordenamientos Ibéricos, S.A.</p>

Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
		<p>Dominum Desga, S.A.  Ejecución Organización de Recursos, S.L.  Samede Inversiones 2010, S.L.  Nueva Samede 2016, S.L.</p> <p>She is a joint administrator in the following entities:  EAC INVERSIONES CORPORATIVAS, S.L.  EAC MEDIO AMBIENTE, S.L.  MELIOTO, S.L.</p> <p>Esther Alcocer Koplowitz, Alicia Alcocer Koplowitz, Carmen Alcocer Koplowitz and Esther Koplowitz Romero de Juseu have a parent-child relationship.</p> <p>(See Section A.6 of this Report for a description of the relationships between the director and the significant shareholders).</p>
Esther Koplowitz Romero de Juseu		<p>Shareholder of FCC, S.A. through NUEVA SAMEDE 2016, S.L., she is a member of the Board of Directors of FCC, S.A. and the company's Deputy Chairwoman.</p> <p>She holds a degree in philosophy and arts from the University of Madrid; she has developed her business experience in the international field as a director of Veolia and Vivendi.</p> <p>She is founder and chairwoman of the Esther Koplowitz Foundation. Among other acknowledgements, she has been awarded with: the Grand Cross of Civil Merit, the Gold Medal of the Region of Madrid, the Gold Medal and the title of Academic of Honour of the Royal Academy of History, the distinction of Honorary Citizen by the Valencia City Council, the City of Barcelona Coat of Arms, the Business Leader of the Year award, granted by the Spanish Chamber of Commerce in the USA, the Blanquerna Prize of the Generalitat of Catalonia, Madrid Grand Cross of Healthcare, the Gold and Diamond Insignia of the Police Orphans Foundation, Légion d'Honneur of the French Republic and The Grand Cross of the Civil Order of Environmental Merit, awarded by the Spanish Council of Ministers.</p> <p>Esther Alcocer Koplowitz, Alicia Alcocer Koplowitz, Carmen Alcocer Koplowitz and Esther Koplowitz Romero de Juseu have a parent-child relationship.</p>

Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
		(See Section A.6 of this Report for a description of the relationships between the director and the significant shareholders).
Alejandro Aboumrad González	Control Empresarial de Capitales, S.A. de C.V.	<p>Industrial Engineer graduate from the University of Anáhuac (Mexico). He has worked in subsidiaries and companies related to Grupo Carso during the last 15 years, of which five years he worked at Grupo Financiero Inbursa in the area of Project Evaluation and Risk Assessment. He is member of the board of directors of Inmuebles Carso, S.A.B. of C.V. and Minera Frisco, S.A.B. of C.V., holding the post of General Manager with the latter. He is a director at Cementos Portland Valderrivas, S.A. on behalf of Inmobiliaria AEG, S.A. de C.V., and Chairman of the Board of Directors of FCC Aqualia, Chairman of FCC Servicios Medio Ambiente Holding, S.A. and Vice Chairman of the Board of FCC and Chairman of its Executive Committee.</p> <p>(See Section A.6 of this Report for a description of the relationships between the director and the significant shareholders).</p>
Carmen Alcocer Koplowitz	Control Empresarial de Capitales, S.A. de C.V.	<p>Graduate in Law from the Francisco de Vitoria University of Madrid. She is a Director of FCC, S.A. on behalf of Dominum Dirección y Gestión S.A.U. She is present on the Board of Directors of Cementos Portland Valderrivas, S.A., on behalf of Meliloto, S.L.</p> <p>Esther Alcocer Koplowitz, Alicia Alcocer Koplowitz, Carmen Alcocer Koplowitz and Esther Koplowitz Romero de Juseu have a parent-child relationship.</p> <p>(See Section A.6 of this Report for a description of the relationships between the director and the significant shareholders).</p>
Alicia Alcocer Koplowitz	Esther Koplowitz Romero de Juseu	<p>A Law graduate, she started her professional career at Banco Zaragozano, now La Caixa, where she worked for four years in the Finance Department, at the bank's treasury desk and served as a Director.</p> <p>She was a member of the innovation committee, under the Secretary of State for Science, Technology, and Innovation (CDTI).</p> <p>She is currently a director of FCC and a member of its executive committee in a personal capacity. From 1999 to 2021, she was a member of the board of directors of FCC through EAC Inversiones Corporativas, S.L.</p>

Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
		<p>She is president of Cementos Portland Valderrivas, S.A. and a member of its executive committee and its appointments and remuneration committee, through EAC Inversiones Corporativas S.L.</p> <p>She sits on the board of Clínica Cemtro, and is also board member of the Esther Koplowitz Foundation, of the Hispanic-Jewish Foundation and used to be board member of the Valderrivas Foundation.</p> <p>At present, she is a member of the Realia board, the executive committee and the appointments and remuneration committee. She is also a director of Air Nob.</p> <p>On 2 May 2022, she was awarded the "Encomienda de la Orden del Dos de Mayo" (Commandery of the Order of Dos de Mayo)</p> <p>Esther Alcocer Koplowitz, Alicia Alcocer Koplowitz, Carmen Alcocer Koplowitz and Esther Koplowitz Romero de Juseu have a parent-child relationship.</p> <p>(See Section A.6 of this Report for a description of the relationships between the director and the significant shareholders).</p>
Carlos Slim Helú	Control Empresarial de Capitales, S.A. de C.V.	<p>Civil Engineer from the National Autonomous University of Mexico (UNAM). Founder of Grupo Carso, S.A.B. de C.V., América Móvil, Grupo Financiero Inbursa, and Inversora bursátil. He is the owner of Teléfonos de México (Telmex).</p> <p>He has been Vice Chairman of the Mexican Stock Exchange and Chairman of the Mexican Association of Brokerage Houses.</p> <p>He was the first Chairman of the Latin American Committee of the New York Stock Exchange Board of Directors.</p> <p>He is currently Chairman of the Board of Directors of Carso Infraestructuras y Construcción (CICSA), Minera Frisco and Chairman of Fundación Carlos Slim de la Educación, A.C. and Fundación Telmex, A.C. In addition, he is a member of the Board of Directors of Inmuebles Carso and IDEAL.</p> <p>(See Section A.6 of this Report for a description of the relationships between the director and the significant shareholders).</p>
Juan Rodriguez Torres	Control Empresarial de Capitales, S.A. de C.V.	<p>He is a civil engineer from the National Autonomous University of Mexico (UNAM), a master of Mathematics, stage in France at Beton Precontraint,</p>

Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
		<p>he has a master's degree in engineering, planning and operations research from UNAM and has completed the AD-2 senior management programme at the Pan-American Institute of Senior Management (IPADE Business School).</p> <p>He has been Production Manager and Controller at Preesforzados Mexicanos, S.A. de ICA, and Managing Director of Domit Group, in the footwear sector. He has been a founder and Director of several footwear companies. He is a Director of Minera Frisco, S.A.B. de C.V. and the Chairman of its Audit Committee. He is also a Director of Grupo Sanborns, S.A.B. de C.V., a Director of Elementia Materiales, S.A.P.I. de C.V. and member of its Audit Committee, a Director of Fortaleza Materiales, S.A.P.I de C.V. and Chairman of its Audit Committee and a Director of CICSA, Chairman of the Board of Directors of Red Nacional Última Milla S.A.P.I. de C.V. and Red Última Milla del Noroeste, S.A.P.I de C.V., an advisory Board member of Grupo Financiero Banamex, and Chairman of the Board and member of the Audit Committee of Operadora de Sites Mexicanos, S.A.B. de C.V. He is a Proprietary Director of Fomento de Construcciones y Contratas, S.A., as proposed by CEC, and a member of its Audit And Control and Appointments and Remuneration Committee, as well as a Director of Cementos Portland Valderrivas, S.A. and a member of its Executive, Audit and Control and Appointments and Remuneration Committee.</p>
Gerardo Kuri Kaufmann	Control Empresarial de Capitales, S.A. de C.V.	<p>He holds a degree in industrial engineering from Anáhuac University (Huixquilucan, Mexico) and has extensive experience in the real estate sector, where he has held and currently holds positions of the highest relevance. He has worked as Purchasing Director for Carso Infraestructura y Construcción, S.A. de C.V. and is currently one of the members of its Board of Directors. He was the Managing Director of Inmuebles Carso, S.A. de C.V. from its establishment in 2010 and until 2015, and is currently a member of its Board of Directors, as well as that of all its subsidiary companies. He is also member of the Board of Directors of Grupo IDESA, S.A. de C.V., member of the Board of Directors of Elementia Materiales, S.A.P.I. de C.V., Acting Chairman of the Board of Directors of Fortaleza Materiales, S.A.P.I. de C.V. He is a Director and member of the Executive Committee of Operadora de Sites Mexicanos, S.A.B. de C.V. and its subsidiary companies, he is also</p>

Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
		a Director and Managing Director of Minera Frisco, S.A.B. de C.V. In Spain, he is a member of the board of directors of Fomento de Construcciones y Contratas, SA, and of its executive committee. Moreover, he is a member of the Board of Directors of Cementos Portland Valderrivas, S.A., where he is also a member of its Executive, Audit and Control, and Appointments and Remuneration Committee.

<b>Total number of proprietary directors</b>	8
<b>% of the total Board</b>	72.72
<b>Observations</b>	
<p>On 22 February 2023, Director Gerardo Kuri resigned as the CEO of Cementos Portland Valderrivas and of Realia. Therefore, the Company's Board of Directors approved, at the proposal of the Appointments and Remuneration Committee, the change in category from Executive to Proprietary Director.</p> <p>Alfonso Salem Slim, who resigned as a member of the Board during its session held on 14/06/2023, in compliance with Art. 19, Section 5, of the Regulations of the Board of Directors of Fomento de Construcciones y Contratas, S.A., sent his resignation letter to all Directors, in which he explained that it was due to personal reasons.</p>	

#### **EXTERNAL INDEPENDENT DIRECTORS**

Name or company name of the Director	Profile
Manuel Gil Madrigal	He holds a degree in Law and Business Sciences (E-3) by ICADE and is a founding partner of the company Tasmania Gestión. In 2000 he was also founder of the financial company N+1 and has been a board member of Ezentis, Funespaña, General de Alquiler de Maquinaria (GAM) and Campofrío, among other companies. During his career he has also been Director of Capital Markets for AB Asesores Bursátiles, partner of Morgan Stanley and auditor of Arthur Andersen.
Álvaro Vázquez de Lapuerta	He holds a degree in law and business studies (E-3) from ICADE and is currently a partner of the firms Lira Capital and Meridia Partners. As Deputy Managing Director of BBVA, he was responsible for the Client Treasury, Capital Markets, and Investment Banking areas, as well as Investor Relations at BBVA and was Chief Executive officer of the securities firm BBVA Bolsa. Previously, at JP Morgan in Madrid, London, New York and Mexico, he was responsible, among other areas, for Investment Banking and Capital Markets for Latin America, as well as for Equities for Europe. He is also a director of Cementos Portland Valderrivas.

<b>Total number of independent directors</b>	2
<b>% total of the Board</b>	18.18

<b>Observations</b>
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Indicate whether any director qualified as independent receives any amounts or benefits for any concept other than director remuneration from the company or its group, or maintains or has maintained, during the last tax year, a business relationship with the company or with any company in its group, either in its own name or as a significant shareholder, director or senior manager of an entity with which he/she maintains or has maintained this relationship.

None

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

<b>Name or company name of the Director</b>	<b>Description of the relationship</b>	<b>Reasoned statement</b>

**OTHER EXTERNAL DIRECTORS**

The other external directors shall be identified and the reasons they cannot be considered proprietary or independent and their relationships, whether with the Company, its directors, or its shareholders, shall be detailed:

<b>Name or company name of the Director</b>	<b>Reasons</b>	<b>Company, executive or shareholder with whom he/she maintains a relationship</b>	<b>Profile</b>

<b>Total number of other external directors</b>	
<b>% total of the Board</b>	

<b>Observations</b>

Indicate any changes that have occurred during the period in each director's category:

Name or company name of the Director	Change date	Previous category	Category category
-	-	-	-

Observations
-

C.1.4\_\_Fill in the following table with information regarding the number of female directors at the end of the past 4 years, as well as the category of these female directors:

	Number of female directors				% of total directors for each category			
	2023	2022	2021	2020	2023	2022	2021	2020
<b>Executive</b>	0	0	0	0	0	0	0	0
<b>Proprietary</b>	4	4	4	4	50	44.44	44.44	44.44
<b>Independent</b>	0	0	0	0	0	0	0	0
<b>Other External</b>	0	0	0	0	0	0	0	0
<b>Total:</b>	4	4	4	4	36.36	30.77	28.57	28.57

Observations
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C.1.5\_\_Indicate whether the company has diversity policies in place in relation to the company's Board of Directors in terms of issues including age, gender, disability, or professional training and experience. SMEs, pursuant to the definition contained in the Account Audit Law, shall report, as a minimum, the policy established in relation to gender diversity.

Yes  No  Partial policies



If so, describe these diversity policies, their objectives, the measures and the way in which they were applied and their results over the year. The specific measures adopted by the Board of Directors and the Appointments and Remuneration Committee to achieve a balanced and diverse presence of directors shall also be indicated.

In case the company has no diversity policy in place, explain the reasons for this.

<b>Description of the policies, objectives, measures and manner in which they have been applied, as well as the results obtained</b>
<p>Article 38.4.j of the Regulations of the Board establishes, in accordance with the duties of the Appointments and Remuneration Committee, the following: "Assisting the Board in its role of ensuring that the procedures for selecting its members favour diversity with respect to matters such as gender, experience and knowledge and do not suffer from implicit biases that could imply any form of discrimination".</p> <p>In 2023, FCC renewed its commitment to the Diversity Charter until 2025. This initiative, promoted by the European Commission, is a commitment to uphold the principles of equal opportunities, diversity, and inclusion at the workplace. It also involves developing policies to help fight against discrimination and implementing inclusion policies and non-discrimination programmes in companies that have signed the charter. During the year, the Board of Directors approved the Equal Opportunities - regarding Opportunities and Safe Environments -, Diversity and Inclusion Policy of the FCC Group, and continues working through the different Equal Opportunities Plans rolled out across the company. In addition to implementing FCC's tool, <i>You_diversity</i>, which has received several awards as a best practice to drive cultural transformation and internal communication in areas related to diversity and inclusion, it has also rolled out several training actions, awareness-raising campaigns and other initiatives to promote equal opportunities and diversity across the company and throughout the value chain, as well as against any form of discrimination.</p> <p>In addition to the above, on 28 November 2023, the Company's Board of Directors approved the Equal Opportunities - Opportunities and Safe Environments -, Diversity and Inclusion Policy (the "Equal Opportunities Policy"), which is included in the principles of the Code of Ethics and Conduct and is in line with the Human Rights Policy, the Sustainability Policy, the principles of the United Nations Global Compact and the 2030 Agenda for Sustainable Development.</p> <p>This policy strengthens the Group's current commitments and actions, while setting the example for best practices in terms of equality, diversity and inclusion in the market for our stakeholders and people, thereby fostering a positive and enriching business culture that helps everyone to identify with the company's values and which will make them feel proud for being a part of the company.</p>

C.1.6 \_\_ Explain the measures that, where appropriate, the Appointments Committee may have agreed to ensure the selection procedures do not suffer from implicit biases that prevent the selection of female directors, and to ensure the company deliberately seeks and includes among the potential candidates, women who meet the professional profile sought and make it possible to achieve a balanced presence of women and men. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

<b>Explanation of the measures</b>
<p>Article 38.4.j of the Regulations of the Board establishes the following, in accordance with the duties of the Appointments and Remuneration Committee: "Assist the Board in its role of ensuring that the selection procedures of its members favour diversity of gender, experience and knowledge and do not suffer from implicit biases that may imply any discrimination and, in particular, that facilitate the selection</p>

### Explanation of the measures

of female Directors, so that the Company deliberately seeks and includes among the potential candidates, women who meet the intended professional profile, with the Board having to explain, where applicable, through the Annual Corporate Governance Report, the reason for the scant or non-existent number of female Directors and the initiatives taken to correct this situation. For this purpose, it should set a target for representation of the under-represented sex on the board and develop guidance on how to achieve this target".

The Company has been making a special effort to search for candidates who meet the requirements for becoming a new member of the Board in recent years, which has led to a progressive increase in the number of female Directors over the total Board members, from 28.57% in 2020 to 36.4% on 31 December 2023, in line with the goal of balancing the number of men and women on the Board, and as established for the eleven members of the Board in the Annex to Directive (EU) 2022/2381, of 23 November 2022, regarding the need to ensure a proper balance of men and women Directors in listed companies.

Likewise, the Company's Board of Directors approved on 28 November 2023 the Equal Opportunities - Opportunities and Safe Environments -, Diversity and Inclusion Policy (the "Equal Opportunities Policy"), which is in line with FCC's commitment to strengthen the values of equal opportunities, diversity and inclusion across the organisation and in all of the Group's activities and business areas, serving as a lever in the effort to achieve authentic and real equal opportunities and to create safe environments, in which there is no place for any form of direct or indirect discrimination.

The following lines of action are the result of the above objectives, among others:

- **Selection and recruitment:** ensuring transparent and objective selection processes, free of bias, guaranteeing equal opportunities and non-discrimination to ensure the inclusion of people, especially those included in the most disadvantaged groups;
- **Inclusive leadership:** this policy must be disseminated and developed across all levels, fostering the creation of work environments in which people feel comfortable and that they participate in the company's projects through an organisational structure in which team supervisors set the example and act as the driving force behind ensuring diversity, equal opportunities and inclusion at the workplace; and
- **Positive actions:** likewise, the implementation of positive actions for people in specially protected groups in terms of diversity will also be ensured, such as those related to gender, functional, sexual, social and/or cultural diversity.

Moreover, the Group participates in specific training for female employees with a view to obtaining the necessary qualifications to qualify for positions of responsibility in the company's management. These include programmes such as: "Promociona" or "Progresa" of the CEOE or within the Escuela de Organización Industrial (EOI). Likewise, the different Equality Plans establish measures to promote the presence of women in positions where women are under-represented, under equal conditions and professional competencies.

When, despite the measures adopted, as applicable, the number of female directors or senior executives is low or zero, explain the reasons that justify this:

### Explanation of the reasons

In the 2023 business year, no vacancy has been filled in any senior management position in the FCC Group, which is why it has not been feasible to hire or appoint any senior executives.

Regarding the number of women Directors, the percentage of members of the Board has increased from 30.77% to 36.36%, according to the goal of having the same number of men and women on the Board for the 11 Directors established in the Annex to Directive (EU) 2022/2381, of 23 November 2022, with regard to achieving a well-balanced representation of men and women on the Board of Directors of listed companies.

C.1.7 Explain the conclusions of the nomination committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

FCC's Board of Directors agreed to delegate all delegable powers of the Board to Pablo Colio Abril in its meeting held on 14 June 2022, appointing him CEO of FCC and member of its Executive Committee, for his good performance during the previous term of office.

At the Ordinary General Shareholders' Meeting held on 14 June 2023, Esther Koplowitz Romero de Juseu, Carlos Slim Helú and Carmen Alcocer Koplowitz were appointed as Proprietary Directors, Alejandro Aboumrád González and Gerardo Kuri Kaufmann were re-elected as Proprietary Directors, and Manuel Gil Madrigal and Álvaro Vázquez de Lapuerta as Independent Directors.

In particular, the corresponding reports and proposals prepared by the Board and the Appointments and Remuneration Committee in relation to these appointments and re-elections confirm that the starting point was an analysis of the Board's needs, aimed at promoting diversity in a broad sense, both in terms of gender and also experience, knowledge, age or seniority as Directors, among other aspects, as an essential factor to achieve their objectives with a plural and well-balanced approach. After assessing the results of the corresponding analyses, the Board of Directors and the Appointments and Remuneration Committee considered that the presence of such members on the Board would help drive a culture of diversity and balance, which was already present in the current Board, while benefitting from the knowledge and experience of such members in areas that may be beneficial to Society as a whole.

Of the eleven Board members, one is an Executive Director, eight are Proprietary Directors and two are Independent Directors. Moreover, four of the members of the Board are women, according to the goal of having the same number of men and women on the Board for the 11 Directors, and as established in the Annex to Directive (EU) 2022/2381, of 23 November 2022, with regard to achieving a well-balanced representation of men and women on the Board of Directors of listed companies. The Non-executive Chairwoman of the board is Esther Alcocer Koplowitz.

In light of the above, the Company's Appointments and Remuneration Committee considers that, during the financial year 2023, FCC has met the diversity criteria for selection procedures and the conditions that candidates must meet in terms of good reputation, solvency, competence, experience, training, qualification, dedication and commitment to the role of Director provided for both in FCC's internal regulations and in the Law.

C.1.8\_\_If applicable, explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than a 3% equity interest:

Name or company name of shareholder	Reason
-	-

Indicate whether formal requests for presence on the Board from shareholders whose shareholding is equal to or greater than that of others, at whose request proprietary directors have been appointed, have not been met. If applicable, explain the reasons that they have not been addressed:

Yes  No

Name or company name of shareholder	Explanation

C.1.9\_\_Indicate the powers, if any, delegated by the Board of Directors, including those relating to the option of issuing or re-purchasing shares, to Directors or Committees of the Board of Directors:

Name or company name of the Director or committee	Brief description
Pablo Colio Abril	All except those that are non-delegable
Executive Committee	All except those that are non-delegable

C.1.10\_Identify, as the case may be, the members of the Board that assume the positions of administrators, representatives of administrators or directors at other companies that are part of the listed Company's group:

Name or company name of the Director	Company name of the Group entity	Position	Entrusted with executive functions?
Alicia Alcocer Koplowitz	Cementos Portland Valderrivas S.A.	Chairwoman (acting on behalf of EAC inversiones Corporativas, S.L.)	No
	Realia Business, S.A.	Director	No
Gerardo Kuri Kaufmann	Cementos Portland Valderrivas, S.A.	Non-executive Vice President	No
	Realia Business, S.A.	Non-executive Vice President	No
	FCyC, S.A.	Chairman	No
	FCC Servicios Medio Ambiente Holding, S.A.	Director	No
Juan Rodríguez Torres	Realia Business, S.A.	Non-executive chairman	No
	FCC Aqualia, S.A.	Director	No
	Cementos Portland Valderrivas, S.A.	Director	No
Álvaro Vázquez de Lapuerta	Cementos Portland Valderrivas, S.A.	Director	No
Alejandro Aboumrads González	Cementos Portland Valderrivas, S.A.	Representative of the director Inmobiliaria AEG, S.A. de C.V.	No

<b>Name or company name of the Director</b>	<b>Company name of the Group entity</b>	<b>Position</b>	<b>Entrusted with executive functions?</b>
	FCC Aqualia, S.A.	Chairman	No
	FCC Servicios Medio Ambiente Holding, S.A.	Chairman	Yes
Pablo Colio Abril	FCC Construcción, S.A.	Chairman	Yes
	FCC Environment (UK) Limited	Administrator	No
	FCC Medio Ambiente Reino Unido, S.L.U	Vice Chairman	No
	FCC Medio Ambiente, S.A.U.	Chairman	No
	FCC Servicios Medio Ambiente Holding, S.A.	Vice Chairman	No
	FCC Aqualia, S.A.	Director	No
	Cementos Portland Valderrivas, S.A	Director	No
	FCC Austria Abfall Service AG	Chairman	No
Esther Alcocer Koplowitz	Realia Business, S.A.	Director	No
	Cementos Portland Valderrivas, S.A.	Director	No
Carmen Alcocer Koplowitz	Cementos Portland Valderrivas, S.A.	Director	No

<b>Observations</b>

C.1.11\_List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

<b>Name or company name of the Director</b>	<b>Corporate name of the entity, whether listed or not</b>	<b>Position</b>	<b>Observations</b>
Manuel Gil Madrigal	Barón de Ley, S.A.	Director	Remunerated
	Tasmania Gestión, S.L.	Joint director	
	Tasmania Inmuebles, S.L.	Chairman-chief executive officer	Remunerated
Pablo Colio Abril	Carso Infraestructura y Construcción S.A.B. de C.V. (CISCA)	Director	Remunerated
	Cafig Constructores S.A. de C.V.	Director	
	Constructora Terminal Valle de Mexico S.A. de C.V.	Director	
	Servicios Terminal Valle de Mexico, S.A.	Director	
	Servicios CTVM S.A. de C.V.	Director	
	Finver Inversiones 2020, S.L.	Director	
	Soimob Inmobiliaria Española	Director	
	Dominum Dirección y Gestión S.A.	Director	
Esther Koplowitz Romero de Juseu	Diseño Especializado en Organización de Recursos, S.L.	Sole administrator	
	Ordenamientos Ibéricos, S.A.	Sole administrator	
	Dominum Desga S.A.	Sole administrator	
	Ejecución Organización de Recursos, S.L.	Sole administrator	
	Samede Inversiones 2010, S.L.	Sole administrator	
	Nueva Samede 2016, S.L.	Sole administrator	
	Esther Koplowitz Foundation	Chairwoman	
Esther Alcocer Koplowitz	Soimob Inmobiliaria Española, S.A.	Director	

Name or company name of the Director	Corporate name of the entity, whether listed or not	Position	Observations
	EAC Inversiones Corporativas, S.L.	Joint director	
	EAC Medio Ambiente, S.L.	Joint director	
	Meliloto, S.L.	Joint director	
	Diseño Especializado en Organización de Recursos, S.L.	Joint Powers of Attorney	
	Ordenamientos Ibéricos, S.A.	Joint Powers of Attorney	
	Dominum Desga, S.A.	Joint Powers of Attorney	
	Ejecución Organización de Recursos, S.L.	Joint Powers of Attorney	
	Samede Inversiones 2010, S.L.	Joint Powers of Attorney	
	Nueva Samede 2016, S.L.	Joint Powers of Attorney	
Alicia Alcocer Koplowitz	Soimob Inmobiliaria Española, S.A.	Director	
	EAC Inversiones Corporativas, S.L.	Joint director	
	EAC Medio Ambiente S.L.	Joint director	
	Meliloto, S.L.	Joint director	
	Diseño Especializado en Organización de Recursos, S.L.	Joint Powers of Attorney	
	Ordenamientos Ibéricos, S.A.	Joint Powers of Attorney	
	Dominum Desga, S.A.	Joint Powers of Attorney	
	Ejecución Organización de Recursos, S.L.	Joint Powers of Attorney	
	Samede Inversiones 2010, S.L.	Joint Powers of Attorney	
	Nueva Samede 2016, S.L.	Joint Powers of Attorney	
Carmen Alcocer Koplowitz	EAC Inversiones Corporativas, S.L.	Joint director	
	EAC Medio Ambiente, S.L.	Joint director	
	Meliloto, S.L.	Joint director	

Name or company name of the Director	Corporate name of the entity, whether listed or not	Position	Observations
	Diseño Especializado en Organización de Recursos, S.L.	Joint Powers of Attorney	
	Ordenamientos Ibéricos, S.A.	Joint Powers of Attorney	
	Dominum Desga, S.A.	Joint Powers of Attorney	
	Ejecución Organización de Recursos, S.L.	Joint Powers of Attorney	
	Samede Inversiones 2010, S.L.	Joint Powers of Attorney	
	Nueva Samede 2016, S.L.	Joint Powers of Attorney	
Juan Rodríguez Torres	Elementia Materiales, S.A.P.I. de C.V.	Director	Remunerated
	Minera Frisco, S.A.B. de C.V.	Director	Remunerated
	Fortaleza Materiales, S.A.P.I. de C.V.	Director	Remunerated
	Operadora de Sites Mexicanos, S.A.B. de C.V.	Director	Remunerated
	Grupo Sanborns, S.A.B. de C.V.	Director	Remunerated
	Red Última Milla del Noroeste, S.A.P.I. de C.V.	Chairman	Remunerated
	Red Nacional Última Milla, S.A.P.I. de C.V.	Chairman	Remunerated
	Calzado Técnico S.A. de C.V.	Representative	Remunerated
	Calzado Rohcal S.A. de C.V.	Representative	Remunerated
	Calzado y Componentes S.A. de C.V.	Representative	Remunerated
	Inmobiliaria Inro S.A. de C.V.	Representative	Remunerated
	Inmobiliaria Calro S.A. de C.V.	Representative	Remunerated
Inmobiliaria Proii S.A. de C.V.	Representative	Remunerated	
Álvaro Vázquez de Lapuerta	Meridia Partners, S.L.	Partner	Remunerated
	Lira Capital, S.L	Partner	Remunerated



Name or company name of the Director	Corporate name of the entity, whether listed or not	Position	Observations
	Libra Fotovoltaica, S.L.	Shareholder and Director	
Gerardo Kuri Kaufmann	Elementia Materiales, S.A.P.I. de C.V.	Director	Remunerated
	Minera Frisco, S.A.B. de C.V.	Director	Remunerated
	Fortaleza Materiales, S.A.P.I. de C.V.	Director	Remunerated
	Inmuebles Carso, S.A. de C.V.	Director	Remunerated
	Carso Infraestructura y Construcción, S.A. de C.V.	Director	Remunerated
	Operadora de Sites Mexicanos, S.A.B. de C.V.	Director	Remunerated
	Grupo Idesa, S.A. de C.V.	Director	Remunerated

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or representative	Other paid activities
Álvaro Vázquez de Lapuerta	Aptimus Capital Partners (Spain) – Advisory Director

Observations

C.1.12\_ Indicate whether the company has established rules on the maximum number of company Boards on which its Directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

Yes  No

Explanation of the rules and identification of the document where this is regulated

C.1.13 Indicate the amounts of the following concepts relating to the global remuneration of the Board of Directors:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	2,845
Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	0
Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	0
Pension rights accumulated by former directors (thousands of euros)	0

<b>Observations</b>
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C.1.14 Identify members of senior management who are not executive directors, and indicate the total remuneration accrued in their favour during the business year:

Name or company name	Position(s)
Marcos Bada Gutiérrez	Managing Director of Internal Audit
Felipe B. García Pérez	General secretary
Miguel Ángel Martínez Parra	Managing Director of Administration and Finance
Félix Parra Mediavilla	Managing Director of Aqualia
Jaime Rocha Font	CEO of Cementos Portland Valderrivas.

Number of women in senior management 0	Position(s)
Percentage of total senior management 0%	-

<b>Total remuneration of senior management (thousands of euros)</b>	2,179.77
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<b>Observations</b>
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C.1.15\_Indicate whether there has been any change in the Board's Regulations during the business year:

YesX

No

Description of the changes
<p>The following agreements were approved by the Ordinary General Shareholders' Meeting held on 14 June 2023 following the approval of the appointment and re-election of Directors: (i) establish the number of members of the Company's Board of Directors within the minimum and maximum number determined in the Articles of Association, the number finally being twelve (12); and (ii) amend article 28.3 of the Articles of Association to eliminate the requirement that establishes that there must be three Independent Directors on the Board and that an external advisor must participate in the selection processes.</p> <p>In this context, following a proposal of the Audit and Control Committee submitted on 14 June 2023 to the Board of Directors, with the purpose of coordinating the Articles of Association and the agreements adopted by the General Shareholders' Meeting, the Board of Directors agreed to amend the following two articles of its Regulations:</p> <ul style="list-style-type: none"><li>- The wording of article 5 was amended, ignoring the specific number of members of the Board, so as to prevent the need to amend the Regulations of the Board of Directors, provided that a different number of members of the Board is agreed at the General Shareholders' Meeting.</li><li>- Sections 1 and 5 of item 6 were amended for the purposes of: (i) ensure that the Board "has the most suitable number of Independent Directors at any given time", so that it can be made up of the categories and number of Directors that is considered most appropriate at any given time for effective functioning of the Board of Directors; and (ii) give full freedom to the Company's Appointments and Remuneration Committee so that, it can establish the systems and procedures for selecting the Directors as needed and at any given time, in compliance with the best practices and recommendations of good corporate governance, with the advice of an external expert when this is required.</li></ul>

C.1.16\_Indicate the procedures for the selection, appointment, re-election and removal of directors. List the competent bodies, steps to follow and criteria applied in each procedure.

The General Shareholders' Meeting is responsible for the appointment and removal of directors. Directors may be re-elected indefinitely, one or more times, for maximum periods of four years (Article 30.3 of the By-laws).

Pursuant to Article 29.4 of the By-laws, in its proposals for the appointment, re-election, ratification or removal of directors submitted to the General Shareholders' Meeting and in the appointment decisions adopted by the Board in the use of its legally attributed powers of co-option, the Board of Directors shall follow the criteria and guidelines established in this regard in the Regulations of the Board of Directors.

Chapter IV of the Regulations of the Board on the "Appointment and Removal of Directors" regulate these cases:

Article 16. Appointment, ratification or re-election of directors. 1. Proposals for the appointment or re-election of directors submitted by the Board of Directors for consideration by the General Shareholders' Meeting and the appointment decisions adopted by the Board in the use of its legally attributed powers of co-option, shall fall on persons of recognised prestige, solvency, technical competence and experience, and shall be approved by the Board at the proposal of the Appointments and Remuneration Committee, in the case of independent directors, and after a report from the Appointments and Remuneration Committee, in the case of other directors.

2. All proposals shall be accompanied by a justifying report from the Board assessing the competence, experience and merits of the proposed candidate, which shall be attached to the minutes of the General Shareholders' Meeting or the Board meeting.

3. From the moment at which the announcement of the General Shareholders' Meeting is published, the Board of Directors shall publish, on its website, the following information on the persons proposed for the appointment or ratification as Directors:

- (i) professional and biographical profile;
- (ii) other Boards of Directors on which he/she sit, whether at listed companies or not, and the other paid activities they perform, regardless of their nature;
- (iii) indication of his/her director category, indicating, in the case of proprietary directors, the shareholder to whom they have been appointed, re-elected or ratified or with whom they are related;
- (iv) dates of first appointment as a Director of the Company and any subsequent re-elections;
- (v) shares of the Company and derivative financial instruments that have shares of the Company as their underlying, held either by the Director whose position is to be ratified or re-elected or by the candidate for the position of Director for the first time. This information shall be kept up to date; and
- (vi) the reports and proposals of the competent bodies in each case.

4. The Secretary of the Board of Directors shall provide each new Director with a copy of the By-laws, these Regulations, the Code of Ethics of the FCC Group, the Internal Regulations of Conduct in the Securities Market, the latest financial statements and management reports, both individual and consolidated, approved by the General Shareholders' Meeting, the audit reports corresponding thereto and the latest economic and financial information sent to the markets. They shall also be provided with the identification of the current account auditors and their representatives.

5. Each director shall sign a document confirming receipt of this documentation, that they are aware of its contents and that they faithfully fulfil their duties as a director.

6. The Company shall establish orientation programmes that provide new directors with fast and sufficient knowledge of the Company and its Group as well as the Corporate Governance rules, in addition to imparting knowledge refresher courses when the circumstances so require.

Article 17. Duration of the position

1. Directors shall serve in their post during the term established in the By-laws.

2. Directors appointed by co-option shall hold their position until the date on which the first General Shareholders' Meeting is held. Furthermore, if the vacancy arises once the General Shareholders' Meeting has been called and before it is held, the Board of Directors may appoint a director until the next General Shareholders' Meeting is held.

3. A director whose mandate is coming to an end or who, for any other reason, ceases to hold office, may not provide services at a competitor of FCC for a period of two (2) years.

4. The Board of Directors, if deemed appropriate, may dispense with this obligation or shorten its duration.

#### Article 18. Re-election of directors

In addition to satisfying the established requirements in terms of appointments established in Article 16 above, prior to any re-election of directors that is submitted to the General Shareholders' Meeting, the Appointments and Remuneration Committee must issue a report in which the quality of work and dedication to the position of the proposed directors during the previous term.

#### Article 19. Dismissal of Directors.

1. Directors shall step down from their posts when the period for which they were appointed comes to an end or when the General Shareholders' Meeting decides so in the use of its legally and statutorily conferred powers.

2. Directors shall make their position available to the Board of Directors and formalise, if the Board deems appropriate, their resignation in the following cases: a) When they step down from their positions, posts or functions to which their appointment as executive directors was associated. b) In the case of proprietary directors, when the shareholder at whose request they were appointed transfers their entire shareholding in FCC or reduces their shareholding to a level that requires the reduction of the number of proprietary directors. c) When they are affected by any of the cases of incompatibility or prohibition provided by Law. d) When approved by at least two thirds (2/3) of the members of the Board: - if, having infringed their obligations as directors, they are seriously reprimanded by the Board, at the proposal or subject to a report by the Appointments and Remuneration Committee, or - when their permanence on the Board may place the credit and reputation of the Company at risk.

3. In particular, Directors must inform the Board and, if appropriate, resign, when situations arise that affect them, whether or not related to their actions in the Company itself, that may damage the credit and reputation of the Company and, in particular, of any criminal proceedings in which they are under investigation, and also of the procedural developments thereof.

In any case, having been informed or otherwise having become aware of any of the situations mentioned in the preceding paragraph, the Board shall examine the case as soon as possible and, having regard to the specific circumstances, shall decide, after a report from the Appointments and Remuneration Committee, whether or not to take any action, such as opening an internal investigation, requesting the resignation of the Director or proposing his or her dismissal. This shall be reported in the Annual Corporate Governance Report, unless there are special circumstances that justify it, which shall be recorded in the minutes, without prejudice to the information that the Company must disclose, if appropriate, when the corresponding measures are adopted.

4. The Board of Directors may not propose the removal of any independent director before the end of the statutory period for which they were appointed, unless there is just cause, identified by the Board following in a report from the Appointments and Remuneration Committee. In particular, just cause shall be deemed to exist when the Director takes up new posts or incurs new obligations that prevent him/her from devoting the necessary time to the performance of the duties inherent to the post of Director, has failed to comply with the duties inherent to his/her post or has incurred in any of the circumstances described in article 6.2.a) of these Regulations that prevent his/her appointment as an independent Director. The removal of independent directors may also be proposed as a result of takeovers, mergers or similar corporate transactions that involve a change in the capital structure of the Company, when these changes in the structure of the Board are attributable to the proportionality of the number of proprietary directors and independent directors in relation to the capital represented by the proprietary directors and the remainder of the share capital.

5. When, either by resignation or by resolution of the General Meeting, a Director leaves office before the end of his term of office, he shall sufficiently explain the reasons for his resignation or, in the case of non-executive Directors, his views on the reasons for the removal by the General Meeting, in a letter to be sent to all members of the Board. In addition, and notwithstanding the disclosure in the Annual Corporate Governance Report, to the extent relevant for investors, the Company shall publish the resignation as soon as possible, including sufficient reference to the reasons or circumstances provided by the Director. In particular, should a director's resignation be due to the adoption by the Board of significant or reiterated decisions about which the director has expressed serious reservations and as a result chooses to resign, the letter of resignation addressed to the other members shall expressly state this circumstance.

C.1.17 Explain the extent to which the annual assessment of the Board has resulted in significant changes to your internal organisation and the procedures applicable to your activities:

<b>Description modifications</b>
In 2023, no shortcomings have been detected that make an action plan necessary.

Describe the assessment process and the areas assessed by the Board of Directors assisted, where appropriate, by an external consultant, regarding the functioning and composition of the Board and its committees and any other area or aspect that has been subject to assessment.

The Board of Directors of Fomento de Construcciones y Contratas, SA, issued a Report in which it assessed its composition and its quality and efficiency, as well as that of its Committees, during financial year 2023, in order to, for this purpose, comply with the duty imposed by article 34.9 of the Regulations of the Company's Board of Directors, through which recommendation 36 of the Code of Good Governance of Listed Companies approved by the National Securities Market Commission on 18 February 2015 (reviewed in June 2020), and article 529 nonies of the Corporate Enterprises Act is incorporated.

The report was examined and approved by the Company's Board of Directors, which in accordance with the aforementioned Article 34.9 of the Regulations of the Board, is the body responsible for assessing the quality and efficiency of its own functioning, at its meeting on 23 January 2024. In preparing the report, all the members of the Board of Directors were involved and actively participated, taking into consideration the comments, assessments, opinions and suggestions expressed as part of this process by all of them.

For the 2023 report, the self-assessment process was performed assessing the different aspects that affect the composition, functioning, efficiency and quality of the actions taken and decisions made by the Board of Directors, as well as the contribution of its members to the exercise of the duties and achievement of the aims assigned to the Board.

Likewise, consideration has been given to the adherence and compliance by the Board of Directors and its members to the precepts of the law, the By-laws, the Regulations of the Board of Directors and, in general, to the rules of good corporate governance of listed companies.

C.1.18\_Breakdown, for business years in which the assessment has been aided by an external consultant, of the business relationships that the consultant or any company in its Group maintains with the Company or any company in its Group.

The information and advice of the internal services of the Company has been provided, without such advice being received from external consultants.

C.1.19\_Indicate the cases in which directors are required to resign.

Consolidated text of the Regulations of the Board of Directors after the approval of the amendments at the meeting of the Board of Directors held on 14 June 2023 and registered in the Register of Companies of Barcelona in July 2023.

#### Article 19. Dismissal of Directors

1. Directors shall step down from their posts when the period for which they were appointed comes to an end or when the General Shareholders' Meeting decides so in the use of its legally and statutorily conferred powers.
2. Directors shall make their position available to the Board of Directors and formalise, if the Board deems appropriate, their resignation in the following cases:
  - a) When they step down from their positions, posts or functions to which their appointment as executive directors was associated.
  - b) In the case of proprietary directors, when the shareholder at whose request they were appointed transfers their entire shareholding in FCC or reduces their shareholding to a level that requires the reduction of the number of proprietary directors.
  - c) When they are affected by any of the cases of incompatibility or prohibition provided by Law.
  - d) When approved by at least two thirds (2/3) of the members of the Board: - if, having infringed their obligations as directors, they are seriously reprimanded by the Board, at the proposal or subject to a report by the Appointments and Remuneration Committee, or - when their permanence on the Board may place the credit and reputation of the Company at risk.
3. In particular, Directors must inform the Board and, if appropriate, resign, when situations arise that affect them, whether or not related to their actions in the Company itself, that may damage the credit and reputation of the Company and, in particular, of any criminal proceedings in which they are under investigation, and also of the procedural developments thereof.

In any case, having been informed or otherwise having become aware of any of the situations mentioned in the preceding paragraph, the Board shall examine the case as soon as possible and, having regard to the specific circumstances, shall decide, after a report from the Appointments and Remuneration Committee, whether or not to take any action, such as opening an internal investigation, requesting the resignation of the Director or proposing his or her dismissal. This shall be reported in the Annual Corporate Governance Report, unless there are special circumstances that justify it, which shall be recorded in the minutes, without prejudice to the information that the Company must disclose, if appropriate, when the corresponding measures are adopted.

4. The Board of Directors may not propose the removal of any independent director before the end of the statutory period for which they were appointed, unless there is just cause, identified by the Board following in a report from the Appointments and Remuneration Committee. In particular, just cause shall be deemed to exist when the Director takes up new posts or incurs new obligations that prevent him/her from devoting the necessary time to the performance of the duties inherent to the post of Director, has failed to comply with the duties inherent to his/her post or has incurred in any of the circumstances described in article 6.2.a) of these

Regulations that prevent his/her appointment as an independent Director. The removal of independent directors may also be proposed as a result of takeovers, mergers or similar corporate transactions that involve a change in the capital structure of the Company, when these changes in the structure of the Board are attributable to the proportionality of the number of proprietary directors and independent directors in relation to the capital represented by the proprietary directors and the remainder of the share capital.

5. When, either by resignation or by resolution of the General Meeting, a Director leaves office before the end of his term of office, he shall sufficiently explain the reasons for his resignation or, in the case of non-executive Directors, his views on the reasons for the removal by the General Meeting, in a letter to be sent to all members of the Board. In addition, and notwithstanding the disclosure in the Annual Corporate Governance Report, to the extent relevant for investors, the Company shall publish the resignation as soon as possible, including sufficient reference to the reasons or circumstances provided by the Director. In particular, should a director's resignation be due to the adoption by the Board of significant or reiterated decisions about which the director has expressed serious reservations and as a result chooses to resign, the letter of resignation addressed to the other members shall expressly state this circumstance.

C.1.20 Are super majorities, other than those provided for by law, required for any type of decision?

Yes  No

If applicable, describe the differences.

<b>Description of differences</b>
Articles 4.6 and 34.10 of the Regulations of the Board of Directors establish that amendments to the aforementioned Regulations must be agreed by the favourable vote of an absolute majority of all Board members.
Article 26.4 of the Regulations of the Board of Directors, regarding the powers of information and inspection of directors, establishes that the information they have requested may not be denied in any case when the request has been supported by an absolute majority of the members of the Board.
Article 27.3 of the Regulations of the Board of Directors, on advice from external experts, provides that any request for expert assistance made by any of the Committees of the Board of Directors may only be denied when the majority of the Board considers that the circumstances set forth in Article 27.2 are not met.
Finally, article 19.2.d) states that directors must submit their resignation to the Board of Directors and, if the Board deems it appropriate, tender their resignation if they are seriously reprimanded by the Board for having breached their duties as directors, upon a proposal or report from the Appointments and Remuneration Committee, or when their remaining on the Board may jeopardise the credit and reputation of the Company, when the Board itself so requests by a majority of at least two-thirds of its members.



C.1.21\_ Explain whether there are specific requirements, other than those applicable to all directors, to be appointed as Chairman of the Board of Directors.

Yes  No

Description of the requirements
Article 30.1 of the Regulations of the Board of Directors requires that the Chairman be elected by the Board of Directors from one of its non-executive members.

C.1.22\_ Indicate whether the by-laws or board regulations establish a limit on the age of directors:

Yes  No

	Age limit
Chairman	
Chief Executive Officer	
Director	

Observations

C.1.23\_ Indicate whether the by-laws or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

Yes  No

Additional requirements and/or maximum number of mandates.	
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C.1.24 Indicate whether the By-laws or Regulations of the Board of Directors establish specific rules for the delegation of the votes of directors to other directors, the applicable procedure and, in particular, the maximum number of delegations that may be made to the same director, as well as if any limits have been established on the categories to which it is possible to delegate, beyond the limits imposed by the legislation. As applicable, describe these rules briefly.

Articles 21.2.b) and 34.8 of the Regulations of the Board of Directors provide that when there is to be an absence, the director must grant a proxy with instructions. The Chairman shall decide, in case of doubt, on the validity of proxies granted by Directors who do not attend the meeting. In any case, non-executive directors may only be represented by another non-executive Director.

There are no formal processes for proxy voting in the Board of Directors beyond those described above and no limitations as to the categories in which proxies can be granted in addition to the legal ones.

C.1.25\_Indicate the number of meetings held by the Board of Directors during the year. Furthermore, indicate, where appropriate, the times that the Board has met without the presence of the Chairman. In this calculation, proxies granted with specific instructions shall be considered as attendance.

<b>Number of Board meetings</b>	14
<b>Number of board meetings held without the chairman's presence</b>	0

<b>Observations</b>

Indicate the number of meetings held by the coordinating director with other directors, without the attendance or representation of any executive director:

<b>Number of meetings</b>	-
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<b>Observations</b>

Indicate the number of meetings held by the different Committees of the Board of Directors during the year:

<b>Number of executive committee meetings</b>	8
<b>Number of audit committee meetings</b>	10
<b>Number of appointments and remuneration committee meetings</b>	6

Observations

C.1.26\_Indicate the number of meetings held by the Board of Directors during the year and the attendance details of its members:

<b>Number of meetings at which at least 80% of directors were in attendance</b>	14
<b>% of face-to-face attendance divided by total votes during the year</b>	91.52%
<b>Number of meetings with the face-to-face attendance, or proxies made with specific instructions, of all directors</b>	0
<b>% of votes cast with face-to-face attendance and proxies made with specific instructions, divided by total votes during the year</b>	91.52%

Observations
Regarding the number of meetings held, only in-person attendance has been contemplated (where "in-person attendance" shall be construed to mean, in addition to physical attendance, remote attendance by electronic means that allows for direct interaction by the director), given that there are no proxies made with specific instructions.

C.1.27\_Indicate whether the individual and consolidated annual accounts submitted to the Board for preparation have been certified previously:

Yes  No

Identify, where appropriate, the person(s) who has/have certified the company's individual and consolidated financial statements for their preparation by the Board:

Name	Position
Pablo Colio Abril	Chief Executive Officer
Miguel Martínez Parra	Managing Director of Administration and Finance
Daniel Sorroche Pérez	Administrative Manager

Observations

C.1.28 Explain the mechanisms, if any, established by the board of directors to ensure that the financial statements submitted by the board of directors to the general shareholders' meeting are drawn up in accordance with accounting regulations.

The duties of the Audit and Control Committee include, but are not limited to, discussing with the Company's external auditor any significant weaknesses in the internal control system detected in the course of the audit and reviewing the process of preparing the economic and financial information periodically published by the FCC Group, checking compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of generally accepted accounting principles. This function is particularly important in the case of annual reporting, so that prior to the preparation of the financial statements by the Board of Directors, the Audit and Compliance Committee examines these accounts in detail and requests the participation of the external auditor in the Committee meeting to present the conclusions of its review work.

All of the above is established so that, once formulated by the Board, the external auditor's report does not contain any reservations.

C.1.29 Is the secretary of the board also a director?

Yes  No

If the secretary does not have director status, fill in the following table:

Name or company name of the secretary	Representative
Francisco Vicent Chuliá	-
Observations	

C.1.30 Indicate the specific mechanisms established by the Company to preserve the independence of the external auditors, as well as, if applicable, the mechanisms to preserve the independence of financial analysts, investment banks and rating agencies, including how they have implemented the legal provisions in practice.

Accordingly, art. 37.4 of the Regulations of the Board states that "The main function of the Audit and Compliance Committee shall be to support the Board of Directors in its supervisory duties by periodically reviewing, inter alia, the process of drawing up economic and financial information, its internal controls and the independence of the external auditor. In particular, by way of example, and without prejudice to other tasks entrusted to it by the Board of Directors, the Audit and Control Committee shall be responsible for:

b) Serving as a channel of communication between the Board of Directors and the Company's external auditor, assessing the results of each audit. The external auditor shall also have the following duties: [...]

(iv) establishing appropriate relations with the external auditor to receive information on matters that may undermine its independence, for scrutiny by the committee, and any other matters related to the auditing process and, where appropriate, the authorisation of services other than those prohibited, in the terms contemplated in the regulations governing the auditing of accounts on the independence regime, and also any other communications contemplated in the legislation on auditing of accounts and in the auditing standards;

(v) ensuring the independence of the external auditor by establishing, in particular, appropriate measures:

1) ensuring that the engagement of advisory and consultancy services with the external auditor or companies in its Group does not entail a risk to its independence, for which purpose the Committee shall request and receive annually from the external auditor a declaration of its independence in relation to the Company or entities directly or indirectly related thereto, as well as detailed and individualised information on additional services of any kind rendered and the corresponding fees received from these entities by the external auditor or by persons or entities related thereto, in accordance with the provisions of the regulations governing the auditing of accounts;

2) for the Company to notify the CNMV of the change of auditor, accompanied by a statement of any disagreements with the outgoing auditor and, if any, their content, and, in the event of resignation of the external auditor, to examine the circumstances giving rise to such resignation; and

3) ensure that the Company and the external auditor comply with current rules on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, other rules on auditor independence, and ensure that the external auditor's remuneration for its work does not compromise its quality or independence; and

(vi) encourage the Company's auditor to assume responsibility for the audits of the companies comprising the Group.

c) Each year, prior to the issuance of the account auditing report, issuing a report that expresses an opinion on whether the independence of the auditors or audit firms has been compromised. This report shall contain, in any case, a reasoned assessment on the provision of each and every one of the additional services referred to in section b)v)1) above, taken individually and as a whole, other than the legal audit and in relation to the system of independence or the regulations governing the account auditing activities".

Likewise, the FCC Group has an internal procedure that must be applied to all controlled companies, which establishes that all services other than the auditing of accounts that are provided by auditors require an independence analysis and prior approval as a requirement for their contracting.

C.1.31\_Indicate whether during the business year, the Company has changed its external auditor. If applicable, identify the incoming and outgoing auditor:

Yes  No

Outgoing auditor	Incoming auditor
-	-

<b>Observations</b>
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If there have been disagreements with the outgoing auditor, explain the nature of these:

Yes  No

Explanation of disagreements

C.1.32\_Indicate whether the audit firm performs other work for the Company and/or its Group other than those inherent to audits and, in that case, state the fees received for this work and the percentage they represent of the fees billed to the Company and/or its Group:

Yes  No

	Company	Group companies	Total
<b>Amount invoiced for non-audit services (thousands of euros)</b>			
<b>Value of work other than audits/Value of audit works (in %)</b>			

Observations

C.1.33\_Indicate whether the audit report of the previous year's financial statements includes reservations or qualifications. As applicable, indicate the reasons given to shareholders at the General Shareholders' Meeting by the Chairman of the Audit Committee to explain the content and scope of these reservations or qualifications.

Yes  No

Explanation of reasons and direct link to the document made available to shareholders at the time of the call in relation to this matter

C.1.34\_Indicate the number of years that the current audit firm has been continuously auditing the Company's individual and/or consolidated financial statements. Furthermore, indicate the percentage that the number of years audited by the current audit firm accounts for in terms of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of uninterrupted years	3	3

	Individual	Consolidated
Number of exercises audited by the current audit firm/Number of years that the Company or its Group have been audited (in %)	8.82%	8.82%

Observations

C.1.35 Indicate and, as applicable, describe if there is a procedure for directors to receive the necessary information to prepare meetings with administrative bodies with sufficient time:

Yes  No

Describe the procedure
<p>Regulations of the Board of Directors.</p> <p>Article 26. Information and inspection powers</p> <p>"1. In the performance of their duties, every director has the duty to demand and the right to obtain from the Company, the adequate and necessary information that will allow them to fulfil their obligations concerning all aspects of FCC and its subsidiaries and investees, whether national or foreign. To this end, they may examine the documentation deemed necessary, make contact with those responsible for the affected departments and visit the corresponding facilities.</p> <p>2. To refrain from disturbing the ordinary management of the FCC Group, the exercise of the powers of information shall be channelled through the Chairman, who shall respond to the director's requests, directly providing the information or offering the details of the corresponding contacts at the corresponding organisational level.</p> <p>3. If the request for information is denied, delayed or incorrectly responded to, the requesting director may repeat their request before the Audit and Control Committee, and, once the Chairman and the requesting director have provided their reasons, this Committee shall decide how to proceed for the purposes mentioned above.</p> <p>4. The requested information may only be denied when, in the opinion of the Chairman and the Audit and Control Committee, it is unnecessary or harmful to the Company's corporate interests. This refusal shall not apply when the request has been supported by the absolute majority of the Board members".</p> <p>"Article 30. The Chairman. Functions</p> <p>[...]</p> <p>3. The Chairman, as the person ultimately responsible for the management and effective functioning of the Board of Directors, [...] shall ensure, with the assistance of the Secretary, that Directors receive sufficient information in advance to enable them to deliberate on the items on the agenda [...]."</p>

C.1.36\_Indicate whether the company has established rules obliging requiring directors to disclose and, where appropriate, to resign when situations arise that affect them, whether or not this is related to their actions in the company itself, which could be harmful to the credit and reputation of the company:

Yes  No

**Explain the rules**

Regulations of the Board of Directors.

Article 25. Information duties of Directors.

Directors shall inform the FCC Appointments and Remuneration Committee, through the Corporate Responsibility Department or any other that may replace it, of the following points:

[...]

d) Legal, administrative or other claims that, given their importance, could seriously affect the reputation of FCC. e) In general, any circumstance or situation that may be relevant to their performance as an FCC Director.

Article 19. Dismissal of Directors.

1. Directors shall step down from their posts when the period for which they were appointed comes to an end or when the General Shareholders' Meeting decides so in the use of its legally and statutorily conferred powers.

2. Directors shall make their position available to the Board of Directors and formalise, if the Board deems appropriate, their resignation in the following cases:

[...]

c) When they are affected by any of the cases of incompatibility or prohibition provided by Law.

d) When approved by at least two thirds (2/3) of the members of the Board: - if, having infringed their obligations as directors, they are seriously reprimanded by the Board, at the proposal or subject to a report by the Appointments and Remuneration Committee, or - when their permanence on the Board may place the credit and reputation of the Company at risk.

3. In particular, Directors must inform the Board and, if appropriate, resign, when situations arise that affect them, whether or not related to their actions in the Company itself, that may damage the credit and reputation of the Company and, in particular, of any criminal proceedings in which they are under investigation, and also of the procedural developments thereof.

In any case, having been informed or otherwise having become aware of any of the situations mentioned in the preceding paragraph, the Board shall examine the case as soon as possible and, having regard to the specific circumstances, shall decide, after a report from the Appointments and Remuneration Committee, whether or not to take any action, such as opening an internal investigation, requesting the resignation of the Director or proposing his or her dismissal. This shall be reported in the Annual Corporate Governance Report, unless there are special circumstances that justify it, which shall be recorded in the minutes, without prejudice to the information that the Company must disclose, if appropriate, when the corresponding measures are adopted.

4. The Board of Directors may not propose the removal of any independent director before the end of the statutory period for which they were appointed, unless there is just cause, identified by the Board following in a report from the Appointments and Remuneration Committee. In particular, just cause shall be deemed to exist when the Director takes up new posts or incurs new obligations that prevent him/her



**Explain the rules**

from devoting the necessary time to the performance of the duties inherent to the post of Director, has failed to comply with the duties inherent to his/her post or has incurred in any of the circumstances described in article 6.2.a) of these Regulations that prevent his/her appointment as an independent Director. The removal of independent directors may also be proposed as a result of takeovers, mergers or similar corporate transactions that involve a change in the capital structure of the Company, when these changes in the structure of the Board are attributable to the proportionality of the number of proprietary directors and independent directors in relation to the capital represented by the proprietary directors and the remainder of the share capital.

5. When, either by resignation or by resolution of the General Meeting, a Director leaves office before the end of his term of office, he shall sufficiently explain the reasons for his resignation or, in the case of non-executive Directors, his views on the reasons for the removal by the General Meeting, in a letter to be sent to all members of the Board. In addition, and notwithstanding the disclosure in the Annual Corporate Governance Report, to the extent relevant for investors, the Company shall publish the resignation as soon as possible, including sufficient reference to the reasons or circumstances provided by the Director. In particular, should a director's resignation be due to the adoption by the Board of significant or reiterated decisions about which the director has expressed serious reservations and as a result chooses to resign, the letter of resignation addressed to the other members shall expressly state this circumstance.

C.1.37 Indicate, unless special circumstances have arisen which have been recorded in the minutes, whether the board has been informed or has otherwise become aware of any situation affecting a director, whether or not this is related to his or her performance in the company itself, which could be harmful to the credit and reputation of the company:

Yes  No

Director's name	Nature of the situation	Observations

In the above case, indicate whether the board of directors has examined the case. If the answer is yes, state the reasons why, in light of the specific circumstances, it has taken any action, such as opening an internal investigation, requesting the resignation of the director or proposing the director's dismissal.

Also indicate whether the board's decision has been subject to a report from the appointments committee.

Yes  No

Decision taken/action performed	Reasoned explanation

C.1.38\_ Detail the significant agreements that the Company has entered into and that come into force, are modified or terminated in the event that control of the Company is handed over following a takeover, and their effects.

On 5 February 2016, Nueva Samede 2016, S.L.U. (hereinafter "Nueva Samede") and I. Carso (hereinafter "I. Carso") entered into an options contract to purchase shares of FCC before Madrid Notary Jaime Recarte Casanova, recorded under his notary protocol No. 285 ("Purchase Option"), by virtue of which Nueva Samede irrevocably granted I. Carso an option to purchase 9,454,167 ordinary shares of FCC, representing 2.496% of its share capital and of which Nueva Samede is the proprietor after the subscribing and paying in of the capital increase of FCC as entered on record in the Barcelona Register of Companies on 4 March 2016 (the "Affected Shares").

It is hereby stated for the record that the Affected Shares form part of the 7.028% of FCC's share capital owned by Nueva Samede which are attributed to I. Carso for the exclusive purposes of article 5.1.d of the Royal Decree regulating takeover bids and over which I. Carso has no direct or indirect voting rights.

In relation to the foregoing, as at 22 July 2016, I. Carso exercised the Purchase Option held over all the Shares Affected and effective 14 June 2016. However, the formal arrangement of the exercise of the Purchase Option was subject to the condition precedent which, cumulatively, results in the following: (i) the authorisation by the National Securities Market Commission of the Bid submitted by CEC, approved on 29 June 2016, and (ii) the presence on the FCC Board of Directors of a majority of directors appointed at the request of I. Carso and/or CEC or any company associated with I. Carso (the, "Condition Precedent"), which was fulfilled following the appointments of Miguel Martinez Parra, Alfonso Salem Slim, Antonio Gomez García, and Carlos Manuel Jarque Uribe on 28 June 2016. As at 22 July 2016, pursuant to the provisions of Article 36.2 of Royal Decree 1066/2007, of 27 July, the National Securities Market Commission communicated, through a relevant fact, that the takeover proposed by Control Empresarial de Capitales, S.A. de C.V. involving 100% of the share capital of Fomento de Construcciones y Contratas, S.A., had been accepted for 97,211,135 shares representing 48.30% of the shares included in the bid and 25.66% of the share capital of Fomento de Construcciones y Contratas, S.A.

On 22 December 2023, the CNMV was informed by means of a Notification of Significant Shareholdings that CEC directly and indirectly owns 69.578% of FCC. Dominum Dirección y Gestión, S.A. owns 8.994% of FCC and is 100% controlled by Control Empresarial de Capitales, S.A. de C.V. (CEC).

On 20 December 2023, by means of a Notification of Major Holdings to the CNMV, it was reported that Esther Koplowitz Romero de Juseu directly controls 0.035% of FCC and 3.181% of FCC indirectly through Nueva Samede 2016, S.L.U.

On 20 December 2023, the company Nueva Samede 2016, S.L.U. informed the CNMV by means of a Notification of Significant Shareholdings that it holds 3.181% of FCC directly. This company is wholly owned by Esther Koplowitz Romero de Juseu.

On 22 December 2023, the CNMV was informed by a Notification of Significant Shareholdings that Carlos Slim Helú indirectly controls 11.911% of FCC through Finver Inversiones 2020, S.L.U., which is wholly owned by Inmobiliaria AEG, S.A. de C.V., which in turn is controlled by Carlos Slim Helú.

C.1.39\_ Identify individually, when referring to directors, and on an aggregate basis for other cases and indicate, in detail, the agreements between the Company and its administrative and management positions or employees concerning compensation, guarantee or shield clauses, when they resign or are dismissed improperly or if the contractual relationship comes to an end as a result of a takeover bid or other transactions.

<b>Number of beneficiaries</b>	1
<b>Type of beneficiary</b>	<b>Description of the agreement</b>
Chief Executive Officer	<p>And if the contractual relationship is terminated at the will of the Chief Executive Officer for any of the following causes:</p> <ul style="list-style-type: none"> <li>- Substantial changes in working conditions that are notoriously detrimental to his professional training, that are detrimental to his dignity, or that are decided with serious transgression of good faith, by the Company.</li> <li>- Failure to pay for three consecutive months or six alternate months, or continued delay in the payment of the remuneration agreed under the contract.</li> <li>- Succession of a company or significant change in ownership of the same, which has the effect of a renewal of its governing bodies or the content of its main activity, provided that the termination occurs within three months of the occurrence of such changes.</li> <li>- Any other serious breach of the contractual obligations by the Company, with the exception of force majeure budgets, in which the payment of compensation shall not be applicable.</li> </ul> <p>As in the case of free and unilateral termination from FCC, he will have the right to receive compensation resulting from the sum of the following two items:</p> <p>a) The amount resulting from the termination of the employment relationship that the CEO previously held with FCC Construcción or with any other company of the FCC Group using 12 September 2017 as the calculation date (and in accordance with the applicable regulations on that date).</p> <p>The amount resulting from multiplying 7 days wages by the number of years that have elapsed from 12 September 2017 until the contract expires.</p>

Indicate whether, beyond the assumptions provided for in the regulations, these contracts must be communicated and/or approved by the corresponding bodies of Company or its Group. If so, specify the procedures, expected cases and the nature of the bodies responsible for their approval or communication:

	<b>Board of Directors</b>	<b>General Shareholders' Meeting</b>
<b>Body authorising the clauses</b>	X	

	<b>YES</b>	<b>NO</b>
<b>Are the clauses notified to the General Shareholders' Meeting?</b>	X	

Observations

## C.2 Committees of the Board of Directors

C.2.1\_\_Provide details of all the Board Committees, their members and the proportion of executive, proprietary, independent and other external Directors who serve on them:

### EXECUTIVE COMMITTEE

Name	Position	Category
Alejandro Aboumrad González	Chairman	Proprietary director
Dominum Desga, S.A. (represented by Esther Alcocer Koplowitz)	Voting member	Proprietary director
Alicia Alcocer Koplowitz	Voting member	Proprietary director
Gerardo Kuri Kaufmann	Voting member	Proprietary director
Juan Rodríguez Torres	Voting member	Proprietary director
Pablo Colio Abril	Voting member	Executive director
Francisco Vicent Chuliá	Non-director secretary	-
Felipe Bernabé García Pérez	Non-director vice-secretary	-

<b>% of executive directors</b>	<b>16.66</b>
<b>% of proprietary directors</b>	<b>83.33</b>
<b>% of independent directors</b>	<b>0</b>
<b>% of other external directors</b>	<b>0</b>

Observations
On 22 February 2023, Director Gerardo Kuri resigned as the CEO of Cementos Portland Valderrivas and of Realía. Therefore, the Company's Board of Directors approved, at the proposal of the Appointments and Remuneration Committee, the change in category from Executive to Proprietary Director.

Explain the duties delegated or attributed to this Committee other than those already described in section C.1.9, and describe the procedures and rules for its organisation and functioning. For each of these functions, indicate its most important actions during the year and how it have exercised each of the functions attributed in practice, whether by law, in the By-laws or in other corporate agreements.

## Regulations of the Board of Directors.

### Article 36. The Executive Committee.

1. The Board may permanently delegate all its powers to the Executive Committee, with the exception of those whose competence is reserved by Law, the By-laws or these Regulations. In particular, the Executive Committee shall be responsible for deciding on investments, divestments, credits, loans, lines of guarantee or surety or any other financial facility, the unit amount of which does not exceed the figure established in Article 31.3 of these Regulations, unless otherwise indicated in the content of the delegation granted by the Board. Furthermore, the Executive Committee may exercise, for duly justified reasons of urgency, the powers attributed to the Board of Directors, in accordance with Article 8 of these Regulations.
2. The Board of Directors, following a report from the Appointments and Remuneration Committee, shall appoint the Directors to sit on the Executive Committee. Its Secretary shall be the Secretary to the Board of Directors.
3. The Executive Committee shall consist of a minimum of four (4) and a maximum of ten (10) members.
4. The members of the Executive Committee shall step down from their posts when they step down in their capacity as Director or when the Board so agrees. Vacancies that occur shall be filled as soon as possible by the Board of Directors.
5. The Chairman of the Executive Committee shall be appointed from among its members by the Committee itself. In the absence or if it is impossible for the Chairman of the Executive Committee to attend a meeting, or if this position has been vacated, the corresponding functions shall be exercised by the member elected to this post by the majority of those in attendance at the meeting.
6. The Executive Committee shall hold ordinary meetings each month in which the Board of Directors is not due to hold a meeting, excluding the month of August, and may meet on an extraordinary basis whenever required on account of the company's corporate interests.
7. The Executive Committee shall be convened by its Chairman, on his own initiative or when requested by at least two (2) of its members, by e-mail or any other means that allows accreditation of receipt, addressed to each of its members at least forty-eight (48) hours prior to the date of the meeting, although it may be convened 24 (twenty-four) hours prior to the date and time of the meeting for reasons of urgency, in which case, the Agenda of the meeting shall be limited to the points that gave rise to the urgency. Along with the announcement of each meeting, the corresponding documentation will be sent to the members of the Executive Committee so that they can form an opinion and cast their vote.
8. In the absence of the Chairman of the Executive Committee or if he or she is unable 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 or her position the longest and, in the event of a tie, the oldest in age.
9. Meetings shall be held at the registered office or at any place designated by the Chairman as indicated in the announcement.
10. The Executive Committee shall be validly constituted when a majority of its members are in attendance, counting those present and those represented. Those absence may be represented by another member of the Executive Committee. In any case, non-executive directors may only be represented by another non-executive Director.
11. Deliberations shall be guided by the Chairman, who shall hand the floor over to attendees who ask to speak.
12. Resolutions shall be adopted by an absolute majority of the Committee's members. In case of a tie, the matter shall be submitted to the Board of Directors, to which end the members of the Executive Committee shall ask for it to meet pursuant to the provisions of Article 30 of these Regulations, unless it was already due to meet in the following thirty (30) calendar days, in which case the Committee will ask the Chairman of the Board to include the items resulting in a tie on the agenda of the meeting.

13. The Executive Committee, through its Chairman, shall inform the Board of the matters discussed and the resolutions adopted by the Committee, sending a copy of the meeting minutes to all directors.

The Committee met on a total of eight occasions during financial year 2023 and with the appropriate frequency for the fulfilment of its duties.

The Executive Committee is not attributed or delegated any other functions not listed in section C.1.9.

With regard to the most important initiatives undertaken by the aforementioned Committee, a total of 36 agreements were adopted during these meetings, which dealt with the approval of the self-assessment report of the Executive Committee for financial year 2022 and authorisations for: dissolution and liquidation of companies, ratification of transactions, disposals, mergers, incorporation of companies, increase of equity, cross-border mergers, submission of bids, debt capitalisation, purchase of plots of land, exercise of pre-emptive rights in rem and transfer of assets.

Likewise, at the meeting held on 23 January 2024, a report was issued on the functioning of the Committee and the fulfilment of its duties in 2023, concluding that the Executive Committee responsibly assumes and fulfils the duties and powers delegated to it by the Board of Directors, diligently and effectively handling the Company's affairs that require constant attention and monitoring.

#### AUDIT AND CONTROL COMMITTEE

Name	Position	Category
Álvaro Vázquez de Lapuerta	Chairman	Independent director
Juan Rodriguez Torres	Voting member	Proprietary director
Manuel Gil Madrigal	Voting member	Independent director
Felipe Bernabé García Pérez	Non-director secretary	-

<b>% of proprietary directors</b>	<b>33.33</b>
<b>% of independent directors</b>	<b>66.66</b>
<b>% of other external directors</b>	<b>0</b>

Observations
Henri Proglio was not re-elected in 2023 as a member of the Board of Directors of the FCC Group.
On 14 June 2023, Álvaro Vázquez de Lapuerta was appointed as Chairman of the Audit and Control Committee.

Explain the duties, including, where appropriate, those in addition to those defined by law, which are attributed to this Committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, indicate its most important actions during the year and how it have exercised each of the functions attributed in practice, whether by law, in the By-laws or in other corporate agreements.

Regulations of the Board of Directors.

#### Article 37. Audit and Control Committee

1. The Board of Directors of FCC shall set up a permanent Audit and Control Committee, without executive functions and with information, advisory and proposal-making powers within its scope of action, which shall be composed of a minimum of three (3) and a maximum of six (6) Directors who shall be appointed by the Board of Directors, taking into account their knowledge and experience in accounting, auditing and risk management, both financial and non-financial, with all of its members being non-executive Directors and the majority of them being independent. The mandate of the members of the Committee shall not exceed their mandate as directors, without prejudice to them being re-elected indefinitely, insofar as they remain directors.

2. At least one of the independent members of the Audit and Control Committee shall be appointed, taking into account their knowledge and experience in accounting, auditing or both.

As a whole, the members of the Committee shall have relevant technical knowledge with regard to the activity sector of the Company. The Committee shall appoint the Chairman from among the independent Directors, and may also elect a Vice-Chairman. 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 Audit and Compliance Committee shall appoint a Secretary and, where appropriate, a Vice-Secretary, who may not be Directors, who shall assist the Chairman and shall ensure the smooth running of the Committee, taking care to duly record the proceedings of the meetings, the content of the deliberations and the resolutions adopted in the minutes. Minutes of each meeting shall be drawn up by the Secretary or acting Secretary and signed by the Secretary of the Committee with the approval of the Chairman.

3. The Audit and Control Committee shall be validly constituted when the majority of its members are in attendance, whether in person or represented, adopting its resolutions by an absolute majority of its members present or represented; in case of a tie, the Chairman shall cast the deciding vote.

4. The main role of the Audit and Control Committee is to provide support to the Board of Directors in its oversight tasks, by reviewing on a regular basis, among others, the process of preparing financial and economic information, its internal controls and the independence of the external auditor

In particular, by way of example, and without prejudice to other tasks entrusted to it by the Board of Directors, the Audit and Control Committee shall be responsible for:

a) Reporting to the General Shareholders' Meeting on issues arising in relation to matters within the Committee's competence and, in particular, on the outcome of the audit, explaining how the audit has contributed to the integrity of the financial information and the role the Committee has played in this process.

b) Serving as a channel of communication between the Board of Directors and the Company's external auditor, assessing the results of each audit. The external auditor shall also have the following duties:

(i) submit proposals for the selection, appointment, re-election and replacement of the account auditor to the Board of Directors, assuming responsibility for the selection process, pursuant to the provisions of EU regulations, as well as the conditions under which they were contracted;

(ii) regularly gather information from the external auditor on the audit plan and the results of its performance, in addition to maintaining its independence in the performance of its duties and verifying that Senior Management takes its recommendations into account;

(iii) discuss the significant weaknesses of the internal control system detected in the development of the audit with the Company's external auditor, without compromising its independence. To this end, and where appropriate, the Audit and Control Committee may submit recommendations or proposals to the Board of Directors and the corresponding monitoring period.

(iv) establishing appropriate relations with the external auditor to receive information on matters that may undermine its independence, for scrutiny by the committee, and any other matters related to the auditing process and, where appropriate, the authorisation of services other than those prohibited, in the terms contemplated in the regulations governing the auditing of accounts on the independence regime, and also any other communications contemplated in the legislation on auditing of accounts and in the auditing standards;

(v) ensuring the independence of the external auditor by establishing, in particular, appropriate measures:

1) ensuring that the engagement of advisory and consultancy services with the external auditor or companies in its Group does not entail a risk to its independence, for which purpose the Committee shall request and receive annually from the external auditor a declaration of its independence in relation to the Company or entities directly or indirectly related thereto, as well as detailed and individualised information on additional services of any kind rendered and the corresponding fees received from these entities by the external auditor or by persons or entities related thereto, in accordance with the provisions of the regulations governing the auditing of accounts;

2) for the Company to notify the CNMV of the change of auditor, accompanied by a statement of any disagreements with the outgoing auditor and, if any, their content, and, in the event of resignation of the external auditor, to examine the circumstances giving rise to such resignation;

3) ensure that the Company and the external auditor comply with current rules on the provision of non-audit services, limits on the concentration of the auditor's business and, in general, other rules on auditor independence, and ensure that the external auditor's remuneration for its work does not compromise its quality or independence; and

(vi) encourage the Company's auditor to assume responsibility for the audits of the companies comprising the Group.

c) Each year, prior to the issuance of the account auditing report, issuing a report that expresses an opinion on whether the independence of the auditors or audit firms has been compromised. This report shall contain, in any case, a reasoned assessment on the provision of each and every one of the additional services referred to in section b)v)1) above, taken individually and as a whole, other than the legal audit and in relation to the system of independence or the regulations governing the account auditing activities.

d) Supervising the Internal Audit unit of the Company that ensures the proper functioning of the information and internal control systems and that will functionally report to the Chairman of the Committee, with the person responsible for the Internal Audit function being obliged to submit to the Committee, for its approval by it, its annual work plan, to inform it directly of its execution, including possible incidents and limitations to the scope that may arise in its development, the results and the follow-up of its recommendations, as well as to submit to it at the end of each financial year a report on its activities. The Committee should ensure that its activity is primarily focused on relevant risks (including reputational risks).

e) Supervising the internal risk management and control unit, which shall have at least the following functions:

(i) ensuring the proper functioning of the control and risk management systems and, in particular, that all important risks affecting the Company are properly identified, managed, and quantified;



- (ii) actively participating in the preparation of the risk strategy and in the important decisions regarding its management; and
  - (iii) ensuring that the control and risk management systems adequately mitigate risks within the framework of the policy defined by the Board of Directors.
- f) Supervising and analysing the effectiveness of the Company's internal control and the risk control and management policy approved by the Board of Directors, ensuring that it identifies or determines at least:
  - (i) the different types of risks faced by the Company (inter alia, operational, technological, legal, social, environmental, political and reputational risks, including corruption-related risks), including financial or economic risks, contingent liabilities and other off-balance sheet risks;
  - (ii) A tiered risk management and control model;
  - (iii) the level of risk that the Company considers acceptable;
  - (iv) the measures envisaged to mitigate the impact of the identified risks, should they materialise; and
  - (v) the information and internal control systems to be used to control and manage these risks, including contingent liabilities or off-balance sheet risks, and submit it to the Board for approval.
- g) Supervising the process of preparing and presenting individual and consolidated annual accounts and management reports, and the periodic financial information that is disclosed to the markets, and submit recommendations or proposals to the Board of Directors with a view to safeguarding their integrity; ensuring compliance with the legal requirements and the correct application of generally accepted accounting principles, informing the Board of Directors, before the adoption by the latter of the following resolutions:
  - (i) the financial information and the management report, which shall include, where appropriate, the mandatory non-financial information that the company must periodically disclose, ensuring that the interim accounts are drawn up under the same accounting criteria as the annual accounts and, to this end, consider the appropriateness of a limited review by the company's external auditor; and
  - (ii) the creation or acquisition of shares in special purpose vehicles or entities domiciled in countries or territories considered tax havens, and also any other transactions or operations of a similar nature which, due to their complexity, could undermine the transparency of the FCC Group.
- h) Ensuring that the annual financial statements that the Board of Directors submits to the General Shareholders' Meeting are drawn up in accordance with accounting regulations. Whenever the auditor has included a qualification in its audit report, the Chairman of the Audit and Compliance Committee shall clearly explain at the General Shareholders' Meeting the opinion of the Committee on its content and scope, and a summary of such opinion shall be made available to the shareholders at the time of publication of the notice of the General Shareholders' Meeting, together with the rest of the proposals and reports of the Board, together with the rest of the proposals and reports of the Board.
- i) In relation to information systems and internal control:
  - (i) supervising and assessing the preparation process and the integrity of the financial and non-financial information relating to the Company and, where appropriate, its Group, reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria;
  - (ii) supervising and periodically assessing the internal control and financial and non-financial risk management systems relating to the Company and, where appropriate, its Group, including operational, technological, legal, social, environmental, political, reputational and corruption-related risks, so that the main risks are properly identified, managed and disclosed;
  - (iii) ensuring the independence and effectiveness of the internal audit function, proposing the selection, appointment, reappointment and removal of the head of internal audit, as well as the internal audit budget, receiving regular information on its activities and verifying that senior management takes into account the conclusions and recommendations of its reports;

(iv) receiving regular information from the Response Committee and the Risk Management and Control Department, respectively, on how its activities are progressing and how internal controls are functioning;

(v) establishing and supervising a mechanism that allows employees and other persons related to the Company, such as directors, shareholders, suppliers, contractors or subcontractors, to report potentially significant irregularities, including financial, accounting or any other irregularities related to the Company that they become aware of within the Company or its group. This mechanism must guarantee confidentiality and, in any case, allow for anonymous communications to be made to protect and uphold the rights of both the complainant and the person being reported;

(vi) ensure that the policies and systems in place for internal control are effectively implemented in practice.

j) Reporting on Related-Party Transactions to be approved by the General Meeting or the Board of Directors and supervising the internal procedure established by the Company for those whose approval has been delegated in accordance with the applicable regulations.

k) Supervising compliance with the Company's environmental, social and corporate governance policies and rules, and also the internal codes of conduct and, in particular:

(i) ensuring that internal codes of conduct and corporate governance rules comply with regulatory requirements and are appropriate for the Company, ensuring also that the corporate culture is aligned with its purpose and values, and also reviewing compliance by the persons affected by such codes and governance rules and their reporting obligations to the Company;

(ii) supervising compliance with the Company's corporate governance rules and internal codes of conduct, and ensuring that the corporate culture is aligned with its purpose and values;

(iii) overseeing implementation of the general policy on economic-financial, non-financial and corporate reporting, as well as communication with shareholders and investors, proxy advisors and other stakeholders. The Committee shall also monitor how the Company communicates and interacts with small and medium-sized shareholders;

(iv) periodically assessing and reviewing the system of corporate governance and the Company's environmental and social policy to ensure that they fulfil their mission of promoting the corporate interest and take into account, as appropriate, the legitimate interests of other stakeholders;

(v) monitoring that the Company's environmental and social practices are in line with the strategy and policy; and

(vi) supervising and evaluating the processes of relations with the different stakeholders.

l) Issuing any reports and proposals as requested by the Board of Directors or by the Chairman of the Board of Directors and any others it may deem pertinent for the better performance of its functions and, in particular,

(i) submitting a report on proposals for amendments to these Regulations, in accordance with the provisions of Article 4.3 hereof;

(ii) deciding on requests for information that the directors, in accordance with the provisions of Article 26.3 of these Regulations, submit to this Committee; and

(iii) requesting, where appropriate, the inclusion of items on the agenda of Board meetings under the conditions and within the deadlines established in article 34.3 of these Regulations.

5. The Audit and Control Committee shall have access to the information and documentation required for the exercise of its functions and may seek the advice of external professionals who, in the capacity of advisors and up to a maximum of two (2) for each member of the Committee, they believe appropriate, to which end the provisions of Articles 27.3 and 35.4 of these Regulations shall apply. These advisors shall attend meetings with the right to speak but not to vote.

6. The Audit and Control Committee shall meet at least once per quarter and, in addition, every time its Chairman calls a meeting, or at the request of two (2) of its members. Each year, the Committee shall draw up an action plan for the year to be reported to the Board of Directors, as well as a report on its activity during the year, which will serve as the basis for the evaluation that the Board of Directors will carry out. In the absence or if it is impossible for the Chairman of the Audit and Control 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.

7. Deliberations shall be guided by the Chairman, who shall hand the floor over to attendees who ask to speak. In the absence or if it is impossible for the Chairman of the Audit and Control Committee to attend a meeting, or if this position has been vacated, the corresponding functions shall be exercised by the member elected to this post by the majority of those in attendance at the meeting.

8. Any member of the management team and the staff of the FCC Group shall be obliged to attend Committee meetings and to provide their collaboration and access to the information available to them when so required; to this end, the provisions of Article 35.6 of these Regulations shall apply. The same shall be required of the Company's Accounts Auditors.

9. Any aspects not expressly regulated in this Article regarding the functioning of the Audit and Control Committee, shall be regulated by the Audit and Control Committee itself.

Therefore, over the course of 2023, in the performance of said powers, the Committee has performed, by way of example, the following duties:

- Serve as a channel of communication between the Board of Directors and the Company's external auditor, assessing the results of each audit, as well as submitting proposals for the selection, appointment, re-election and replacement of the account Auditor, assuming responsibility for the selection process, pursuant to the provisions of EU regulations, as well as the conditions under which they were contracted.
- Discuss the significant weaknesses of the internal control system detected in the development of the audit with the Company's external auditor, without compromising its independence. Receive information from the external Auditor on issues that may pose a threat to their independence 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.
- Ensure the independence of the external Auditor, establishing the corresponding measures to this end.
- Reporting to the General Shareholders Meeting on any issues that may arise with regard to those matters that fall within the Committee's remit and, in particular, on 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.
- 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. This report shall contain, in any case, a reasoned assessment on the provision of each and every one of the additional services referred to in Article 37.4 section b)(v)1) of the Regulations of the Board, taken individually and as a whole, other than the legal audit and in relation to the system of independence or the regulations governing the account auditing activities.
- Supervise the Company's internal audit unit, as well as its control and risk management policy, reviewing the identification of the most relevant risks and the adoption of the necessary measures to mitigate their impact.

- Supervise the process of preparing and submitting individual and consolidated financial statements and management reports, and the financial information that is regularly disclosed to the markets, and submit recommendations or proposals to the Board of Directors with a view to safeguarding their integrity; ensuring compliance with the legal requirements and the correct application of generally accepted accounting principles.
- Report favourably on the process of preparing the individual and consolidated annual accounts and management reports for 2022, and that they have been prepared in compliance with the legal requirements and applying generally accepted accounting principles.
- Report favourably on the 2022 Annual Corporate Governance Report.
- Supervise cybersecurity-related matters at the FCC Group.
- Supervise and ensure compliance with the Company's environmental, social and corporate governance policies and rules, and also the internal codes of conduct ("Compliance System").
- Report favourably on the adequacy of the information contained in the "Interim Statement", referring to the first and third quarters of 2023, in accordance with the provisions of article 20, section 1, of Royal Decree 1362/2007, of 19 October, and the provisions that develop it, recommending its approval by the Board of Directors and its submission to the CNMV and Stock Exchanges.
- Report, globally, on communications through the "Internal Communication Channel" and the actions carried out to this end. In this regard, the company has an internal whistleblowing channel and procedure so that employees and third parties can send their questions and report irregular behaviours confidentially.
- In relation to the proposal to the Board of Directors of the Company, for submission by the latter to the General Shareholders' Meeting, of a flexible dividend (scrip dividend), the review by the members of the Committee of the compensation mechanism for shareholders to ensure that the options of (i) transferring the free allotment rights to the Company by virtue of the Purchase Commitment were economically equivalent, was particularly relevant and (ii) to receive such amount in New Shares, i.e. without, in economic terms, favouring or penalising any of such options.
- Approve, in compliance with the provisions of article 34.9 of the Board Regulations, the self-assessment report on the functioning of the Audit and Compliance Committee of the Company during financial year 2022, to be submitted to the Board of Directors.
- Report favourably to the Board on the approval of the FCC Group's Tax Compliance Policy, as well as the Regulations of the Tax Compliance Body and the members of the Tax Compliance Body.
- Reporting favourably on the adequacy of the information contained in the financial statements for the first half of 2023 ("Condensed annual accounts" and "Interim Management Report") in respect of the Article 11 et seq. of Royal Decree 1362/2007 of 19 October, and its implementing provisions.
- Report favourably to the Board on the Company's Non-Financial Information Report (Sustainability Report) for financial year 2022.
- Issue, in compliance with the provisions of article 24.4 of the Board Regulations and in accordance with the provisions of article 529 duovicies 3 of the Corporate Enterprises Act, the report prior to the approval, by the General Shareholders' Meeting or by the Board of Directors, of the execution of a several related-party transactions, assessing in each case whether the

transaction is fair and reasonable from the point of view of the Company and, if applicable, of the shareholders other than the related party. Likewise, supervising the internal procedure established in the Company for those related-party transactions whose approval has been delegated in accordance with applicable regulations.

Therefore, Audit and Control Committee adopted a total of 24 resolutions at its ten meetings in 2023, concerning the approval of the self-assessment report on committee operations in 2022; approval of the Report on the independence of the auditors for 2022 and favourable briefing to the Board on the 2022 Annual Corporate Governance Report; the formulation of the Financial Statements, approval of the Non-Financial Information Report (Sustainability Report), report favourably to the Board with regard to certain related-party transactions, and approve those transactions under its scope of action, report favourably to the Board with regard to proposals to update the Code of Ethics and Conduct and the compliance model affected by the entry into force of Law 2/23 on the protection of informing whistleblower, report favourably to the Board with regard to the Tax Compliance policy, as well as with regard with the Regulations of the Tax Compliance Body and the members of this body, report favourably to the Board on the Financial Information of Q1 2023, proposed allocation of profit for 2022, and report favourably to the Board on the distribution of the scrip dividend, approval of the report on the activities of the ACC in 2022, appoint a Chairman of the ACC, report favourably to the Board on the amendment of certain articles of the Regulations of the Board of Directors, report favourably on granting loans from FCC to Realía Business, S.A. worth 40 million euros.

Based on the foregoing, it can be concluded that the Audit and Control Committee assumes and efficiently and diligently complies with the powers attributed to it in the Company's different corporate texts.

Identify the members of the Audit Committee that have been appointed taking into account their knowledge and experience in accounting, auditing or both, and report on the date on which the Chairman of this Committee was appointed to the position.

<b>Names of directors with experience</b>	Manuel Gil Madrigal
<b>Date of appointment of the Chairman to the position</b>	14 June 2023
<b>Observations</b>	
On 14 June 2023, Director Álvaro Vázquez de Lapuerta was appointed Chairman of this Committee, after the end of the 4-year term of the previous Chairman, Manuel Gil Madrigal, in compliance with article 37 of the Regulations of the Board of directors.	

#### **APPOINTMENTS AND REMUNERATION COMMITTEE**

<b>Name</b>	<b>Position</b>	<b>Category</b>
Manuel Gil Madrigal	Chairman	Independent director
Dominum Desga, S.A. (represented by Esther Alcocer Koplowitz)	Voting member	Proprietary director
Juan Rodríguez Torres	Voting member	Proprietary director
Álvaro Vázquez de Lapuerta	Voting member	Independent director
Felipe Bernabé García Pérez	Non-director secretary	-

<b>% of proprietary directors</b>	<b>50</b>
<b>% of independent directors</b>	<b>50</b>
<b>% of other external directors</b>	<b>0</b>

<b>Observations</b>
On 14 June 2023, Director Manuel Gil Madrigal was appointed Chairman of this Committee.

Explain the duties, including, where appropriate, those in addition to those defined by law, which are attributed to this Committee, and describe the procedures and rules for its organisation and functioning. For each of these functions, indicate its most important actions during the year and how it have exercised each of the functions attributed in practice, whether by law, in the By-laws or in other corporate agreements.

Regulations of the Board of Directors.

Article 38. Appointments and Remuneration Committee

1. The Board of Directors of FCC shall constitute a permanent Appointments and Remuneration Committee without executive functions and with powers of information, advice and proposal within its scope of action, which will be composed of a minimum of four (4) and a maximum of six (6) directors, appointed by the Board of Directors, consisting exclusively of non-executive directors, of which at least two (2) must be independent directors and two (2) proprietary directors. The Committee shall appoint the Chairman from among its independent members. The term of office of the members of the Appointments and Remuneration Committee may not exceed their term of office as directors, notwithstanding the fact that they may be re-elected indefinitely, insofar as they are also re-elected as directors.
2. The Committee shall appoint a secretary, who need not be a director, who shall assist the chairman and shall ensure the smooth running of the Committee, duly recording in the minutes the proceedings of the meetings, the content of the deliberations and the resolutions adopted, and the minutes shall be signed by the secretary of the Committee with the approval of the chairman. The members of the Appointments and Remuneration Committee shall step down from their posts when they do so in their capacity as directors or when the Board of Directors so agrees.
3. The Appointments and Remuneration Committee shall be validly constituted when the majority of its members are in attendance, whether in person or represented, adopting its resolutions by an absolute majority of its members present or represented; in case of a tie, the Chairman shall cast the deciding vote.
4. The Appointments and Remuneration shall have the powers of information, assessment and proposal within its powers, corresponding to it, in addition to the functions established by law, the Company By-laws or in accordance with these Rules, the following:
  - a) Assess the necessary skills, knowledge and experience of those on the Board of Directors. For these purposes, it shall define the functions and skills required of the candidates to fill each vacancy and shall assess the time and dedication necessary for them to perform their duties effectively, ensuring that the non-executive directors have sufficient time available for the proper performance of their duties.

- b) Examine and organise the succession of the Chairman of the Board of Directors and the CEO, and, where applicable, to make proposals to the Board of Directors so that this succession takes place in an orderly and planned manner.
- 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) Report on proposals for appointments of the remaining directors for appointment by co-option or for 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) Reporting on proposals for the appointment and removal of senior officers, and also proposing the basic conditions of their contracts, which the chief executive proposes to the board, proposing the persons or positions that should be considered senior officers of the company, in addition to those contemplated in article 2.2 of these Regulations, and drawing up the proposals for reprimands referred to in article 19.2.d) of these Regulations. Likewise, it will previously report on appointments for the holding of positions or posts that have an annual remuneration equal to or higher than the figure established by the Committee itself in each case, which must be reported to the Board of Directors.
- f) Propose to the Board of Directors the remuneration policy for directors and general managers or those who perform their senior management duties under the direct supervision of the Board, the Executive Committee or the CEO, as well as the individual remuneration and other contractual conditions of executive directors, verifying compliance therewith. It shall also report and make proposals on multi-year incentive plans affecting the Company's senior management and, in particular, those that may be established in relation to the value of the shares.
- g) Reporting to the Board of Directors, in advance, on the individual determination of the remuneration of each director in his or her capacity as such within the framework of the Articles of Association and the remuneration policy. It shall likewise report on the individual determination of the remuneration of each director for the performance of the executive duties ascribed to him or her within the framework of the remuneration policy and in accordance with the provisions of his or her contract.
- h) Periodically reviewing the remuneration policy applied to Directors and Senior Executives, including, where applicable, share-based remuneration schemes and their application, and ensure that their individual remuneration is proportionate to that paid to other Directors and Senior Executives of the Company, and also verifying the information on remuneration of Directors and Senior Executives contained in the various corporate documents, including the Annual Report on Directors' Remuneration. Drawing up and keeping a register of the situations of directors and senior management of FCC.
- i) Drawing up and keeping a register of the situations of directors and senior management of FCC.
- j) Assisting the Board in its function of ensuring that the procedures for selecting its members favour diversity with respect to matters such as age, gender, disability or professional training and experience and do not suffer from implicit biases that could imply any discrimination and, in particular, that they facilitate the selection of female Directors in a number that allows a balanced presence of women and men to be achieved, so that the company deliberately seeks and includes among the potential candidates, women with the desired professional profile, and the Board must explain, if appropriate, through the Annual Corporate Governance Report, the reason for the low or nil number of female Directors and the initiatives adopted to correct this situation. For this purpose, it should set a target for representation of the under-represented sex on the board and develop guidance on how to achieve this target".
- k) Reporting on the proposals for appointment of the members of the committees of the Board of Directors.

l) Reporting on the appointment of the Chairman of the Board and the Vice-Chairmen, as well as reporting on the appointment and removal of the Secretary and, where appropriate, the Vice-Secretary of the Board.

m) Verifying the relevant categories of directors as set out in Article 6.3.

n) Report, in advance, to the Board of Directors on all matters provided for by law, the By-laws and these Regulations of the Board.

o) Receiving and keeping the register of situations referred to in section g) above and the personal information provided by directors, as established in article 25 of these Regulations.

p) Requesting, where appropriate, the inclusion of items on the agenda of Board meetings, under the conditions and within the deadlines established in article 34.3 of these Regulations.

q) Ensure that any conflicts of interest do not undermine the independence of the external advice provided to the committee.

5. In the case of matters relating to executive directors and senior management, the Committee shall consult with the chairman and chief executive of the Company. Likewise, any director may ask the Appointments and Remuneration Committee to consider potential candidates to fill vacancies on the Board.

6. The Appointments and Remuneration Committee shall have access to the information and documentation necessary for the performance of its duties. The members of the Appointments and Remuneration Committee may be assisted during its meetings by the persons who, as advisers and up to a maximum of two (2) for each member of said Committee, they deem appropriate, for which purpose the provisions of articles 27.3 and 35.4 of these Regulations shall apply. These advisors shall attend meetings with the right to speak but not to vote.

7. The Committee shall meet with the established frequency and each time a meeting is called by the Chairman or requested by two (2) of its members and at least once a quarter. Each year, the Committee shall draw up an action plan for the year to be reported to the Board, as well as a report on its activity during the year, which will serve as the basis for the evaluation that the Board of Directors will carry out.

8. In the absence or if it is impossible for the Chairman of the Appointments and Remuneration 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.

9. Deliberations shall be guided by the Chairman, who shall hand the floor over to attendees who ask to speak.

10. In the absence or if it is impossible for the Chairman of the Appointments and Remuneration Committee to attend a meeting, or if this position has been vacated, the corresponding functions shall be exercised by the member elected to this post by the majority of those in attendance at the meeting.

11. The Appointments and Remuneration Committee shall regulate its own functioning in all matters not provided for in the By-laws and in these Regulations.

During 2023, it exercised, among others, the following competences:

- Assess the skills, knowledge and experience required on the Board, defining the roles and skills required of the candidates to fill each vacancy and assessing the time and dedication necessary for them to perform their duties well, ensuring that non-executive directors have sufficient time available for the proper performance of their duties.
- Report on the proposed appointment and re-election of directors and members of the Committees of the Board of Directors.



- Propose to the Board of Directors the remuneration policy for Directors and general managers or those who perform their senior management duties under the direct supervision of the Board, the Executive Committee or the Chief Executive Officer, as well as the individual remuneration and other contractual conditions of executive Directors, verifying compliance therewith.
- Report to the Board of Directors, in advance, on the individual determination of the remuneration of each Director in his capacity as such within the framework of the Articles of Association and the remuneration policy, and also on the individual determination of the remuneration of each Director for the performance of the executive duties attributed to him within the framework of the remuneration policy and in accordance with the provisions of his contract.
- Periodically review the remuneration policy applied to Directors and Senior Executives, including, where applicable, share-based remuneration schemes and their application, and ensure that their individual remuneration is proportionate to that paid to other Directors and Senior Executives of the Company, as well as verify the information on remuneration of Directors and Senior Executives contained in the various corporate documents, including the Annual Report on Directors' Remuneration.
- Approve the content of the documents named: Appointments and Remuneration Committee Report on the Chairman of the Board of Directors and Appointments and Remuneration Committee Report on the CEO, for assessment by the Board of Directors in terms of the performance of their duties during the 2022 business year, submitted to the Board of Directors for this body to perform the assessment referred to in Article 34.9 of its Regulations.
- Approve the Assessment Report on the functioning of the Appointments and Remuneration Committee during the 2022 business year, as well as the Report ratifying the categories (proprietary, independent or executive) of the members of the Board.
- Report on the appointment of Senior Managers and other positions that fall within the first three levels, in addition to those with remuneration equal to or greater than €75,000.
- Propose to the Board of Directors, for subsequent submission to the Ordinary General Shareholders' Meeting, the Annual Report on Remuneration of the Company's Directors for financial year 2022.
- Report favourably on the Proposal on the statutory remuneration of the Board of Directors for financial year 2022.
- Approve the application of the Variable Remuneration Plan for the 2022 business year.
- Approve the Variable Remuneration Plan for 2023.

- Report on the critical aspects relating to the general salary policy for financial year 2023 at the FCC Group.
  
- Approve the Company's Succession Plan.
  
- Approve the Company's staff selection procedure.
  
- Approve the activity report of the Appointments and Remuneration Committee for financial year 2022.
  
- Propose to the Board of Directors the remuneration policy for executive directors, the terms and conditions of the Chief Executive Officer's contract, which must be in accordance with the Company's remuneration policy.
  
- Report favourably to the Board of Directors on the approval of the new Equal Opportunities - regarding equal opportunities and safe environments -, Diversity and Inclusion Policy.

During the six meetings held by this Committee in 2023, a total of 19 resolutions were reached, which have addressed the following, among others: approval of the Report on the functioning of the Appointments and Remuneration Committee for financial year 2022, approval of the report ratifying the categories of directors, approval of the Report of the Appointments and Remuneration Committee on the Chairwoman of the Board of Directors, approval of the Report of the Appointments and Remuneration Committee on the Chief Executive Officer, reporting favourably on the update of the statutory remuneration of the Chief Executive Officer, assessing the performance and objectives achieved by FCC's Chief Executive Officer, reporting favourably on the appointment of the first Executive Director of Cementos Portland Valderrivas (CPV), proposal included in the Annual Report on the remuneration of the Board members of FCC, S.A., corresponding to the year 2022, reporting favourably on the Report-Proposal on the statutory remuneration of the Board of Directors for financial year 2023, and remuneration of the Secretary of the CAC, approval of the implementation of the 2022 Variable Remuneration Plan and approval of the 2023 Variable Remuneration, reporting favourably on the approval of the FCC Group Salary Policy for 2023, reporting favourably on proposal to appoint Gerardo Kuri as the Non-executive Vice President of CPV, his contract for the provision of services of a commercial nature and the change of his position in FCC as a Proprietary Director of Control Empresarial de Capitales S.A. de CV, proposing or reporting favourably, as applicable, on the appointment or re-election of Directors, approving the CNR report of 2022 activities, appoint Manuel Gil Madrigal as the Chairman of the CNR, reporting favourably to the Board of Directors on the Equal Opportunities - regarding equal opportunities and safe environments -, Diversity and Inclusion Policy.

Based on the foregoing, it can be concluded that the Appointments and Remuneration Committee assumes and efficiently and diligently complies with the powers attributed to it in the Company's different corporate texts.

C.2.2 \_\_Fill in the following table with information regarding the number of female Directors that sit on the Committees of the Board of Directors at the end of the last four years:

	<b>Number of female directors</b>			
	<b>2023 Number %</b>	<b>Financial year 2022 Number %</b>	<b>2021 Number %</b>	<b>2020 Number %</b>
<b>Executive Committee</b>	33.33% (2)	33.33% (2)	33.33% (2)	33.33% (2)
<b>Audit Committee</b>	0% (0)	0% (0)	0% (0)	0% (0)
<b>Appointments and Remuneration Committee</b>	25% (1)	25% (1)	25% (1)	25% (1)

<b>Observations</b>

C.2.3 Indicate, where applicable, the existence of any regulations governing Board committees, where these regulations are to be found, and any amendments made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

- Regulations of the Board of Directors of FCC (Chapter IX. Committees of the Board of Directors, articles 35 to 38). The Regulations are available on the Company's website, in the "Corporate Governance" section, clicking on "Regulations". In 2023, the annual activity reports of the Audit and Control Committee and the Appointments and Remuneration Committee were voluntarily prepared for financial year 2022, which were published on the corporate website after publishing the call for the Ordinary General Shareholders' Meeting held on 14 June 2023.

## **D** RELATED-PARTY AND INTRAGROUP TRANSACTIONS

D.1 Explain, where appropriate, the procedure and competent bodies relating to the approval of related-party and intragroup transactions, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected Director or shareholders. Detail the internal information and periodic control procedures established by the company in relation to those related-party transactions for which approval has been delegated by the Board of Directors.

Article 24 of FCC's Regulations of the Board of Directors states that:

### Related Transactions

1. The Board of Directors shall be responsible for the knowledge and approval, following a report from the Audit and Compliance Committee, of transactions that the Company or Group companies carry out with Directors, or with shareholders holding, individually or in concert with others, at least ten percent (10%) of the voting rights, including shareholders represented on the Board of Directors of the Company or of other companies forming part of the Group or with other persons who are considered related parties as provided by law ("Related-Party Transactions"), unless their approval corresponds to the General Shareholders' Meeting.
2. For the purposes of the provisions of the preceding section, transactions between the Company and its wholly-owned companies, directly or indirectly, the approval by the Board of Directors of the terms and conditions of contracts to be entered into with Directors who are to perform executive duties, including, where appropriate, the Chief Executive Officer or Senior Executives, and the determination by the Board of the specific amounts or remuneration to be paid under such contracts, shall not be considered as a Related-Party Transaction.

Nor shall any transaction carried out by the Company with its subsidiaries or investees be considered a Related-Party Transaction, provided that no other party related to the Company has an interest in such subsidiaries or investees.

3. The approval of Related-Party Transactions whose amount or value is equal to or exceeds ten percent (10%) of the total asset items according to the latest balance sheet approved by the Company shall be the responsibility of the General Shareholders' Meeting. The approval of all other Related-Party Transactions shall be the responsibility of the Board of Directors, which may not delegate this power except in respect of Related-Party Transactions with companies within the Group that are carried out within the scope of ordinary management and on an arm's length basis, and also Related-Party Transactions entered into by virtue of contracts with standardised conditions applied en masse to a large number of customers, at prices or rates established in general by whoever acts as supplier of the good or service in question and the amount of which does not exceed 0.5% of the net turnover of the Company.
4. The Audit and Compliance Committee shall issue a report prior to the approval by the General Meeting or by the Board of Directors of a Related-Party Transaction. In this report, the Committee must assess whether the transaction is fair and reasonable from the point of view of the Company and, if applicable, of the shareholders other than the related party, and give an account of the assumptions on which the assessment is based and the methods used.

Directors who are members of the Audit and Compliance Committee affected by the Related-Party Transaction may not participate in the preparation of the report.

This report shall not be mandatory in relation to the conclusion of Related-Party Transactions whose approval has been delegated by the Board of Directors in the cases legally permitted and provided for in these Regulations.

5. Whenever, in accordance with the provisions of section 3 of this article, the Board of Directors delegates the approval of Related-Party Transactions, the Board of Directors itself shall establish an internal reporting and periodic control procedure to verify the fairness and transparency of these transactions and, where appropriate, compliance with the applicable legal criteria.
6. The Board of Directors shall ensure the public disclosure of Related-Party Transactions entered into by the Company or companies of its Group, the amount of which reaches or exceeds five percent (5%) of the total amount of the asset items or 2.5% of the annual turnover of the Company.

To this end, a notice, with the legally required content, must be placed in an easily accessible place on the Company's website, which in turn must be communicated to the CNMV. The announcement must be published and communicated no later than the date on which the Related-Party Transaction is entered into and must be accompanied by the report issued, where appropriate, by the Audit and Compliance Committee.

7. To determine the amount of a Related-Party Transaction, transactions entered into with the same counterparty in the last twelve months shall be counted in aggregate.

As regards the criteria and general rules governing the abstention obligations of the affected directors or shareholders, the Company applies the legal regime:

- (i) when the power to approve related-party transactions lies with the board, the director affected or the director representing or related to the shareholder affected must abstain from participating in the deliberation and voting on the relevant resolution in accordance with section 228.c) of the Corporate Enterprises Act. However, directors who represent or are related to the parent company in FCC shall not abstain, notwithstanding the fact that, in such cases, if their vote was decisive for the adoption of the resolution, the rule of reversal of the burden of proof shall apply in terms similar to those provided for in article 190.3 of the Corporate Enterprises Act; and
- (ii) when the competence is that of the General Shareholders' Meeting, the shareholder affected shall be deprived of the right to vote, except in cases in which the proposed resolution has been approved by the Board without the vote against of the majority of the Independent Directors. However, where applicable, the rule of reversal of the burden of proof provided for in Article 190.3 of the Corporate Enterprises Act shall apply.

D.2 Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of shareholder or any of its subsidiaries	Shareholding	Name or company name of the company or entity within its group	Nature of the relationship	Nature of the operation and other information necessary for its assessment	Amount (thousands of euros)	Approving body	Identification of the significant shareholder or director who has abstained	The proposal to the board, if any, has been approved by the board without a vote against the majority of independents
<u>Control Empresarial de Capitales, S.A. de C.V.</u>	69.58	<u>FCyC, S.A.</u>	<u>Shareholder</u>	<u>Acquisition of a 3.99% stake in Metrovacesa by FC y C, S.A.</u>	49,571	<u>Board of Directors</u>	-	-

D.3 Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Nature of the operation and other information necessary for its evaluation	Amount (thousands of euros)	Approving body	Identification of the significant shareholder or director who has abstained	The proposal to the board, if any, has been approved by the board without a vote against the majority of independents
Alejandro Aboumrab González	FCC	Director	Provision of services	354.9	Board of Directors	-	-

Observations
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D.4 Report individually on intragroup transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, any intragroup transactions carried out with companies established in countries or territories that are considered a tax haven shall be reported:

<b>Corporate name of the Group company</b>	<b>Brief description of the operation and other information necessary for its evaluation</b>	<b>Amount (thousands of euros)</b>
Servicios Especiales de Limpieza, S.A.	Contracts for the provision of cleaning services. - Realia Patrimonio, S.L.U. and Hermanos Revilla, S.A.	510
FCC Medio Ambiente, S.A.	Contracts for the provision of cleaning services - Realia Patrimonio, S.L.U.	177
FCC Industrial e Infraestructuras Energéticas S.A.U.	Contracts for the provision of maintenance services - Realia Patrimonio, S.L.U.	754
FCC Real State (UK) Ltd.	Authorisation for the sale of the landfills in the United Kingdom by different companies, including those closed and the ones currently in operation after they are closed, in favour of FCC Real Estate (UK) Ltd ("FCC RE UK"), subsidiary of FCyC, entering into the corresponding sale contracts, defined as "APA1", "APA2" for closed landfills and "APA3" for the active landfills, for a total amount, respectively, of GBP 3.47 million for block 1 (APA1), and of GBP –63.23 million for block 2 (APA2), due to the existence of provisions linked to associated liabilities.	66,700
FCC Real State (UK) Ltd.	Operation and maintenance (O&M) contract related to the assets included in the landfill sale transaction between FCC Recycling (UK) Ltd., a subsidiary of FCC, as the contractor responsible for management, operation and maintenance of the assets, and FCC Real State (UK) Ltd., a subsidiary of FCyC, as the employer or client.	358* *An annual estimate of the amount of the contract was drawn up given the complexity of the transaction to accurately establish the amount, subject to the specification of different variables.

<b>Corporate name of the Group company</b>	<b>Brief description of the operation and other information necessary for its evaluation</b>	<b>Amount (thousands of euros)</b>
FCC Real State (UK) Ltd.	Granting of a personal guarantee by FCC in favour of FCyC's subsidiary, FCC Real Estate (UK) Ltd., in relation to the risks inherent to the assets (landfills sold) included in the sale agreement.	30,000
FCC Construcción, S.A.	Contract for the execution of works - Realía Business, S.A.	19,850
FCyC, S.A.	Management and marketing contracts for real estate developments - Realía Business, S.A.	5,319
FCyC, S.A.	Management and marketing contracts for real estate developments - Realía Business, S.A.	7,219
Fomento de Construcciones y Contratas, S.A.	Intragroup loan - Realía Business, S.A. (Borrower)	40,000
FCyC, S.A.	Intragroup loan of Fomento de Construcciones y Contratas, S.A. (Lender)	178,803
Fomento de Construcciones y Contratas, S.A.	Intragroup loan - Realía Business, S.A. (Borrower)	65,000

<b>Observations</b>
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D.5 Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

<b>Company name of the related party</b>	<b>Brief description of the operation and other information necessary for its evaluation</b>	<b>Amount (thousands of euros)</b>
Soimob Inmobiliaria Española, S.A.U.	Acquisition of a 1.9484% stake in Metrovacesa by FCyC, S.A.	24,233
Soimob Inmobiliaria Española, S.A.U.	Acquisition of a 12.19% stake in Realía Business, S.A. by FCyC, S.A.	105,000
Vilafulder Corporate Group, S.L.U.	Agreement for the provision of services with Fomento de Construcciones y Contratas, S.A.	355



Observations

D.6 Describe the mechanisms established to detect, determine and resolve possible conflicts of interests between the Company and/or its Group and its directors, executives or significant shareholders or other related parties.

Article 23 of the Regulations of the Board of Directors states that:

1. As part of his/her duty to avoid the conflicts of interests indicated in section 2.e) of the preceding article, the Director shall refrain from:

- a) Undertaking transactions with the Company or with Group Companies, except in the case of ordinary transactions, carried out under standard conditions for customers and of limited relevance, including those for which information is not necessary to express the true image of equity, of the financial situation and the results of the Company.
- b) Using the name of the Company or invoking his/her status as a director to unduly influence the execution of private transactions.
- c) Making use of social assets, including confidential information on the Company, for private purposes.
- d) Taking advantage of the Company's business opportunities.
- e) Obtaining advantages or remuneration from third parties other than the Company and its Group associated with the performance of their duties, unless they are a mere courtesy.
- f) Performing activities on their own account or on behalf of others that involve effective competition, whether current or potential, with the Company or that, in any other way, place them in a permanent conflict with the interests of the Company.

2. The above provisions shall also apply in the event that the beneficiary of the prohibited acts or activities is a person linked to the director.

3. In any case, directors shall notify the Board of Directors, through the Corporate Responsibility Department or any other department that may replace it, with sufficient notice, of any direct or indirect conflict of interests that they or persons linked to them may have with the interests of the Company or those of the group of companies that comprise the FCC Group or its related companies.

4. The Company may waive the prohibitions contained in this article in individual cases by authorising a director or a related person to enter into a specific transaction with the Company, to use certain corporate assets, to take advantage of a specific business opportunity, or to obtain an advantage or remuneration from a third party, without prejudice to the provisions of the Law and these Regulations in relation to Related-Party Transactions.

5. This authorisation shall be agreed by the General Shareholders' Meeting when the intention is to waive the prohibition on obtaining an advantage or remuneration from third parties, involves a transaction worth more than ten percent (10%) of the Company's social assets or concerns the obligation to not compete with the Company. In the latter case, the waiver may only be offered in the event that the Company is expected to suffer no damages or that the damages will be offset by the advantages expected to be obtained from the waiver, and the waiver shall be granted by express and separate consent of the General Shareholders' Meeting.

6. In the other cases to which the prohibitions in this article apply, authorisation may also be granted by the Board of Directors, subject to a favourable report from the Appointments and Remuneration Committee, provided that the independence of the members granting this authorisation is guaranteed with respect to the relieved director or the related person. In addition, it will be necessary to ensure that the authorised transaction protects social assets from harm or, where appropriate, they are undertaken subject to market conditions, and the transparency of the process. The affected directors or those representing or associated with the affected shareholders shall refrain from participating in the deliberation and voting process concerning the resolution in question. When Related-Party Transactions are involved, the provisions of the Law and these Regulations shall apply.

7. In any case, conflicts of interest incurred by the directors shall be included in the report, under the terms established by Law.

8. For the purposes of this provision, related persons are understood as those included in the Spanish Corporate Enterprises Act.

D.7 Indicate whether the company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

Yes  No

There is a collaboration agreement between FCC Construcción (FCC Group) and Carso Infraestructuras S.A.B de CV (a company related to Control Empresarial de Capitales) to jointly undertake projects in the Americas (excluding the United Mexican States), through a special purpose vehicle (SPV) "FCC Américas".
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Indicate whether the respective areas of activity and any business relationships between the listed company or its subsidiary companies and the parent company or its subsidiary companies have been accurately publicly disclosed:

Yes  No

<b>Report on the respective areas of activity and any business relationships between the listed company or its subsidiary companies and the parent company or its subsidiary companies, and identify where these aspects have been publicly disclosed</b>
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Collaboration agreement between FCC Construcción (FCC Group) and Carso Infraestructuras (a company related to Control Empresarial de Capitales) to jointly undertake construction projects in the Americas (excluding the United Mexican States), through a special purpose vehicle (SPV) "FCC Américas".
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These aspects have not been publicly disclosed.
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Identify the mechanisms planned to resolve possible conflicts of interests between the parent company of the listed company and the other Group companies:

<b>Mechanisms to resolve potential conflicts of interests</b>
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A joint executive committee has been set up for the company FCC Américas to resolve any disputes that may arise. Regarding the FCC's Board of Directors, for the adoption of resolutions in view of the tender for a project in the Americas, directors with a potential conflict of interest abstained.
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## **E RISK CONTROL AND MANAGEMENT SYSTEMS**

### **E RISK CONTROL AND MANAGEMENT SYSTEMS**

#### **E.1 Explain the scope of the company's financial and non-financial risk management and control system, including tax risk.**

The FCC Group's Risk Management Model is designed with the aim of identifying, analysing and assessing the potential risks that could affect the different areas of the Group, as well as establishing mechanisms integrated into the organisation's processes that allow risks to be managed within accepted levels, providing the Board of Directors and senior management with reasonable security in relation to the achievement of the main objectives defined. This Model applies to all FCC Group companies, as well as to those affiliates where FCC has effective control, promoting the development of work frameworks that enable suitable risk control and management in those companies where effective control is not available.

This model is mainly based on the integration of the risk-opportunity vision and the assignment of responsibilities, which, together with the segregation of functions, favour the monitoring and control of risks, consolidating an adequate control environment.

The activities included in the FCC Group's Risk Management Model include the assessment of financial and non-financial risks, including tax risks, in terms of impact and probability of occurrence, the application of prevention and control activities to mitigate the effect of these risks and the establishment of *reporting* flows and communication mechanisms at different levels, which enable decision-making as well as their review and continuous improvement.

The FCC Group also has a Crime Prevention Model, whose integration into the organisation's processes contributes to the strengthening of the control environment, a Tax *Compliance* Policy, a Tax Code of Conduct and a Tax Control Framework Standard, within which the process of identifying and assessing tax risks and assigning responsibilities for the management and *reporting* of these risks.

#### **E.2 Identify the bodies within the company responsible for preparing and executing the financial and non-financial risk management and control system, including tax risk.**

The Board of Directors is responsible for determining the risk control and management policy, including tax risks, identifying the main risks, implementing and monitoring the appropriate internal control and information systems, in order to ensure both its future viability and the competitiveness of the Group, adopting the most relevant decisions for its best development.

The Audit and Control Committee is responsible for risk management and control systems:

- supervising the internal risk management and control unit, whose functions include ensuring the proper functioning of the risk management and control systems and ensuring that they mitigate risks.
- supervising and analysing the effectiveness of the internal control and risk management model, ensuring that it identifies the different types of risks faced by the Group, the measures for their mitigation, the levels for their management and the supporting processes and systems.

- ensuring that the internal audit unit's activity is primarily focused on relevant risks, including reputational risks.

In this regard, the FCC Group's Risk Management Model is based on the establishment of different levels of risk management and internal control, located both in the business units and in the corporate areas.

The first tier concerns the operational lines of the business areas, which act as risk generators and are responsible for managing, monitoring and appropriately reporting the risk generated, including tax risk.

The second level consists of support, control and supervision teams, ensuring effective control and adequate risk management, including fiscal risk. At this tier, the management of each business area is responsible for the implementation of the Risk Management Model, including those relating to financial reporting. The *Compliance* area is responsible for identifying risks, defining and monitoring crime prevention controls, proposing action plans in cases where non-compliance or inefficiencies in their operation have been detected.

The third level is made up of corporate functions with supervisory and advisory responsibility focused on the achievement of objectives, which report to the Group's decision-making bodies, including the Audit and Control Committee. These functions include the Compliance Committee, whose responsibilities include the implementation of the Crime Prevention Model and the management of the Whistleblowing Channel. The Corporate Risk Management and Internal Audit functions, which report to the Audit and Control Committee, are also part of this level. The Risk Management function is responsible for the coordination of the Risk Management Model, defining a basic methodology for the identification, assessment and *reporting* of risks and the Internal Audit function, in its role of ultimate control, assesses the adequacy of policies, methods and procedures and verifies their effective implementation.

**E.3 Indicate the main financial and non-financial risks, including tax risks and the extent to which those involving corruption are significant (the latter being understood within the scope of Royal Decree Law 18/2017), which may affect the achievement of business objectives.**

The FCC Group is exposed to various risk factors inherent to both the nature of its activities and the risks related to environmental, economic, social and geopolitical upgrades in the different countries in which it carries out these activities and to the risks arising from its relations with third parties, including the risks arising from the non-exhaustive application of the principles of ethics and compliance set out in its regulations. Many of these risk factors are strongly interconnected and could potentially affect both the achievement of business objectives and the image and reputation of the FCC Group.

- **Downturn in the economic environment:** The slowdown and deterioration of economic growth in an environment of high interest rates, as well as the withdrawal of tax support in a context of high debt, could lead to a reduction in demand and investment forecasts. In addition, the intensification of geo-economic fragmentation could restrict the movement of raw materials between markets, with the consequent increase in price volatility, circumstances that could have an impact on the unfolding and outcome of some projects.

- **Geopolitical and regulatory instability.** Armed conflict and the increase in political and social tensions in different countries and regions could lead to deeper changes in the geopolitical environment after the pandemic. Regulatory changes could also be made by governmental agencies and governments in social, tariff, monetary, commercial, corporate, labour, tax, energy, real estate, environmental and public-private partnership models, which could affect the Group's operations, requiring in some cases a period of adaptation to regulatory changes.
- **Sustainability and ecological transition.** The FCC Group must continue to set sustainable objectives from an environmental, social and corporate governance point of view, so that they remain in line with the requirements and expectations of regulators, customers, investors, financiers and society in general. Likewise, the Group must maintain its efforts to continue addressing the challenges of Ecological Transition.
- **Climate and environmental risks.** Short- and medium-term climatic changes and extreme weather events could affect both the development of the FCC Group's activities and its strategy. The FCC Group carries out its activities in line with its environmental commitment, although its exposure to potential accidents could be detrimental to the environment and to society, affecting the performance of projects and services.
- **Technological disruption.** Digital transformation, the emergence of artificial intelligence and the use of new technologies require an effort in innovation and specific investments that the FCC Group is facing in order to maintain and strengthen its position in an increasingly competitive environment.
- **Cyber threats.** The increasing digitisation of business has increased the exposure of companies to cyber threats, which could affect tangible and intangible assets and lead to the paralysis of operations, uncontrolled access, and leakage and/or hijacking of information and data.
- **Tenders.** The FCC Group participates in complex and competitive bidding processes, sometimes with long periods until the award, for the success of which a study is made of all the technical and economic factors and of the third parties involved, which could be altered by the changes in economic variables, regulatory changes, socio-political instability, etc.
- **Disputes and contractual breaches.** Different interpretations of regulatory and contractual requirements, non-compliance by customers and suppliers, delays in the supply chain, etc., could lead to discrepancies leading to increased litigation and impact on the timing and/or outcome of projects.
- **Human capital.** The success of the FCC Group depends to a large extent on its key personnel. The increase in demand for qualified labour in certain countries, wage pressure, a potential increase in conflicts and/or difficulties in attracting and retaining talent could have an impact on the FCC Group's activities.
- **Appraisal of real estate investments.** Real estate market activity could be affected by increased uncertainty in the economic and social environment with the potential impact on the appraisal of real estate assets.
- **Fluctuation of exchange rates.** Although the reference currency and the currency in which the FCC Group operates is the euro, the risk is mainly in debt denominated in foreign currencies, in investments in international markets and in collections in currencies other than the euro.

- **Fluctuation of interest rates:** Any increase in interest rates could give rise to an increase in the FCC Group's financial costs associated with borrowings at variable interest rates and could also increase the cost of refinancing the FCC Group's borrowings and the issue of new debt.
- **Impairment of the commercial fund.** The FCC Group has on its balance sheet goodwill of some significance. FCC can give no assurance that the Group will not incur impairment losses/adjustments due to impairment of the Group's property, plant and equipment or other tangible assets, which, if incurred, could affect the financial results of the FCC Group.
- **Recoverability of deferred tax assets.** At consolidated level, the FCC Group has a certain amount of deferred tax assets, the vast majority of which relate to the Spanish tax group. Their recoverability could be affected by the cyclical nature of the Fiscal Group's profit, or by future changes in tax rates, especially corporate tax in Spain.
- **Credit and liquidity risks.** Both risks are mainly attributable to accounts receivable and are therefore related to the Group's exposure to the credit risk of its customers and the liquidity lines available to them. The Group monitors the credit quality of its customers, the liquidity and financing lines for each of the companies to mitigate this risk.
- **Financing:** In specific circumstances, there may be some difficulty in obtaining or renewing corporate financing or for the execution of certain projects, due to situations of general instability that generate a temporary disruption of capital markets, requirements or guarantees requested by financiers, as well as the viability of economic models that justify the repayment of funds, and specific situations of concentration of sources of financing. All this could affect regular funding, normal business, or result in the loss of business opportunities.

#### **E.4 Identify whether the entity has risk tolerance levels, including for tax risk.**

The FCC Group's Board of Directors recognises the importance of appropriate risk management for the achievement of its objectives, and therefore internal processes are geared towards the assumption of a medium-low and predictable level of risk, based on a business model diversified in both activities and locations, and on a stable, recurring and sustainable policy of generating results and creating value. All this with zero tolerance for bribery and corruption.

Regarding tax risk, the Standard Tax Control Framework, which is part of the Group's tax *Compliance* management system, defines the general tax risk management policy and the acceptable levels of tax risk.

#### **E.5 Indicate whether the entity has risk tolerance levels, including for tax risk.**

The global recovery after the last health crisis continues to be slow and uneven and has been affected, among other circumstances, by armed conflicts in different regions and the increase in geopolitical tension, slowing growth and causing a spike in interest rates by the central banks, aimed at fighting inflation. This circumstance has led to an increase in financial costs, which has also affected real estate investment valuations.

Taking into account the aspects mentioned in the above paragraph, among others, the FCC Group has reviewed the assumptions used to assess any signs of impairment of its main non-financial assets, detecting no signs of impairment of goodwill.

Moreover, in the ordinary course of the FCC Group's business, and as a result of the high volume of contracts with customers, suppliers and partners, as well as the possible requirements of bodies in different jurisdictions, contractual disputes arise that sometimes result in civil, labour, criminal, arbitration, administrative, regulatory and similar proceedings in which the FCC Group is a party. Similarly, the persistent high underlying inflation is affecting projects in which the contractual clauses may not include price reviews that fully or partially covers such risks.

At the operational level, integral water resource management activities are being affected by water availability and by the specific contingency plans rolled out in some locations.

Finally, the cyber threats to which the FCC Group is exposed have not had a significant impact on its financial information or operational systems, although there has been a slight impact on some of the Group's secondary systems.

**Explain the response and supervision plans for the company's main risks, including tax risks, and also the procedures followed by the company to ensure that the board of directors responds to any new challenges that arise.**

The FCC Group has a series of codes, regulations, processes, controls and specific actions focused on detecting and responding to the risks and opportunities it faces.

Globally, the Risk Management Model, the Compliance Model and the Fiscal Control Framework Standard establish comprehensive frameworks for the identification, assessment, management and *reporting* of risks in their respective areas of application, establishing responsibilities for management, supervision and *reporting* at different levels of the organisation, and specific response plans, which are designed taking into consideration their operational feasibility, their possible effects, as well as the cost-benefit ratio of their implementation.

The uncertainty derived from the economic and geopolitical situation requires constant monitoring and analysis of the changes and potential impacts for the FCC Group, committing to a diversified business model, consolidating itself in markets in which it already has a presence, assessing opportunities in countries with a stable political-social binomial and seeking new formulas for public-private collaboration.

The FCC Group has actively incorporated sustainability into its business model and its governance system, with a new Sustainability Policy that incorporates the three sustainable axes in the development of its operations: the environmental, social and good governance pillars, publicly reinforced with its adhesion to the Sustainable Development Goals campaign promoted by the UN Global Compact in Spain. In this regard, the FCC Group created the sustainable finance taxonomy area in 2023 with the aim of identifying the risks associated with the taxonomic process to optimise the alignment of the Group's eligible activities and identify shortcomings, operational risks and potential development of activities for the business areas in their taxonomic perspective, among other tasks, all in relation to environmental sustainability and other related areas.

Environmental and climate risk management and action is also strongly incorporated into the FCC Group's business model, developing an environmental policy based not only on strict compliance with current legislation on improving and defending the environment, but also going further by establishing preventive planning and analysing and minimising the environmental impact, use of resources and emissions associated with activities carried out. An analysis and assessment of the physical risks arising from the effects of climate change and the risks of transition to a low-carbon economy is also carried out, with various innovative and sustainable initiatives to reduce the impact of activities, extending the scope of social and environmental criteria to the value chain, and designing products and processes that are more efficient and integrated into the Circular Economy.

The business areas also have quality assurance and environmental management systems certified in accordance with international standards, and some of these units are part of the EU's Eco-Management and Audit Scheme (EMAS).

The disruption of new technologies is both a challenge and an opportunity, which is why the FCC Group is committed to the development and innovation of new technologies, which is materialised in the significant investment in R+D+i projects in each business area, to ensure the appropriate response to each of its activities and to seek innovative solutions that seek to improve the Group's economic, social and environmental performance.

In view of the increase in cyber threats, the FCC Group has an operational unit with the function of preventing, detecting, analysing and mitigating factors related to security events, such as intrusion, attacks, etc., as well as an Information Security Management System, with specific training given to employees with access to technological resources. The FCC Group has an internal policy for complying with the requirements of data protection regulations, as well as persons responsible for this function both in the business units and at corporate level.

The purchasing and contract management processes with customers and suppliers incorporate different activities to mitigate the risks of price increases, especially in energy and certain raw materials and materials, inefficiencies in the supply chain, stock breakages, supplier non-compliance, etc. In addition, and as part of our sustainability commitments, we continue to incorporate mechanisms to reduce energy consumption in both production processes and facilities.

As regards contractual disputes and the potential increase in litigation, work continues on monitoring and managing contracts and identifying legal risks.

The business areas have teams of experts who analyse the different factors to be considered in tenders, with the support of the Compliance and Sustainability Department and Purchasing Department in the analysis of customers, partners and suppliers.

The FCC Group has processes in place to attract the right talent, promote their professional development in the company, optimise performance and manage objective compensation for the results obtained.

Regarding financial risks, they are controlled by specialist departments at the business units, together with the General Administration and Finance Division, whose tasks include reaching decisions on risk transfer mechanisms (insurance), covering interest rate variations, and managing asset risks.



## **F INTERNAL RISK CONTROL AND MANAGEMENT SYSTEMS RELATING TO THE INTERNAL CONTROL OVER FINANCIAL REPORTING SYSTEM (ICFR)**

### **F. INTERNAL RISK CONTROL AND MANAGEMENT SYSTEMS RELATING TO THE INTERNAL CONTROL OVER FINANCIAL REPORTING SYSTEM (ICFR).**

**Describe the mechanisms that make up the risk management and control systems in relation to the process of reporting your institution's financial information (ICFR).**

#### **F.1 Institution's control environment.**

State, indicating their main characteristics, at least:

**F.1.1. The bodies and/or areas responsible for: (i) the existence and maintenance of adequate and effective Internal Control over Financial Reporting System (ICFR); (ii) its implementation; and (iii) its supervision.**

The Internal Control over Financial Reporting System (ICFR) is part of the FCC Group's internal control system and must provide the Audit and Control Committee and Senior Management with reasonable assurance about the reliability of the financial information submitted for approval to the Board and that is periodically disclosed to regulators and the market.

The bodies and functions of the FCC Group responsible for ensuring the existence, maintenance, implementation and supervision of an adequate and effective ICFR, as well as the powers attributed to these bodies, as established in the internal regulations, are as follows:

#### **Board of Directors**

The duties of this Governing Body include:

- Determining the risk control and management policy, including tax risks, identifying the main risks and implementing and monitoring the appropriate internal control and information systems, as well as supervising the internal information and control systems.
- Approving the policy of communication, contacts and involvement with shareholders, institutional investors and proxy advisors, including, but not limited to, that relating to the communication of economic-financial information and ensuring the quality of the information provided.

#### **Audit and Control Committee**

In relation to the Information and Internal Control Systems, the Audit and Control Committee is responsible for:

- Supervision and assessment of the preparation process and the integrity of the financial information, reviewing compliance with regulatory requirements, the proper delimitation of the scope of consolidation and the correct application of accounting principles.
- Regular monitoring and assessment of internal control and financial and non-financial risk management systems, so that key risks are properly identified, managed and disclosed.
- Ensuring the independence and effectiveness of the internal audit function, receiving regular information on its activities and verifying that senior management takes into account the findings and recommendations of its reports.
- Regularly receiving information on risk management and the Crime Prevention Model.

- Establishing mechanisms for reporting potential irregularities related to FCC Group activities.
- Generally ensure that the policies and systems in place for internal control are effectively implemented in practice.

In addition, the Audit and Control Committee is responsible for (but limited to) the following:

- The supervision of the internal risk management and control unit, so that it focuses on ensuring the proper functioning of the risk management and control systems and their proper functioning to mitigate risks.
- Supervising and analysing the effectiveness of the internal control and risk management model, ensuring that it identifies the different types of risks faced by the Group, the measures for their mitigation, the levels for their management and the supporting processes and systems.
- Informing the General Shareholders' Meeting on matters arising in relation to those matters within its competence and, in particular, on the result of the audit, explaining how the audit has contributed to the integrity of the financial information and the role the Committee has played in this process.

Serving as a channel of communication between the Board of Directors and the external auditor, assessing the results of each audit and ensuring its independence.

### **Senior Management**

The Senior Management of each of business unit is ultimately responsible for the implementation of the Risk Management and Internal Control Model; its duties include the implementation of an effective and efficient control system for risks, including those associated with financial information.

### **General Administration and Finance Division**

The General Administration and Finance Division performs its duties in the areas of Administration, Tax, Information Systems and Technologies, Finance, Communication, Purchasing and Human Resources.

The Administration area is responsible for the FCC Group's administrative management tasks and other tasks associated with Information and Internal Control Systems, and is also responsible for coordinating and supervising the preparation and control of budgets, as well as ensuring the correct execution of administrative-financial processes in the Group, ensuring compliance with the applicable regulations and procedures, so as to provide reliable and truthful information to facilitate decision-making processes.

With regard to the Information and Internal Control Systems, the Finance area's operations are structured around financing the Group's activities, managing its debt and financial risks, optimising the treasury and financial assets, financial management and control, managing its operations and markets and with regard to the CNMV's regulations, analysing and financing investments, managing, monitoring and controlling guarantees and collateral, managing insurance and industrial and property risks and management control procedures.

Moreover, in relation to the Information and Internal Control Systems, some of the duties of the Tax area include the coordination and development of an internal control system that controls all tax-related matters, defining the suitable tax processes and procedures within the Group, with a view to ensuring compliance with its tax obligations.

The Information Systems and Technologies area of the FCC Group aims to guarantee that technological support is provided to the Group's management processes, optimising the level of service provided to users, and ensuring the confidentiality and integrity of information systems. Reporting to this area, the FCC Group has an Information Security Department in charge of defining and implementing internal controls to verify correct compliance with corporate information security policies, including the ones that support the processes of preparation and publication of financial information, preventing cyber attacks and undertaking data protection responsibilities.

### **General Internal Audit and Risk Management Division**

It aims to provide the Audit and Control Committee and Senior Management with an independent and objective opinion on the Group's ability to achieve its objectives through a systematic and methodological approach for the assessment, management and effectiveness of internal control and risk management processes, assessing the effectiveness and reasonableness of the internal control systems, as well as the functioning of processes according to the procedures, proposing improvements and providing methodological support to the Division in the process of identifying the main risks that affect activities and supervising the actions for their management

The responsibilities in relation to the Financial Information Control Systems of the General Internal Audit and Risk Management Division include the supervision of the process of preparing and submitting the Group's financial information before it is issued to the market, as well as contributing, together with the other areas involved, the development of internal controls by monitoring compliance with the policies, standards, procedures and activities that constitute the internal control model to ensure the correct management and reduction of risks, issuing recommendations for their improvement. Its responsibilities also include the supervision of projects and processes, performing a risk identification and an assessment of the control environment.

### **Corporate Compliance Committee**

This high-level internal management committee, with autonomous initiative and control powers entrusted by the Board of Directors, through its Audit and Control Committee, is responsible for promoting a culture of ethics across the Organisation and ensuring both internal and external regulatory compliance. Its functions and competencies include the monitoring and supervision of ethics and compliance programmes, including the Code of Ethics and Conduct, existing policies, standards, procedures and controls intended to ensure, among other objectives, the prevention of criminal misconduct. It is chaired by the Corporate Compliance Officer and receives the support of the Compliance Committees of the Business Areas and the Tax Compliance Committee.

**F.1.2. Whether the following elements are in place, especially in relation to the process of preparing financial information:**

- **Departments and/or mechanisms in charge of: (i) designing and reviewing the organisational structure; (ii) of clearly defining the lines of responsibility and authority, with an adequate distribution of tasks and functions; and (iii) ensuring there are sufficient procedures for its correct dissemination throughout the institution.**

The Chief Executive Officer, appointed by the Board of Directors, is responsible for the design and review of the organisational structure and the definition of lines of responsibility and authority. Each Corporate or Business Division must define the organisational structure and the lines of responsibility of its management.

The process of determining the organisational structure is governed as established in the Group's General Standards Manual, which regulates the bodies reporting directly to the Board of Directors, the distribution of Group management functions, and the appointment of executive positions.

The Appointments and Remuneration Committee is responsible for examining and organising the succession of the Chairman of the Board of Directors and the CEO of the Company and, where appropriate, making proposals to the Board of Directors for this succession to take place in an orderly and planned manner. This is in addition to reporting on proposals for the appointment and dismissal of senior executives and the basic conditions of their contracts.

The top-level organisational structure is included in the corporate intranet and that of the business divisions, with other organisational structures associated with specific projects or contracts, distributed to stakeholders through the channels provided for such purposes.

In addition, internal procedures establish specific responsibilities and lines of communication and reporting. In this regard, the specific responsibilities relating to the Internal Control over Financial Reporting System include, for the Administration area of the General Administration and Finance Division, the assumption of high-level executive functions in the management of the ICFR, the execution of control activities related to the consolidation sub-process and the standardisation of the processes related to the preparation of the information. The Risk Management areas responsibilities include methodological support in the identification of risks and controls in the process of preparing financial information. The Capital Markets and Management Control Division of the General Administration and Finance Division is responsible for preparing the Management Report. Finally, the Internal Audit area supervises the process of preparing and submitting the Group's financial information before it is issued to the market.

- **Code of conduct, approving authority, degree of dissemination and instruction, principles and values included (indicating whether there are specific mentions of the recording of transactions and preparation of financial information), body responsible for analysing breaches and proposing corrective actions and sanctions.**

The Board of Directors, as a non-delegable power, is responsible for approving the FCC Group's Regulations or Internal Codes of Conduct. The Audit and Control Committee, in accordance with the aforementioned Regulations, is responsible for ensuring that the Internal Codes of Conduct and the Corporate Governance Rules comply with the regulatory requirements and are adequate for the Company, as well as reviewing compliance by those affected by these codes and rules of governance with their duties to inform the Company.

The FCC Group has a Code of Ethics and Conduct, which was updated in 2023 and which aims to ensure all persons linked to any FCC Group company, regardless of the type of contract applicable to their employment relationship, position or geographical area in which they perform their work, are guided by the strictest behavioural guidelines in compliance with laws, regulations, contracts, procedures and ethical principles, being binding on all these persons. These principles include respect for the law and ethical values, zero tolerance of bribery and corruption, prevention of money laundering and the financing of terrorist activities, protection of free competition and good market practices, ethical conduct in the securities market, avoidance of conflicts of interest, strict control, reliability and transparency of information, protection of the Group's reputation and image, efficient and secure use of the company's resources and assets, vigilance in the ownership and confidentiality of data and information, customer focus, primacy of people's health and safety, promotion of diversity and fair treatment, commitment to our environment, transparent relationship with the community and extension of the commitment to ethics and compliance to business partners.

Specifically, with regard to the recording of transactions and the preparation of financial information, the Code of Ethics and Conduct establishes in the section "Rigour in control, reliability and transparency" that "the FCC Group's information must be prepared with the utmost reliability, complying with the applicable regulations and the company's rules, and must be diligently guarded and kept", indicating that special care must be taken to ensure "the proper and complete accounting, recording and documentation of all transactions, income and expenses as they occur, without omitting, concealing or altering any data or information, so that the accounting and operating records accurately reflect reality and can be verified by the control areas and by internal and external auditors. Failure to follow these premises could be considered fraud. The circumvention of the company's internal controls will be grounds for sanction". In addition, the FCC Group has a Tax Code of Conduct, which also includes a commitment to transparent behaviour in tax matters and an Internal Code of Conduct in the area of the FCC Group's Securities Market.

The Code of Ethics and Conduct is published both on the corporate intranet and on the Group's website in 15 languages, as well as on the websites of several companies, where it can be consulted by anyone, and regular campaigns are carried out to disseminate, communicate and encourage employees to adhere to it, with the aim of strengthening employees' personal commitment to the company's Compliance Model. This Compliance Model is supplemented by a Crime Prevention Manual, Compliance Committee regulations, investigation and response procedures and the Whistleblowing Channel, as well as a series of policies and procedures that develop the different principles of action set out in the Code of Ethics and Conduct, including policies on relations with partners in the areas of compliance, anti-corruption, competition, human rights, agents, gifts and tenders.

Different dissemination and training actions were rolled out in 2023 with regard to the renewal of the commitment to the Code of Ethics and Conduct, highlighting the different international campaigns and those aimed at people without access to technology. In addition, numerous training actions have also been carried out on specific elements of the Compliance Model, many of them through the corporate training platform.

The Board of Directors has entrusted the Compliance Committee with the task of promoting an ethical culture throughout the organisation, ensuring both internal and external regulatory compliance. Its main duties and competencies include the management of the Whistleblowing Channel and the surveillance and supervision of ethics and compliance programmes, as well as the Code of Ethics and Conduct, and of policies, rules, procedures and controls. The Compliance Committee is chaired by the Corporate Compliance Officer, and a Compliance Officer has been appointed in each of the Businesses to assist the Corporate Compliance Officer in the implementation of the Crime Prevention Model, in the identification of risks, in the definition and monitoring of controls and in the treatment of complaints and investigations related to crimes and

breaches of the Code of Ethics and Conduct received. Likewise, the Business Compliance Committees have been set up, which in turn are supported by Compliance structures in different geographical areas, as a Crime Prevention body that provides support in this area to the Corporate Compliance Committee, as well as to the Board of Directors or equivalent decision-making body.

In addition, the Board of Directors has endowed the Tax Compliance Body with a series of duties related to the management of the Group's Tax Compliance system, a management system that is integrated within the Group's Compliance Model.

- **Whistleblowing Channel, for reporting to the audit committee on irregularities of a financial and accounting nature, in addition to possible breaches of the code of conduct and irregular activities in the organisation, stating whether it is confidential and whether it allows anonymous reporting, respecting the rights of the whistleblower and the reported party.**

The FCC Group has a widely disseminated Whistleblowing Channel to confidentially report any activities and conduct that may involve a breach of the Code of Ethics and Conduct in any of its aspects, including potential irregularities that could have criminal consequences. Communications can be made through the corporate intranet, by e-mail, via phone or in person, and by post, and specific accesses have been set up for certain companies and geographic areas to facilitate accessibility.

The management of the Whistleblowing Channel is regulated in the Whistleblowing Channel Procedure, available on the corporate intranet, and also in the Code of Ethics and Conduct itself, which specifies the obligation of all persons linked to FCC Group companies to report any breach of the Code of Ethics and Conduct of which they become aware. The guidelines, procedures, tools and mechanisms for handling different types of investigations are governed by the Investigation and Response Procedure, which guarantees the rights of the parties.

Several complaints and enquiries were sent via the Whistleblowing Channel during the year 2023, which were managed in accordance with the provisions of internal regulations.

- **Training and periodic update programmes for staff involved in the preparation and review of financial information, as well as in the assessment of the Internal Control over Financial Reporting System (ICFR), covering at least accounting standards, audits, internal control and risk management.**

The training plans, both in the business units and at the corporate level, include various training actions focused on the acquisition, updating and recycling of economic-financial, regulatory, risk control and management knowledge, as well as other regulatory and business aspects, knowledge of which is necessary for the adequate preparation, reporting, supervision and communication of the Group's financial information. During the year 2023, more than 32,000 hours of specific training were delivered in these areas, including those related to the development of accounting treatments regarding International Financial Reporting Standards, taxation, use of different tools for recording financial information, planning and management, use and protection of data, etc., in addition to the hours of training on Compliance, covering aspects related to fraud and correct registration of transactions, among other aspects.

## **F.2 Assessment of financial information risks**

### **Report, at least:**

#### **F.2.1. The main characteristics of the risk identification process, including error or fraud, in terms of:**

- **Whether the process exists and is documented.**

The FCC Group Risk Management Model establishes a comprehensive framework for the identification, analysis, assessment and management of risks at all levels of the organisation, assigning responsibilities in different areas and at different levels of the organisation.

Section E of this Annual Corporate Governance Report details the activities, responsibilities and functioning of the FCC Group Risk Management Model.

- **Whether the process encompasses all the financial information objectives (existence and occurrence; integrity; appreciation; presentation, breakdown and comparability; and rights and obligations), whether it is updated and how often.**

The Risk Management Model includes the identification, from different perspectives, of risks related to the most relevant financial reporting objectives. On the one hand, as part of Operational and Financial Risks, different aspects relating to the analysis, monitoring and efficiency in the management of different financial information are considered. As part of Compliance Risks, the economic and reputational repercussions of non-compliance with the regulatory requirements in accounting, commercial, tax and corporate matters are contemplated. The risk of fraud is contemplated in the Crime Prevention Model. Finally, as part of Reporting Risks, several risks relating to shortcomings in reporting models and systems are considered, including but not limited to aspects of reliability, timeliness and transparency.

Both the risk identification and assessment processes are updated periodically, in response to both business needs and external factors, with periodic reporting of the most significant risks of the different business units and also of the corporate functions.

- **The existence of a consolidation perimeter identification process, taking into account, among other aspects, the possible existence of complex corporate structures or special purpose entities.**

Each of the FCC Group's business units is responsible for maintaining and updating the consolidation perimeter corresponding to its area of activity. Documented procedures are also in place for the reporting of consolidated economic and financial information to the Administration Area, for the creation of consolidation perimeters and the execution of the consolidation process. The Administration Area is responsible for the standardisation function to ensure that the accounting reflection of operations is correct and homogeneous in all the companies that make up the FCC Group and carries out the consolidation process to obtain the Group's consolidated financial statements. Additionally, periodic controls are performed on the correct accounting treatment of companies that make up the consolidation perimeter.

- **Whether the process takes into account the effects of other types of risks (operational, technological, financial, legal, reputational, environmental, etc.) to the extent that they affect the financial statements.**

The process includes the identification of different operational, technological, information security, financial, tax, legal, environmental, reputational and other risks, which are incorporated into the five broad categories defined: strategic, operational, compliance, financial and reporting risks. These risks are assessed considering their potential impact on the Financial Statements if they materialise, as well as their potential reputational impact.

- **Which governing body at the entity supervises the process.**

As set out in the Board Regulations, the Audit and Control Committee is responsible for the periodic supervision of the internal control and risk management systems, including tax risks, so that the main risks are properly identified, managed and disclosed, with the support of the Internal Audit function in the review of controls, the General Administration and Finance Division and the Corporate Compliance Officer, whose responsibilities include the review of the risks identified and the controls related to the Crime Prevention Model.

In addition, the business unit managements also supervise the risk identification process, their main duties and responsibilities being the implementation of the Risk Management Model, the analysis, monitoring and reporting of relevant risks, as well as the design of alert indicators.

### **F.3 Control activities**

**Report, indicating their main characteristics, whether at least the following are in place:**

**F.3.1. Procedures for reviewing and authorising the financial information and description of the Internal Control over Financial Reporting System (ICFR), to be disclosed to the securities markets, indicating those in charge of them, as well as descriptive documentation concerning the flows of activities and controls (including those relating to fraud risk) of the different types of transactions that may materially affect the financial statements, including the year-end accounting procedure and the specific review of the relevant resolutions, estimates, measurements and projections.**

The high-level functions versus the Internal Control over Financial Reporting System are assumed by the General Administration and Finance Division of the FCC Group, which certifies the consolidated accounts as to their completeness and accuracy, with the approval of the Chief Executive Officer.

The conclusions of the internal control assessment performed by the external auditor as part of the audit of accounts, together with the supervision performed by the General Internal Audit and Risk Management Division, are submitted to the Audit and Control Committee as part of reports containing the recommendations considered necessary.

Finally, the Audit and Control Committee reports favourably as a prior step to the formulation of the Financial Statements and the Management Report by the Board of Directors.

Moreover, when publishing financial information in securities markets, the heads of each unit will review the information reported for consolidation purposes. This information is consolidated by the Group's General Administration and Finance Division, which performs certain control activities as part of the year-end accounting process to ensure the reliability of this information. The Internal Audit area supervises the process of preparing and submitting the Group's financial information before it is issued to the market.



Additionally, the specific review of the relevant resolutions, estimates, measurements and projections to quantify certain assets, liabilities, income, expenses and commitments recorded and/or broken down in the Annual Accounts, is also carried out by the General Administration and Finance Division with support from the other divisions. Hypotheses and estimates based on the evolution of the business are reviewed and analysed in cooperation with the corresponding Business Divisions.

For each business area, and also for corporate services, the FCC Group has a series of controls to regulate, supervise and monitor, among others, the business management processes, the aim of which is to prevent and detect breaches of the FCC Group's policies and procedures and potential fraud risk situations.

In addition to the bases established in articles 10, 11 and 14 of the Regulations of the Board of Directors, which describe the specific functions relating to the annual financial statements, the management report and the relationship with the securities market, the FCC Group has defined procedures on the processes for closing and maintaining the chart of accounts, including procedures to ensure the correct identification of the scope of consolidation, and also the accounting treatment of the different types of processes and transactions that may affect the financial statements (accounting, tax, insurance, treasury, etc.), and includes a set of rules that allow economic-financial information to be obtained in a standardised manner, including procedures for making economic-financial information available to the Administration and IT area, obtaining consolidated information, tax reporting, filing of annual accounts, accounting, related-party transactions, etc.

**F.3.2. Internal control policies and procedures on information systems (among others, on access security, change control, their operation, operational continuity and segregation of duties) that support the institution's relevant processes in relation to the preparation and publication of financial information.**

FCC has an Information Security Policy in place that defines the company's information security model, the regulatory body, organisation and responsibilities when it comes to the security, classification of information, the information security areas, the risk analysis model and the information auditing procedure. Internal control policies and procedures on information systems cover all the Group's information management processes, including the processes for preparing and publishing financial information. Certain processes of the Infrastructure activities (Construction and Industrial), Water and Environmental Services) have an Information Security Management System with ISO/IEC 27001 International Certification.

The documentation of the Information Security System includes corporate regulations regarding database security, encryption, access control, equipment configuration control, security on mobile devices, backup copies, incident management, systems laboratories, networks, password security, privacy, security in developments, documents and contracting of services with external companies, physical security, roles and responsibilities in information security, return of technological means and for compliance with the requirements of the General Data Protection Regulation, and also the Policy on the Use of Technological Means, the Information Management Policy and the Security Guide on Good Practices when using Technological Means in the non face-to-face work modality. These regulations are published on the corporate intranet.

In addition, the Information Technology area has procedures in place for managing the life cycle of user access, managing changes to platforms and systems and managing vulnerabilities, patches, security incidents and breaches.

Information and application security is monitored continuously through an SOC (Security Operations Centre) service, also including regular internal reviews of the computer control environment. The scope of the current SOC contract includes an intelligence service to identify and analyse cyber threats.

Moreover, the Centre of Expertise that provides the support and maintenance service to the FCC Group's ERP has received the "SAP Customer Center of Expertise Primary Certification".

Lastly, the FCC Group uses several tools to ensure a suitable separation of duties in the entity's important processes in relation to the preparation and publication of financial information, including role matrices and approval work flows.

### **F.3.3. Internal control policies and procedures aimed at supervising the management of activities outsourced to third parties, as well as those aspects of assessments calculations or measurements entrusted to independent experts, which may materially affect the financial statements.**

The FCC Group's Procurement Regulations govern the supplier approval and assessment processes of all activities subcontracted to third parties. These processes are developed in specific procedures and are supported by IT tools.

With regard to significant outsourced activities with an impact on the financial statements, the FCC Group has outsourced the provision of management services for its IT and telecommunications infrastructures, and also the support of the main corporate applications. The Information Systems and Technologies Division has a standard that defines the security criteria in the contracting of external companies, and specific procedures for the control of outsourced services through the contractual regulation of aspects such as governance mechanisms and monitoring of the service, the performance of audits, inspections and reviews, the establishment and monitoring of service levels and the control of services performed by third parties that affect 27001 certifications.

The main outsourced activities relating to the execution or processing of transactions reflected in the Group's Financial Statements are the measurement of derivative financial products, the performance of actuarial calculations and certain appraisals of real estate investments and assets. These activities are controlled by the Administration and Finance Division.

The economic information prepared in certain projects by business partners is supervised by the FCC Group's management teams for standardisation prior to consolidation in accordance with the guidelines of the procedures on the economic and financial reporting system and forms part of the auditable environment within the annual audit plans and the scope of consolidation.

## **F.4 Information and communication**

**Report, indicating their main characteristics, whether at least the following are in place:**

**F.4.1. A specific area in charge of defining, keeping accounting policies up to date (accounting policies area or department) and resolving queries or conflicts concerning their interpretation, maintaining fluid communication with those responsible for operations across the organisation, as well as an up-to-date accounts policy manual communicated across the units through which the company operates.**

The supervision of the application of the FCC Group's accounting policies is centralised in the General Administration and Finance Division, of which the Administration Division and the Tax Division are part, and which have the following functions, among others:

- Defining the Group's accounting policies and incorporating them in the Financial Economic Manual.
- Issuing the accounting regulations applicable to the Group.

- Resolving queries or conflicts concerning the interpretation or application of the Group's accounting policies to any company included in the perimeter and specifying, clarifying or extending the instructions and regulations issued.
- Analysing single operations and transactions carried out or that the Group plans to carry out with a view to ensuring their adequate accounting treatment in line with the Group's accounting policies.
- Interpretation of new developments in accounting regulations and their consistent application in all the companies that form part of the Group.
- Resolution of tax queries and incidents and preparation of tax returns and compliance with other tax obligations.

The Economic and Financial Manual containing the accounting regulations is available on the Group's Corporate Intranet. Different departments within the General Administration and Finance Division take care of the updating and maintenance of this system. The FCC Group also has a Tax Code and a Tax Control Framework Regulation as part of the Tax Compliance Model.

**F.4.2. Mechanisms for obtaining and preparing financial information in homogeneous formats, for application and use by all units of the company or Group, which support the main financial statements and notes, as well as the information provided on the Internal Control over Financial Reporting System (ICFR).**

The FCC Group has implemented SAP environment tools for the consolidation of the economic-financial information used to respond to the reporting needs of its financial statements. This tool makes it possible to centralise a significant part of the information corresponding to the accounting of the individual financial statements of the Group's subsidiaries in a single system. The system is centrally managed and uses a single account plan. Through this tool, the General Administration and Finance Department collects comprehensive information about the FCC Group as a whole, from both Spanish and foreign companies.

The accounting policies, procedures and internal rules relating to year-end, reporting and consolidation processes are described in the Group's Financial and Economic Manual, in addition to detailing the information that must be provided for the consolidation process and defining both the reporting deadlines and the base documents and forms to provide this information. This Manual also includes procedures for obtaining the consolidated information in SAP FC (creation of consolidation perimeters, execution of the consolidation process, controls, etc.) and for all reporting phases, as well as other procedures relating to the processes of applications in the SAP FC environment.

In addition, at year-end and with a view to publishing the annual financial report, the Administration area of the General Administration and Finance Department sends the year-end plan, including a series of instructions, to those responsible for providing the corresponding financial information, which will be specified, clarified or expanded when needed.

The consolidated accounts follow the guidelines set out in the International Accounting Standards (IAS) and the International Financial Reporting Standards (IFRS). With a view to guaranteeing a homogeneous accounting process, the FCC Group has developed a corporate chart of accounts that is also included in the Financial and Economic Manual.

With a view to complying with ESEF regulations, the IT tools for XBRL tagging of the consolidated financial statements and notes to the annual financial statements have been adapted in order to publish these accounts in XHTML format.

## **F.5 Supervision of the system's functioning**

State, indicating their main characteristics, at least:

**F.5.1. The Internal Control over Financial Reporting System (ICFR) supervision activities performed by the audit committee and whether the company has an internal audit area responsible, in addition to other aspects, for supporting the committee in its work to supervise the internal control system, including the ICFR. Furthermore, the scope of the Internal Control over Financial Reporting System (ICFR) assessment carried out during the year and the procedure through which the person in charge of carrying out the assessment will communicate the corresponding results shall be indicated, whether the company has an action plan detailing the possible corrective measures, and whether their impact on financial information has been considered.**

The main activities carried out by the Audit and Control Committee in relation to ICFR include supervision activities:

- of the preparation process and the integrity of the financial information, reviewing compliance with regulatory requirements, the proper delimitation of the scope of consolidation and the correct application of accounting principles.
- of the process of preparation and presentation of the annual financial statements and management reports, both individual and consolidated, and of the periodic financial information disclosed to the markets, ensuring compliance with legal requirements and the correct application of generally accepted accounting principles, informing the Board of Directors of the financial information and the management report, which shall include, where appropriate, the mandatory non-financial information that the Company must periodically disclose to the public.
- of the statutory auditor and his/her independence, including the reception of reports and the authorisation of certain services that could pose a threat to his/her independence.
- of the internal audit unit to ensure the proper functioning of the internal control and information systems, with the head of the internal audit function being obliged to submit its annual work plan to the committee and to inform it directly of any incidents arising during its implementation, as well as to submit a report on its activities at the end of each year.

Additionally, the Audit and Control Committee also supervises and analyses the effectiveness of the internal control and risk management carried out by the Company and monitors and assesses the internal control and financial and non-financial risk management systems on a regular basis, so that the main risks are properly identified, managed and disclosed.

The primary mission of the Internal Audit function is to assist the Audit and Control Committee in fulfilling its powers and responsibilities, acting with complete independence from the management areas, given its functional dependence on the Audit and Control Committee. The responsibilities and competencies related to the Internal Control over Financial Reporting System (ICFR) include:

- Collaborating in the supervision of the process for preparing and submitting the Group's financial information before it is issued to the market.
- Contributing, together with the other functions involved, to the development of internal control by supervising compliance with the policies, standards, procedures and activities that constitute the internal control model in order to mitigate risks, issuing recommendations for improvement.

- Supervising projects and processes, carrying out a risk identification and an assessment of the control environment.
- Act as a third line of defence, conducting reviews of the Compliance Model.
- Performing the internal investigations designated by the Compliance Committee.

The outcome of the reviews performed by the Internal Audit area and the incidents detected are communicated by the General Internal Audit and Risk Management Division to the Audit and Control Committee.

The Audit and Control Committee is also responsible for approving and monitoring the Annual Activity Plan to be carried out by the Audit and Risk Management Division, and also for supervising the work performed. As part of the 2023 Annual Plan, the following work has been carried out mainly in relation to risk management and control and the monitoring of the Group's Financial Information, in different areas:

- Review of certain aspects of physical and logical security in the field of Information Technologies of the FCC Group.
- Review of certain KPIs associated with key processes.
- Monitoring of internal control weaknesses detected during both the Internal and External Audit of the IT area.
- Collaborating in the supervision of the individual and consolidated annual accounts of FCC, S.A., as well as the six-monthly financial statements reviewed by the external auditor.
- Collaborating in the supervision of financial and corporate information sent to regulators and markets and supervised by the Audit and Control Committee.
- Review of the control environment in relation to the prevention of money laundering and terrorist financing.
- Pre-approval of services other than audit services provided by audit firms, collaborating with the Audit and Control Committee in its work of monitoring the independence of the external auditor.
- Audit of key processes, works and projects/contracts focussing, in addition to other aspects, on reviewing financial information and contractual risks.
- Audit procedures and processes.
- Supervision of the FCC Group's Criminal Compliance Model as a third line of defense.

**F.5.2. Whether a discussion procedure is in place, whereby the account auditor (pursuant to the provisions of the NTA), the internal audit area and other experts can inform senior management and the audit committee or the company's administrators of significant internal control shortcomings identified during the review of the annual accounts or those entrusted to them. Furthermore, indicate whether an action plan is in place that seeks to correct or mitigate the shortcomings identified.**

The Regulations of the Board of Directors at the FCC Group establish that it is the responsibility of the Audit and Control Committee to serve as a channel of communication between the Board of Directors and the Company's external auditor, assessing the results and discussing the significant shortcomings in the Control System Internal detected during the performance of the audit.

The Group's auditor has direct access to Senior Management, holding regular meetings, both to obtain information required for the performance of his/her work, and to communicate the control shortcomings detected. The main conclusions of their reviews are presented to the Audit and Compliance Committee, detailing the internal control weaknesses revealed in the course of their review of the Group's annual financial statements, including any aspects they consider relevant. In 2023, the External Auditor attended four meetings of the Audit and Control Committee, presenting four reports associated with such meetings.

Additionally, the Internal Audit and Risk Management Department periodically informs the Audit and Compliance Committee of the most relevant aspects of relations with the external auditors and the results of the work included in the Audit Plan related to the supervision of the reliability and integrity of the financial and management information of the Group companies prior to its release to the market, the reviews carried out in relation to compliance with internal and external regulatory requirements, the functioning of the internal control systems, and the development and functioning of the risk management systems, as well as the significant internal control weaknesses identified therein, indicating the recommendations to be implemented for their improvement.

In addition, the Audit and Control Committee, in addition to relying on the Directorate General Internal Audit and Risk Management to fulfil its responsibilities and competencies, will have the support and backing of other areas or functions. In this regard, the Audit and Control Committee receives reports from the General Administration and Finance Division, the Corporate Compliance Officer and various corporate functions.

#### **F.6 Other relevant information.**

Relevant information versus the Internal Control System, including ICFR, has been included in this report.

#### **F.7 External auditor's report.**

##### **Report on:**

**F.7.1. Whether the Internal Control over Financial Reporting System (ICFR) information sent to the markets has been submitted to review by the external auditor, in which case, the company should attach the corresponding report as an appendix. Otherwise, the reasons for not doing so shall be indicated.**

The information about the Internal Control System for Financial Information included in this report has been reviewed by the external auditor.

## **G** DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the degree of compliance at the company with the recommendations of the Code of Good Governance of Listed Companies.

In the event that any recommendation is not followed or is only partially followed, a detailed explanation of the reasons for this shall be included, so that shareholders, investors and the market in general have sufficient information to assess the company's behaviour. General explanations are not acceptable.

- 1. The By-laws of listed companies do not limit the maximum number of votes that can be cast by the same shareholder, nor contain other restrictions that make it difficult to take control of the company by acquiring its shares on the market.**

Compliant  Explain

- 2. Where the listed company is controlled, within the meaning established by Article 42 of the Commercial Code, by another entity, whether listed or not, and has, directly or through its subsidiary companies, business dealings with that entity or any of its subsidiary companies (other than those of the listed company) or engages in activities related to those of any of them, it should accurately publicly disclose the following:**

- a) **The respective areas of activity and any business relationships between, the listed company or its subsidiary companies and the parent company or its subsidiary companies.**
- b) **The proposed mechanisms for resolving any conflicts of interests that may arise.**

Compliant  Partially compliant  Explain  Not applicable

The Audit and Compliance Committee is responsible for assessing, prior to approval by the General Meeting or the Board of Directors, the fairness and reasonableness of related-party transactions from the point of view of the Company and, where applicable, of shareholders other than the related party, and for reporting on the assumptions on which the assessment is based and the methods used, thereby applying the control and supervision regime provided for by law.

- 3. During the ordinary general shareholders' meeting, in addition to the dissemination in writing of the annual corporate governance report, the Chairman of the Board of Directors verbally informs shareholders, in sufficient detail, of the most relevant aspects of the Company's Corporate Governance and, in particular:**
- a) Changes that have occurred since the last General Shareholders' Meeting.**
  - b) Of the specific reasons that the company does not follow any of the recommendations in the Corporate Governance Code and, as applicable, any alternative rules that apply in this regard.**

Compliant  Partially compliant  Explain X

The Company understands that the corporate governance information provided to its shareholders in this report is sufficient, which is made available to all shareholders from the date of preparation of the annual financial report in which it is included and which is published in the CNMV and on the Company's corporate website, as well as from the date of announcing the call for the General Shareholders' Meeting.

In this regard, the notice of the General Shareholders' Meeting expressly states in the "Right to Information" section that any shareholder may obtain from the Company, for examination at the registered office or to be sent immediately and free of charge, among other documents, the Annual Corporate Governance Report, which is submitted to the shareholders for approval as part of the Management Report.

This report is available online on the Company's website under its corporate governance section.

- 4. The company defines and promotes a policy regarding communication and contact with shareholders, institutional investors in the framework of their involvement in the company, as well as with voting advisors that fully complies with the standards in force to combat market abuse and addresses shareholders in the same position equally. The company publishes this policy on its website, including information related to the way in which it has been implemented and identifying the points of contact or persons responsible for carrying it out.**

**And, notwithstanding the legal obligations to disclose inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through the channels it deems appropriate (media, social networks or other channels) that helps to maximise the dissemination and quality of the information available to the market, investors and other stakeholders.**

Compliant  Partially compliant  Explain X

The Company does not have a formal document with its Policy on Communication and Contacts with Shareholders, Institutional Investors, Analysts, Voting Advisors and Credit Rating Agencies.

Without prejudice to this, in practice, on matters regarding communication and contacts with shareholders and institutional investors within the framework of its corporate social governance strategies, which fully complies with the standards in force to combat market abuse and addresses shareholders in the same position equally. Likewise, within the framework of legal obligations to disclose inside, relevant and other regulated information, the Company endeavours to maximise the dissemination and quality of information available to the market, investors and other stakeholders.



Likewise, FCC has a shareholder service office, the contact information and opening hours of which are published on the corporate website at <https://www.fcc.es/web/portalwebfcc/oficina-de-atencion-al-accionista>.

- 5. The Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of first refusal rights in an amount exceeding 20% of the capital at the time of delegation.**

**When the Board of Directors approves any issuance of shares or convertible securities excluding the pre-emptive subscription right, the company immediately publishes the reports on said exclusion to which trade legislation refers on its website.**

Compliant  Partially compliant  Explain

- 6. The listed companies that prepare the reports mentioned below, whether they are mandatory or voluntary, publish them on their website well in advance of the Ordinary General Shareholders' Meeting, even when their dissemination is not mandatory:**

- a) Report on the independence of the auditor.**
- b) Reports on the functioning of the audit committee and the appointments and remuneration committee.**
- c) Report of the audit committee on related transactions.**

Compliant  Partially compliant  Explain

The Company publishes on its website, together with the other documentation that must be made available to shareholders when the General Meeting is convened, the report of the Audit and Compliance Committee on the independence of the auditor, as well as the reports on the functioning of the Audit and Compliance Committee and the Appointments and Remuneration Committee.

With regard to related-party transactions, the Audit and Control Committee, which exercises, in accordance with the law, the function of reporting on related-party transactions to be approved by the General Shareholders' Meeting or the Board of Directors.

In this regard, the Company considers that the information on related-party transactions is sufficiently disclosed to shareholders in section D of this IAGC, which lists the significant related-party transactions that have taken place during the year.

- 7. The Company broadcasts General Shareholders' Meetings live, on its website.**

**And the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Shareholders' Meeting to be conducted by such remote means.**

Compliant  Partially compliant  Explain

8. **The audit committee should ensure that the financial statements submitted by the board of directors to the general shareholders' meeting are drawn up in accordance with accounting standards. In those cases in which the auditor has included an exception in the audit report, the chairman of the audit committee should clearly explain at the general meeting the audit committee's opinion on its content and scope, and a summary of said opinion should be made available to shareholders at the time of publication of the notice of call to the meeting, together with the rest of the board's proposals.**

Compliant  Partially compliant  Explain

9. **The Company publishes on its website, on a permanent basis, the requirements and procedures that it shall accept to demonstrate ownership of shares, the right to attend the general shareholders meeting and the exercise or delegation of the right to vote.**

**These requirements and procedures promote the attendance and exercise of shareholders' rights and are applied in a non-discriminatory manner.**

Compliant  Partially compliant  Explain

10. **When a legitimate shareholder has exercised, before the General Shareholders' Meeting is held, the right to add to the agenda or submit new resolutions, the Company should:**

- a) **Immediately disseminates these additional items and new resolutions proposed.**
- b) **Discloses the attendance card template or vote delegation form or distance voting form with the necessary modifications so that the new items on the agenda and alternative resolution proposals can be voted on under the same terms as those proposed by the Board of Directors.**
- c) **Submit all the alternative points or proposals to a vote and apply the same voting rules as applied to those prepared by the Board of Directors, including, in particular, assumptions or deductions on the meaning of the vote.**
- d) **After the General Shareholders' Meeting, communicate the breakdown of the vote on these additional items or alternative proposals.**

Compliant  Partially compliant  Explain  Not applicable

11. **If the company plans to pay out attendance premiums to the General Shareholders Meeting, a general policy on these premiums is established in advance and this policy is stable.**

Compliant  Partially compliant  Explain  Not applicable

12. **The Board of Directors performs its functions with unity of purpose and independence of judgment, treats all shareholders in the same position in the same way and is guided by the social interest, understood as the achievement of a profitable and sustainable business in the long term, which promotes its continuity and maximisation of the economic value of the company.**

**And in pursuit of the company’s interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.**

Compliant  Partially compliant  Explain

**13. The Board of Directors is the correct size to ensure it is effective and participative, meaning it is advisable to have between five and fifteen members.**

Compliant  Explain

**14. The Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:**

- a) be specific and verifiable;**
- b) ensure that proposed appointments and re-elections are based on a preliminary analysis of the powers required by the board of directors; and**
- c) promote the diversity of knowledge, experience, age and gender. For these purposes, measures that encourage the company to have a significant number of female senior executives are considered to be conducive to gender diversity.**

**The result of the preliminary analysis of powers required by the Board of Directors is included in the explanatory report issued by the Appointments Committee that is published when the General Shareholders Meeting is called and to which the ratification, appointment or re-election of each director is submitted.**

**The Appointments Committee will verify compliance with this policy and will be informed in the Annual Corporate Governance Report.**

Compliant  Partially compliant  Explain

Article 38.4.j) of the Regulations of the Board of Directors establishes the following among the functions of the Appointments and Remuneration Committee: “Assist the Board in its function of ensuring that the procedures for selecting its members favour diversity with respect to matters such as age, gender, disability or professional training and experience and do not suffer from implicit biases that could imply any discrimination and, in particular, that they facilitate the selection of female directors in a number that allows a balanced presence of women and men to be achieved, in such a way that the Company deliberately seeks and includes among the potential candidates, women who meet the desired professional profile, and the Board must explain, where appropriate, through the Annual Corporate Governance Report, the reason for the low or non-existent number of female directors and the initiatives adopted to correct such situation. For this purpose, it should set a target for representation of the under-represented sex on the board and develop guidance on how to achieve this target”.

Likewise, In 2023, FCC renewed its commitment to the Diversity Charter through 2025. This Charter is a voluntary code promoting the core principles of Equality. The initiative, promoted by the Directorate of Justice at the European Commission as part of the development of its anti-discrimination policies, contemplates the implementation of inclusion policies and non-discrimination programmes at signatory companies.

Moreover, the corresponding reports and proposals prepared by the Board of Directors and the Appointments and Remuneration Committee in relation to the appointments and re-elections of Directors agreed by the Ordinary General Shareholders' Meeting held on 14 June 2023 confirm that these were based on the analysis of Board needs, with a view to promoting diversity in a broad sense, both in terms of gender and also in terms of experience, knowledge, age or seniority in the position of the Directors, among other aspects, as essential factors to achieve the corporate goals with a plural and well-balanced approach. After assessing the results of the corresponding analyses, the Board of Directors and the Appointments and Remuneration Committee considered that the presence of such members on the Board would help drive a culture of diversity and balance, which was already present in the current Board, while benefitting from the knowledge and experience of such members in areas that may be beneficial to Society as a whole.

Notwithstanding the foregoing, the Company has not considered it necessary at this time to include the various provisions already in place regarding the composition and diversity of directors in a specific document formally called a "policy", although the essential principles of Recommendation 14 are included in the rules of conduct of the Company's governing bodies and are applied by them when necessary.

**15. Proprietary and independent directors should constitute a substantial majority of the Board of Directors and the number of executive directors should be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.**

**And that the number of female directors should account for at least 40% of the members of the board of directors by the end of 2022 and beyond, but no less than 30% before then.**

Compliant  Partially compliant  Explain

With regard to the first part of the recommendation, the Proprietary and Independent Directors represent a large majority of the Board of Directors (ten of its eleven members are Proprietary or Independent Directors), the number of executive directors being the minimum necessary, with a single Executive Director, who acts as the Chief Operating Officer.

With regard to the percentage of women on the Board, after the end of the term of Henri Proglio and following the resignation of Alfonso Salem, FCC adopted the decision not to appoint a new Director, increasing the representation of women on the Board from 30.77% to the current 36.36%, as already explained in section C of this report.

**16. The percentage of Proprietary Directors compared to the total of Non-executive Directors is no greater than the proportion between the capital of the Company represented by these Directors and other capital.**

**This criterion may be relaxed:**

- a) At companies with a high capitalisation with few shareholdings considered significant by law.**
- b) For companies in which there is a large number of shareholders represented on the Board of Directors who have no links to one another.**

Compliant  Explain

However, even though the recommendation is not fully met (in this regard, the percentage of Proprietary Directors over the total number of Non-executive Directors is of 80% and the share capital represented by these Proprietary Directors is of 75.94%), we consider that there is a very small difference. In essence, we consider that the recommendation would be met.

In this regard, as the CNMV points out in principle 11 of the CBG, according to the principle of proportionality between shareholding and representation on the Board of Directors, the relationship between Proprietary Directors and Independent Directors must reflect the relationship between the percentage of capital represented on the Board of Directors by the Proprietary Directors and the rest of the capital, without the aforementioned proportional principle being an exact mathematical rule, but rather an approximate rule aimed at ensuring that the Independent Directors have a sufficient weight on the Board of Directors and that no significant shareholder exercises disproportionate influence in relation to their participation.

**17. The number of independent directors represents at least half the total number of directors.**

**However, when the company is not highly capitalised or when, even if it is, one shareholder or more shareholders are acting together, controlling more than 30% of the share capital, the number of independent directors represents at least one third of the total number of directors.**

Compliant  Explain X

On its Board of Directors, FCC has two Independent Directors out of a total of eleven members, representing 18% of the total number of Directors.

FCC understands that such a percentage does not make it necessary to increase the number of Independent Directors, taking into account the Company's highly concentrated shareholding structure. In this regard, the composition of the FCC Board of Directors responds to its shareholding structure and Proprietary Directors perform a supervisory task similar to that assigned to Independent Directors.

Likewise, all Directors have suitable profile for the exercise of their duties and all of them contribute to the proper functioning of the Board of Directors and its Committees.

**18. Companies publish the following information about Directors on their website, and keep it up to date:**

- a) **Professional and biographical profile.**
- b) **Other Boards of Directors to which they belong, whether at listed companies or not, and the other paid activities they perform, regardless of their nature.**
- c) **Indication of the category of Director to which they belong, indicating, in the case of proprietary directors, the shareholder they represent or with whom they have links.**
- d) **Date of their first appointment as a Director of the Company, as well as subsequent re-elections.**
- e) **Shares in the company, and options on them, that they own.**

Compliant  Partially compliant  Explain

- 19. The Annual Corporate Governance Report, after a check performed by the Appointments Committee, explains the reasons that proprietary directors have been appointed at the request of shareholders whose shareholding is less than 3% of the share capital; and it explains the reasons that formal requests for presence on the Board from shareholders whose shareholding is equal to or greater than that of others, at whose request proprietary directors have been appointed, have not been met.**

Compliant  Partially compliant  Explain  Not applicable

- 20. Proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.**

Compliant  Partially compliant  Explain  Not applicable

- 21. The Board of Directors does not propose the removal of any independent director before the end of the statutory period for which they were appointed, unless there is just cause, identified by the Board following in a report from the Appointments and Remuneration Committee. In particular, it shall be considered that there is just cause when the director first occupies new positions or contracts new obligations that prevent him/her from dedicating the necessary time to the performance of the duties assigned to the position of director, breaches the duties inherent to the position in question or incurs in any of the circumstances resulting in him/her losing his/her status as an independent director, pursuant to the provisions of the applicable legislation.**

**The removal of independent directors may also be proposed as a result of takeovers, mergers or other similar corporate transactions that involve a change in the capital structure of the company, when these changes in the structure of the Board of Directors can be attributed to the criteria of proportionality indicated in recommendation 16.**

Compliant  Explain

- 22. Companies should establish rules requiring directors to report and, where appropriate, resign when situations arise affecting them, whether or not this is related to their actions in the company itself, which could be harmful to the credit and reputation of the company. This is in addition to the specific requirement of informing the Board of Directors of any criminal proceedings in which they are under investigation, as well as the progress of any such proceedings.**

**And, having been informed of or otherwise having become aware of any of the situations mentioned in the previous paragraph, the board should examine the case as soon as possible. It should also, in view of the specific circumstances, decide, after a report from the appointments and remuneration committee, whether or not to adopt any measures, such as opening an internal investigation, requesting the**

**resignation of the director or proposing his or her dismissal. And to report on the matter in the annual corporate governance report, unless there are special circumstances justifying this, which should be recorded in the minutes. This is notwithstanding the information that the company must disclose, where appropriate, at the time of adopting the corresponding measures.**

Compliant  Partially compliant  Explain

- 23. All directors clearly express their opposition when they consider that any proposed decision submitted to the Board of Directors may be contrary to the corporate interest. The same applies, in a special way, to independents and other directors who are not affected by any potential conflict of interests, in the case of decisions that may harm shareholders not represented on the Board of Directors.**

**When the Board of Directors adopts significant or repeated decisions about which the director would have made reservations, he/she shall draw the necessary conclusions and, if he chooses to resign, explain his/her reasons for doing so in the letter indicated in the following recommendation.**

**This recommendation also applies to the secretary of the Board of Directors, even if he/she does not have the status of a director.**

Compliant  Partially compliant  Explain  Not applicable

- 24. When, either by resignation or by resolution of the general meeting, a director steps down before the end of their term of office, they should sufficiently explain the reasons for their departure or, in the case of non-executive directors, their views on the reasons for the board's decision to dismiss them, in a letter sent to all members of the Board of Directors.**

**And, notwithstanding the fact that all the above is disclosed in the annual corporate governance report, to the extent that it is relevant for investors, the company should announce the departure as soon as possible, including a sufficient mention of the reasons or circumstances provided by the director.**

Compliant  Partially compliant  Explain  Not applicable

- 25. The Appointments Committee ensures that non-executive directors have sufficient time available for the proper performance of their duties.**

**And the Regulations of the Board establish the maximum number of Boards on which its directors may serve.**

Compliant  Partially compliant  Explain

Article 21.4 of the Regulations of the Board of Directors stipulates that "Directors must inform the Appointments and Remuneration Committee of their other professional obligations, in case they might interfere with the dedication proper to their position".

Article 38.4.a) of the Regulations of the Board of Directors also establishes that the functions of this Committee include "Assessing the skills, knowledge and experience required on the Board of Directors. For these purposes, it shall define the functions and skills required of the candidates to fill each vacancy and shall assess the time and dedication necessary for them to perform their duties effectively, ensuring that the non-executive directors have sufficient time available for the proper performance of their duties".

For the time being, the Company has not set the maximum number of Boards to which each Director may belong, given that the proven dedication of the Directors to the company is adequate, without it being considered necessary, therefore, to indicate such number, for which reason the Company understands that it partially complies with the recommendation.

- 26. The Board of Directors meets with the necessary frequency to perform its duties effectively and, at least, eight times a year, following the programme of dates and matters established at the beginning of the year, with each director allowed to individually propose other items on the agenda not initially provided for.**

Compliant  Partially compliant  Explain

- 27. The absence of directors is limited to indispensable cases and quantified in the Annual Corporate Governance Report. And should such absences occur, the Directors appoint a proxy with instructions.**

Compliant  Partially compliant  Explain

Although during financial year 2023, absences of directors have been reduced to essential cases, no proxies have been granted with instructions when absences have been necessary.

- 28. When the directors or the secretary express concern about any proposal or, in the case of directors, about the progress of the company and these concerns are not resolved by the Board of Directors, at the request of the person expressing them, these shall be recorded in the minutes.**

Compliant  Partially compliant  Explain  Not applicable

- 29. The Company establishes the appropriate channels so that directors can obtain the necessary advice for them to perform their duties, including, if the circumstances so require, external advice charged to the company.**

Compliant  Partially compliant  Explain

- 30. Regardless of the knowledge required by directors in the exercise of their duties, the companies also offer the directors knowledge refresher programmes when the circumstances so advise.**

Compliant  Explain  Not applicable

- 31. The agenda of meetings clearly indicates the points on which the Board of Directors must adopt a decision or resolution so that the directors can study or collect, in advance, the information necessary for its adoption.**

**When, exceptionally, for reasons of urgency, the Chairman wishes to submit decisions or resolutions that do not appear on the agenda for approval by the Board of Directors, the prior and express consent of the majority of the directors present shall be required, duly reflected in the minutes.**

Compliant  Partially compliant  Explain

- 32. Directors are periodically informed of changes in the shareholding structure and of the opinion that significant shareholders, investors and rating agencies have about the company and its Group.**

Compliant  Partially compliant  Explain



**33. The Chairman, as the person responsible for the effective functioning of the Board of Directors, in addition to exercising the duties assigned to him by Law and in the By-laws, prepares and submits a programme of dates and matters to be discussed to the Board of Directors; organises and coordinates the periodic assessment of the Board, as well as, where appropriate, the company's Chief Executive; is responsible for the direction of the Board and the effectiveness of its functioning; ensures that sufficient discussion time is devoted to strategic issues, and agrees and reviews knowledge refresher programmes for each director, when the circumstances so advise.**

Compliant  Partially compliant  Explain

**34. When there is a coordinating director, the By-laws or the Regulations of the Board of Directors, in addition to the powers that correspond to him by Law, assign the following powers thereto: preside over the Board of Directors in the absence of the Chairman and Deputy Chairman, as applicable; echoes the concerns of Non-executive Directors; maintains contact with investors and shareholders to obtain their points of view to form an opinion on their concerns, particularly in relation to the corporate governance of the company; and coordinates the Chairman's succession plan.**

Compliant  Partially compliant  Explain  Not applicable

**35. The secretary of the Board of Directors ensures that the Board of Directors takes into account the recommendations on good governance contained in the Code of Good Governance applicable to company in its actions and decisions.**

Compliant  Explain

**36. The Board of Directors assesses, once a year, and adopts, where appropriate, an action plan that corrects any shortcomings detected regarding:**

- a) The quality and efficiency of the functioning of the Board of Directors.**
- b) The workings and composition of its committees.**
- c) Diversity in the composition and powers of the Board of Directors.**
- d) The performance of the Chairman of the Board of Directors and the Chief Executive of the company.**
- e) The performance and contribution of each director, paying particular attention to those responsible for the different Committees of the Board of Directors.**

**To perform the assessment of the different committees, the report submitted to the Board of Directors will be used, and for the Board assessment, the report submitted to the Appointments Committee.**

**Every three years, the Board of Directors will be assisted by an external consultant in performing the assessment, whose independence shall be verified by the Appointments Committee.**

**The business relationships that the consultant or any company in its group may have with the company or any Group company shall be broken down in the Annual Corporate Governance Report.**

**The process and the areas assessed shall be described in the Annual Corporate Governance Report.**

Compliant  Partially compliant  Explain

The Board of Directors internally performs the annual assessment of the efficiency of its functioning, its committees, as well as that of the Chairman of the Board of Directors (non-executive) and the CEO.

The Company believes that the conclusions drawn during the internal assessment make it possible to sufficiently correct any shortcomings detected or improvements in the functions assigned to the Board.

The assessment with the help of an external consultant has been carried out twice in the past. The Board shall assess the suitability of requesting such external assistance each year.

**37. When there is an executive committee, at least two non-executive directors should sit on it, at least one of whom should be independent and its secretary should be the secretary of the board of directors.**

Compliant  Partially compliant  Explain  Not applicable

The Secretary of the Executive Committee is the same as the Secretary of the Board and, in addition, has several non-executive members. However, the composition of this Committee, whose members have been appointed by the Board taking into account the knowledge, skills and experience of the Directors and the duties of the Committee, does not include any Independent Directors, two of whom are present in the Board meetings.

All decisions taken by the Executive Committee are reported to the Board.

On this Committee, independent directors may request as many clarifications or comments as they deem appropriate.

Given the continuous control that the Board exercises over the Executive Committee, it has not been considered necessary to include independent directors on this Committee.

**38. The Board of Directors is always aware of the matters discussed and the decisions taken by the Executive Committee and that all the members of the Board of Directors receive a copy of the minutes of the Executive Committee meetings.**

Compliant  Partially compliant  Explain  Not applicable

**39. Members of the Audit Committee as a whole, and especially its Chairman, are appointed taking into account their knowledge and experience in accounting, auditing and risk management matters, both financial and non-financial.**

Compliant  Partially compliant  Explain

**40. Under the supervision of the Audit Committee, there is a unit that assumes the internal audit function ensuring the proper functioning of the information and internal control systems, which functionally reports to the Non-executive Chairman of the Board or the Audit Committee.**

Compliant  Partially compliant  Explain

- 41. The head of the unit responsible for the internal audit function should present the annual work plan to the audit committee for approval by the committee or the board, report directly to it on its implementation, including any incidents and limitations on scope arising in the course of its implementation, the results and follow-up of its recommendations, and submit an activities report to it at the end of each year.**

Compliant  Partially compliant  Explain  Not applicable

- 42. In addition to those provided by law, the Audit Committee assumes responsibility for the following functions:**

**1. In relation to information and internal control systems:**

- a) Supervise and assess the preparation process and the integrity of financial and non-financial information, as well as the control and management systems for financial and non-financial risks relating to the company and, if applicable, the group, including operational, technological, legal, social, environmental, political, reputational and corruption-related risks, reviewing compliance with regulatory requirements, the adequate definition of the scope of consolidation and the correct application of accounting criteria.**
- b) Ensure the independence of the Internal Audit function; propose the selection, appointment and removal of the head of the Internal Audit service, as well as the budget of this service; approving or proposing approval to the Board of the annual internal audit orientation and work plan, making sure that its activity is mainly focused on relevant risks (including reputational risks); receive periodic information about its activities; and verify that Senior Management takes into account the conclusions and recommendations in its reports.**
- c) Establish and supervise a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report potentially significant irregularities, including financial, accounting or any other irregularities related to the company that they become aware of within the company or its group. This mechanism must guarantee confidentiality and, in any case, allow for anonymous communications to be made to protect and uphold the rights of both the complainant and the person being reported.**
- d) Generally ensure that the policies and systems in place for internal control are effectively implemented in practice.**

**2. In relation to the external auditor:**

- a) In case of the resignation of the external auditor, examine the circumstances that may have led to this.**
- b) Ensure that the remuneration of the external auditor for his/her work does not compromise his/her quality or independence.**

- c) **Ensure that the company communicates any change in auditor through the CNMV and accompanies this with a statement about the possible existence of disagreements with the departing auditor and, if there were any disagreements, the nature of them.**
- d) **Ensure that the external auditor holds an annual meeting with the Board of Directors to inform them about the work undertaken and the development of the accounting and risk situation at the company.**
- e) **Ensure that the company and the external auditor respect the rules in force on the provision of services other than auditing services, the limits on the concentration of the auditor's business and, in general, the other rules applicable to the auditor's independence.**

Compliant  Partially compliant  Explain

The company's Audit and Compliance Committee performs all the functions envisaged in this recommendation, with the sole exception of the meeting of the external auditor with the full board referred to in section 2.d) of this recommendation, which does not take place, given that, in accordance with the provisions of article 15.1 of the Board Regulations, the board's relations with the external auditor are channelled through the Audit and Compliance Committee, this being the ordinary sphere of information of the external auditor to the members of the board.

Notwithstanding this, the Board is duly informed of the most relevant issues dealt with in the Committee, given that, on the one hand, the Committee reports to the Board on the development of its functions, informing the Board, at the first plenary session following the Committee's meetings, of the activity carried out by the Committee and, on the other hand, a copy of its minutes is sent to all the members of the Board.

**43. The Audit Committee may summon any employee or manager at the company, and even arrange for them to appear without any other manager present.**

Compliant  Partially compliant  Explain

**44. The Audit Committee is informed about the structural and corporate modifications that the company plans to perform for its analysis and preliminary report to the Board of Directors on its economic conditions and its accounting impact and, especially, where appropriate, on the proposed exchange ratio.**

Compliant  Partially compliant  Explain  Not applicable

To date, all directors at the company, including independent directors, have voted in favour of the transactions referred to in this recommendation, meaning that the step previous to those before the Audit and Control Committee is not considered necessary.

In any case, on the Board of Directors, members of the Audit and Control Committee may present their reflections and opinions, which will be taken into account by the Board at the time of making a decision.

**45. The risk control and management policy identifies or determines at least:**

- a) **The different types of risk, both financial and non-financial, (including operational, technological, legal, social, environmental, political and reputational, including those related to corruption) that the company faces, including financial or economic, contingent liabilities and other off-balance-sheet risks.**
- b) **A tiered risk management and control model, including a specialised risk committee where sector rules require this or where the company deems it appropriate.**
- c) **The level of risk that the Company considers acceptable.**
- d) **The measures planned to mitigate the impact of the risks identified, should they materialise.**
- e) **The information and internal control systems that will be used to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.**

Compliant X Partially compliant  Explain

**46. Under the direct supervision of the Audit Committee or, where appropriate, a specialised committee of the Board of Directors, there is an internal risk control and management function performed by an internal unit or department at the company that has been expressly attributed the following functions:**

- a) **Ensure the proper functioning of the control and risk management systems and, in particular, that all important risks affecting the Company are properly identified, managed, and quantified.**
- b) **Actively participate in the preparation of the risk strategy and in the important decisions about its management.**
- c) **Ensure that control and risk management systems adequately mitigate risks within the framework of the policy defined by the Board of Directors.**

Compliant X Partially compliant  Explain

**47. The members of the Appointments and Remuneration Committee, or of the Appointments Committee and the Remuneration Committee, if they are separate, should be appointed ensuring that they have the knowledge, skills and experience suitable for the duties they are called upon to perform and the majority of the members should be independent directors.**

Compliant  Partially compliant X Explain

The Appointments and Remuneration Committee is currently made up of two proprietary and two independent directors, one of whom is the Chairman.

FCC considers that the configuration of the Appointments and Remuneration Committee, with two independent directors out of a total of four, and one of them being the chairman, sufficiently guarantees the proper functioning of this Committee, considering the most relevant aspect for the purposes of the composition of the Committee to be that all its members have been appointed by the Board bearing in mind the knowledge, skills and experience of the directors and the duties of each Committee.

**48. Large-cap companies should have a separate appointments committee and a separate remuneration committee.**

Compliant  Explain Not applicable X

**49. The Appointments Committee should consult with the Chairman of the Board of Directors and the CEO of the Company, especially on matters relating to executive directors.**

**And any director may request the consideration of potential candidates to fill vacancies of Director from the Appointments Committee, if it finds them suitable in its opinion.**

Compliant X Partially compliant  Explain

**50. The Remuneration Committee should carry out its duties independently and, in addition to the duties assigned by law, should have the following responsibilities:**

- a) **Propose to the Board of Directors the basic conditions of senior management contracts.**
- b) **Verify compliance with the remuneration policy established by the company.**
- c) **Regularly review the remuneration policy applied to directors and senior executives, including the share based remuneration systems and their application, and ensure that their individual remuneration is in line with that paid to the other directors and senior executives at the Company.**
- d) **Ensure that any conflicts of interest do not undermine the independence of the external advice provided to the committee.**
- e) **Verify the information on directors' and senior executives' remuneration contained in the various corporate documents, including the annual directors remuneration report.**

Compliant X Partially compliant  Explain

**51. The remuneration committee should consult with the company's chairman and CEO, especially on matters relating to executive directors and senior executives.**

Compliant X Partially compliant  Explain

**52. The rules governing the composition and operation of the supervision and control committees should be set out in the regulations of the Board of Directors and be consistent with those applicable to the legally obligatory committees in accordance with the above recommendations, including:**

- a) **They should be composed exclusively of non-executive directors, with a majority of independent directors.**
- b) **Their chairmen should be independent directors.**
- c) **The Board of Directors should appoint the members of these committees, bearing in mind the knowledge, skills and experience of the directors and the duties of each committee, and should discuss their proposals and reports; and to report, at the first plenary session of the Board of Directors after its meetings, on its activity and should be accountable for the work carried out.**

- d) **The committees may seek external advice, when they consider it necessary for the carrying out of their duties.**
- e) **Minutes should be taken of their meetings and made available to all directors.**

Compliant  Partially compliant  Explain  Not applicable X

**53. Supervision of compliance with the company's environmental, social and corporate governance policies and rules, as well as internal codes of conduct, should be entrusted to one or more committees of the board of directors, which may be the audit committee, the appointments committee, a committee specialising in sustainability or corporate social responsibility or any other specialised committee that the board of directors, in the exercise of its powers of self-organisation, has decided to set up. Such a committee should be formed solely of non-executive directors, the majority of whom should be independent, and should be specifically attributed at least the duties indicated in the following recommendation.**

Compliant X Partially compliant  Explain

**54. The minimal duties referred to in the above recommendation are as follows:**

- a) **Overseeing compliance with the company's corporate governance rules and internal codes of conduct, and ensuring that the corporate culture is aligned with its purpose and values.**
- b) **Overseeing the implementation of the general policy on economic-financial, non-financial and corporate reporting as well as communication with shareholders and investors, proxy advisors and other stakeholders. The way in which the institution communicates and interacts with small and medium-sized shareholders will also be monitored.**
- c) **Regular evaluation and review of the Company's corporate governance system and environmental and social policy, in order for them to fulfil their aim of promoting the corporate interest and taking into account, as appropriate, the legitimate interests of other stakeholders.**
- d) **Ensuring that the company's environmental and social practices are in line with the established strategy and policy.**
- e) **The supervision and evaluation of the processes of relationship with the different stakeholders.**

Compliant X Partially compliant  Explain

**55. Sustainability policies on environmental and social issues should at least identify and include:**

- a) **The principles, commitments, objectives and strategy with regard to shareholders, employees, customers, suppliers, social issues, environment, diversity, accountability, respect for human rights and prevention of corruption and other unlawful actions.**
- b) **Methods or systems for monitoring compliance with policies, associated risks and their management.**
- c) **Mechanisms for monitoring non-financial risk, including those related to ethical and business conduct issues.**
- d) **Channels of communication, participation and dialogue with stakeholders.**

- e) **Responsible communication practices that avoid the manipulation of information and protect integrity and honour.**

Compliant X Partially compliant  Explain

- 56. Directors' remuneration should be sufficient to attract and retain directors with the desired profile and to reward the dedication, qualifications and responsibility required for the position, but should not be so high as to compromise the independent judgement of non-executive directors.**

Compliant X Explain

- 57. Variable remuneration linked to the company's performance and personal performance, as well as compensation in the form of shares, options or rights to shares or instruments linked to the value of the share and long-term savings schemes such as pension plans, retirement systems or other social welfare systems, should be exclusively limited to executive directors.**

**The delivery of shares may be considered as remuneration to non-executive directors when it is subject to their remaining on the board. The foregoing shall not apply to the shares that the director needs to sell, if any, to meet the costs related to their acquisition.**

Compliant X Partially compliant  Explain

- 58. In the case of variable remuneration, remuneration policies should include the necessary technical limits and precautions to ensure that said remuneration is related to the professional performance of its beneficiaries and is not simply a result of general market or sector trends or other similar circumstances.**

**And, in particular, that the variable components of remuneration:**

- a) **Should be linked to performance criteria that are predetermined and measurable, and these criteria should take into account the risk assumed in order to obtain a result.**
- b) **Should promote the sustainability of the company and include non-financial criteria that are appropriate for the creation of long-term value, such as compliance with the company's internal rules and procedures and its policies for risk control and management.**
- c) **Should be designed on the basis of a balance between the achievement of short-, medium- and long-term objectives, allowing performance to be rewarded for continued achievement over a period of time sufficient to assess their contribution to sustainable value creation, so that the elements used to measure that performance do not revolve solely around one-off, occasional or extraordinary events.**

Compliant X Partially compliant  Explain  Not applicable

- 59. The payment of variable components of remuneration is subject to sufficient verification that the performance or other conditions set out above have been effectively met. Entities shall include in the annual directors' remuneration report the criteria as to the time required and methods for such verification depending on the nature and characteristics of each variable component.**



**In addition, entities should consider the establishment of a malus clause based on the deferral for a sufficient period of time of the payment of a part of the variable components that can lead to their total or partial loss should an event occur prior to the time of payment that makes this advisable.**

Compliant  Partially compliant  Explain  Not applicable

The CEO's variable is related to EBITDA, operating cash *flow* and individual objectives. This variable is approved once the Board of Directors has drawn up the accounts and approved the financial objectives.

**60. Remuneration related to the Company's profit and loss should take into account any qualifications in the external auditor's report that reduce said profit and loss.**

Compliant  Partially compliant  Explain  Not applicable

**61. A significant percentage of the variable remuneration of executive directors should be linked to the delivery of shares or financial instruments tied to their value.**

Compliant  Partially compliant  Explain  Not applicable

Although article 38 of the By-laws provides for the possibility that directors may be remunerated through the delivery of shares or stock options of the Company itself, the Company has not considered it necessary for the time being to establish remuneration to its executive directors through the delivery of shares or financial instruments referenced to their value, since it considers that the current variable remuneration systems for its executive directors are the most appropriate to encourage their motivation and professional performance, as well as their commitment and linkage to the interests of the Company and the Group. In particular, the variable remuneration of the chief executive officer, as expressly set forth in the current Remuneration Policy, shall be established, implemented and maintained in line with the business and risk management strategy of the Company, its risk profile, its objectives, its risk management practices, and the short, medium and long-term performance and interests of FCC as a whole, and shall include measures aimed at avoiding conflicts of interest.

**62. Once the shares, options or financial instruments corresponding to the remuneration systems have been attributed, executive directors may not transfer ownership or exercise them until at least three years have passed.**

**An exception is made where the director has, at the time of the transfer or exercise, a net economic exposure to share price changes of a market value equivalent to an amount of at least twice his or her annual fixed remuneration through the ownership of shares, options or other financial instruments.**

**The above will not apply to shares that the director needs to dispose of in order to meet the costs related to their acquisition or, after a favourable assessment from the appointments and remuneration committee, to address extraordinary situations that so require it.**

Compliant  Partially compliant  Explain  Not applicable

- 63. Contractual agreements should include a clause allowing the company to claim reimbursement of the variable components of remuneration when the payment has not been in accordance with the performance conditions or when they have been paid on the basis of data which is subsequently proven to be inaccurate.**

Compliant  Partially compliant  Explain  Not applicable

Variable remuneration is approved by the Board of Directors once the parameters to which it is tied have been verified. It has not been considered necessary, both because of the volume of the remuneration and the time at which it is paid, to establish additional precautions.

- 64. Severance payments of payments for contract termination should not exceed a set amount equivalent to two years' total annual remuneration and should not be paid until the company has been able to verify that the director has met the criteria or conditions established for their receipt.**

**For the purposes of this recommendation, termination or contractual termination payments include any payments that accrue or are payable as a result of or in connection with the termination of the director's contractual relationship with the company, including amounts not previously vested in long-term savings schemes and amounts paid under post-contractual non-compete agreements.**

Compliant  Partially compliant  Explain  Not applicable

## **H** OTHER INFORMATION OF INTEREST

1. If there are any relevant aspects of Corporate Governance in the Company or in the Group Entities that have not been included in the other sections of this report, but that are necessary to include in order to obtain more complete and detailed information on the governance structure and practices in the entity or its group, please briefly describe them.
2. This section may also include any other information, clarification or detail related to the previous sections of the report insofar as they are relevant and not repetitive.

Specifically, it shall indicate whether the company is subject to legislation other than Spanish legislation on corporate governance and, if so, include any information that it is obliged to provide that is different from that required in this report.

3. The Company may also indicate whether it has voluntarily adhered to other international, sector or other codes of ethical principles or good practice. If applicable, the code in question and the date of adhesion shall be specified. In particular, it will mention whether it has adhered to the Code of Good Tax Practices of 20 July 2010.

### VOLUNTARY ADHERENCE TO CODES OR GOOD PRACTICES:

Since 2018, FCC has had a new Code of Ethics and Conduct approved by its Board of Directors. Likewise, in 2018, the Board of Directors approved a regulatory section on Compliance and a Group-wide risk control system. There have been additional policy approvals from the FCC Group since 2018. In 2023, the Board of Directors amended the Group's Code of Ethics and Conduct in a timely manner. In 2023, it approved the Equal Opportunities, Diversity and Inclusion Policy, and the Internal Information System Policy.

The FCC Group has a Whistleblowing Channel available to its employees for reporting possible breaches of its Code of Ethics and Conduct and criminal offences, and the protocol for the prevention and eradication of harassment

FCC has been a member of the United Nations Global Compact since 7 May 2007.

Regarding tax matters, on 28 July 2010 the Board of Directors of FCC adopted the decision to adhere to the Code of Good Tax Practices, thereby effectively complying with the obligations arising from it each year.

This annual corporate governance report was approved by the company's Board of Directors at its meeting on 27 February 2024.

Indicate whether any directors voted against or abstained from voting on the approval of this Report.

Yes  No

Name or company name of the director who voted against the approval of this report	Reasons (against, abstention, non-attendance)	Explain the reasons

Observations

Auditor's Report on Information Relating to Internal  
Control Over Financial Reporting (ICFR) of FOMENTO DE  
CONSTRUCCIONES Y CONTRATAS, S.A. for the year  
ended December 31, 2023



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## **AUDITOR'S REPORT ON "INFORMATION RELATING TO THE INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)"**

(Translation of a report and the information relating to the internal control over financial reporting originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails).

To the Directors of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.:

As requested by the Board of Directors of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (hereinafter, the Company) and our engagement letter of September 29, 2023, we have applied certain procedures in relation to the accompanying "Information relating to the internal control over financial reporting" (hereinafter, "ICFR disclosures") of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. for the year ended December 31, 2023, which summarizes the Company's internal control procedures in respect of its annual financial reporting.

The Board of Directors is responsible for adopting the appropriate measures in order to reasonably guarantee the implementation, maintenance, and supervision of an adequate internal control system as well as developing improvements to that system and preparing and establishing the content of the accompanying ICFR-related information.

It should be noted that irrespective of the quality of the design and operability of the internal control system adopted by the Company in relation to its annual financial reporting, it can only provide reasonable, rather than absolute assurance with respect to the objectives pursued, due to the inherent limitations to any internal control system.

In the course of our financial statement audit work and in keeping with Spain's Technical Auditing Standards, the sole purpose of our assessment of the Company's internal controls was to enable us to establish the scope, nature, and timing of the Company's financial statement audit procedures. Accordingly, our internal control assessment, performed in connection with the financial statement audit, was not sufficiently broad in scope to enable us to issue a specific opinion on the effectiveness of the internal controls over the annual financial disclosures that the Company is required to present.

For the purpose of issuing this report, we exclusively applied the specific procedures described below and indicated in the Guidelines on the Auditor's Report on Information Relating to The Internal Control Over Financial Reporting of listed companies, published by the Spanish National Securities Market Commission on its website, which establishes the work to be performed, the minimum scope thereof and the content of this report. Given that the scope of the abovementioned procedures performed was limited and substantially less than that of an audit carried out in accordance with generally accepted accounting principles, we have not expressed an opinion regarding its efficacy, design, or operational effectiveness regarding the Entity's 2023 financial data described in the accompanying ICFR information. As a result, had we performed additional procedures to those stipulated in the abovementioned Guidelines or had we performed an audit or review of the internal controls over the annual financial disclosures that the Company is required to present, other matters might have come to our attention that would have been reported to you.

Furthermore, given that this special assignment neither constitutes a financial statement audit nor is it subject to prevailing audit regulations in Spain, we do not express an audit opinion in the terms provided for in said regulations.

The procedures performed were the following:

1. Read and understand the information prepared by the Company in relation to the ICFR -which is disclosed in the Annual Corporate Governance Report disclosure information included in the Directors' Report-and assess whether such information addresses all the required information which will follow the minimum content detailed in paragraph F, relating to the description of the ICFR, as per the model Annual Corporate Governance Report established by CNMV Circular nº 5/2013 of June 12, 2013 of the CNMV and subsequent amendments, the most recent being CNMV Circular nº 3/2021 of September 28 (hereinafter, the CNMV Circulars).
2. Making inquiries of personnel in charge of preparing the information described in point 1 above in order to: (i) obtain an understanding of the process followed in its preparation; (ii) obtain information which will allow us to assess whether the terminology used is adapted to the definitions provided in the reference framework definitions; (iii) obtain information on whether the control procedures described are implemented and in use by the Company.
3. Reviewing the explanatory documentation supporting the information detailed in item 1 above, including documents directly made available to those responsible for describing ICFR systems. This documentation includes reports prepared by the Internal Audit Department, senior management, and other internal and external experts in their role supporting the audit and control committee.
4. Comparing the information detailed in item 1 above with their knowledge of the Company's ICFR obtained through the external audit procedures applied during the annual audit of the financial statements.
5. Reading of the minutes taken at meetings of the board of directors, audit and control committee, and other committees of the Company to evaluate the consistency between the ICFR businesses transacted and the information detailed in item 1 above.
6. Obtaining a management representation letter in connection with the work performed, signed by those responsible for preparing and authorizing the information detailed in item 1 above.

The specific procedures carried out in respect of the Company's ICFR disclosures did not reveal any inconsistencies or incidents that could affect such disclosures.

This report was prepared exclusively under the scope of the requirements stipulated in article 540 of the Consolidated Text of Spain's Corporate Enterprises Act and the CNMV circulars on ICFR-related descriptions in listed companies' Annual Corporate Governance Reports.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

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Fernando González Cuervo

February 29, 2024





## ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

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### ISSUER IDENTIFICATION DETAILS

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End date of the reference year:

[ 31/12/2023 ]

Corporate Tax ID (C.I.F.):

[ A-28037224 ]

Corporate name:

[ **FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.** ]

Registered address:

[ BALMES, 36 BARCELONA ]

**A. OWNERSHIP STRUCTURE**

A.1. Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company by-laws contain the provision of double loyalty voting:

Yes

No

Date of most recent change	Share capital (€)	Number of shares	Number of voting rights
19/12/2023	436,106,917.00	436,106,917	436,106,917

Indicate whether there are different share classes with different associated rights:

Yes

No

A.2. List the company's significant direct and indirect shareholders at year end, including Directors with a significant shareholding:

Name or company name of shareholder	% voting rights attributed to the shares		% voting rights through financial instruments		Total % of voting rights
	Direct	Indirect	Direct	Indirect	
GATES III WILLIAM H	0.00	5.74	0.00	0.00	5.74
CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	60.58	12.18	0.00	0.00	72.76
NUEVA SAMEDE 2016, S.L.U.	3.18	0.00	0.00	0.00	3.18
FINVER INVERSIONES 2020, S.L.U	11.91	0.00	0.00	0.00	11.91

Breakdown of indirect holding:

Name or company name of the indirect owner	Name or company name of the direct owner	% voting rights attributed to the shares	% voting rights through financial instruments	Total % of voting rights
GATES III WILLIAM H	CASCADE INVESTMENT, LLC.	3.99	0.00	3.99
GATES III WILLIAM H	BILL & MELINDA GATES FOUNDATION TRUST	1.75	0.00	1.75
CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	DOMINUM DIRECCION Y GESTION, S.A.	8.99	0.00	8.99

**A.3.** Give details of the participation at the close of the financial year of the members of the Board of Directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the Directors identified in Section A.2 above:

Name or company name of Director	% of voting rights attached to the shares (including votes for loyalty)		% voting rights through financial instruments		Total % of voting rights	From the total percentage of voting rights attributed to the shares, indicate, where appropriate, the percentage of additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
DOMINUM DESGA, S.A.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ESTHER KOPLOWITZ ROMERO DE JUSEU	0.04	3.19	0.00	0.00	3.22	0.00	0.00
ALEJANDRO ABOUMRAD GONZÁLEZ	0.08	0.00	0.00	0.00	0.08	0.00	0.00
PABLO COLIO ABRIL	0.03	0.00	0.00	0.00	0.03	0.00	0.00
ALICIA ALCO CER KOPLOWITZ	0.08	0.00	0.00	0.00	0.08	0.00	0.00
CARMEN ALCO CER KOPLOWITZ	0.13	0.00	0.00	0.00	0.13	0.00	0.00
CARLOS SLIM HELÚ	0.00	11.91	0.00	0.00	11.91	0.00	0.00

Name or company name of Director	% of voting rights attached to the shares (including votes for loyalty)		% voting rights through financial instruments		Total % of voting rights	From the total percentage of voting rights attributed to the shares, indicate, where appropriate, the percentage of additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MANUEL GIL MADRIGAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GERARDO KURI KAUFMANN	0.11	0.00	0.00	0.00	0.11	0.00	0.00
JUAN RODRÍGUEZ TORRES	0.10	0.00	0.00	0.00	0.10	0.00	0.00
ÁLVARO VÁZQUEZ LAPUERTA	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total percentage of voting rights held by the Board of Directors						15.66	

Breakdown of indirect holding:

Name or company name of the Director	Name or company name of the direct owner	% of voting rights attached to the shares (including votes for loyalty)	% voting rights through financial instruments	Total % of voting rights	From the total percentage of voting rights attributed to the shares, indicate, where appropriate, the percentage of additional votes attributed corresponding to the shares with a loyalty vote
ESTHER KOPLOWITZ ROMERO DE JUSEU	NUEVA SAMEDE 2016, S.L.U.	3.18	0.00	3.18	0.00
MANUEL GIL MADRIGAL	TASMANIA INMUEBLES, S.L.	0.00	0.00	0.00	0.00

Name or company name of the Director	Name or company name of the direct owner	% of voting rights attached to the shares (including votes for loyalty)	% voting rights through financial instruments	Total % of voting rights	From the total percentage of voting rights attributed to the shares, indicate, where appropriate, the percentage of additional votes attributed corresponding to the shares with a loyalty vote
CARLOS SLIM HELÚ	FINVER INVERSIONES 2020, S.L.U	11.91	0.00	11.91	0.00

List the total percentage of voting rights represented on the Board:

Total percentage of voting rights represented on the Board of Directors	85.24
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**A.7.** Indicate whether the Company has been informed of shareholders' agreements that affect it as established in Articles 530 and 531 of the Spanish Corporate Enterprises Act. If so, describe them briefly and list the shareholders bound by the agreement:

Yes  
 No

Parties to the shareholders' agreement	% of share capital concerned	Brief description of the agreement	Expiry date of the agreement, if any
ESTHER KOPLOWITZ ROMERO DE JUSEU, INVERSORA CARSO S.A. DE C.V., NUEVA SAMEDE 2016, S.L.U., CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	72.36	Relevant Fact of 5 February 2016: For the purposes of continuing with the recapitalisation process of Fomento de Construcciones y Contratas, S.A. ("FCC" or the "Company") through a new capital increase of €709,518,762 announced by the Company on 17 December 2015 (the "New Capital Increase"), the Company was informed that, Esther Koplowitz Romero de Juseu ("EK") (and the companies related to her, Dominum Direccion y Gestión, S.A. ("Dominum") and Nueva Samede 2016, S.L.U. ("Nueva Samede")) have entered into a non-extinguishing modifying novation contract with Inversora Carso S.A. de C.V.	Open-ended

Parties to the shareholders' agreement	% of share capital concerned	Brief description of the agreement	Expiry date of the agreement, if any
		("I. Carso") and its subsidiary Control Empresarial de Capitales, S.A. de C.V. ("CEC") of the Investment Agreement signed on 27 November 2014 (the "Novation of the Investment Agreement").	
ESTHER KOPLowitz ROMERO DE JUSEU, CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	50.16	Relevant Fact of 27 November 2014: FCC's controlling shareholder reported the successful conclusion of negotiations with Control Empresarial de Capitales S.A. de C.V., a company owned by Inmobiliaria Carso S.A. de C.V., which in turn is controlled by the Slim family.	Open-ended

Indicate whether the Company is aware of the existence of coordinated actions between its shareholders. If applicable, describe them briefly:

- Yes  
 No

**A.8.** Indicate whether there is any natural or legal person who exercises or may exercise control over the Company pursuant to Article 5 of the Securities Market Law. If so, identify them:

- Yes  
 No

Name or company name
CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.

**A.9.** Fill in the following tables about the company's treasury shares:

At year-end:

Number of direct shares	Number of indirect shares(*)	% total of the share capital
44,957		0.01

(\*) Through:

Name or company name of the direct owner	Number of direct shares
No data	

A.11. Estimated floating capital:

	%
Estimated floating capital	9.01

A.14. Indicate whether the company has issued securities that are not traded on a regulated market in the European Union.

Yes  
 No

## B. GENERAL MEETING OF SHAREHOLDERS

B.4. Indicate the attendance details at the general meetings of shareholders' held in the year to which this report refers and those in the two preceding years:

Date of general meeting	Attendance details				Total
	% of physical presence	% by proxy	Electronic voting	% remote voting other	
29/06/2021	0.25	46.46	0.00	44.06	90.77
Of which, Floating capital:	0.25	10.90	0.00	0.43	11.58
14/06/2022	0.24	47.45	0.00	43.78	91.47
Of which, Floating capital:	0.24	9.91	0.00	0.12	10.27
14/06/2023	0.21	46.94	0.01	44.02	91.18
Of which, Floating capital:	0.21	9.22	0.01	0.15	9.59
19/07/2023	0.32	46.95	0.00	44.31	91.58
Of which, Floating capital:	0.32	8.93	0.00	0.09	9.34

B.5. Indicate whether any item on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders for any reason.

- Yes  
 No

B.6. Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

- Yes  
 No



## C. STRUCTURE OF THE COMPANY'S ADMINISTRATION

### C.1. Board of Directors

C.1.1 Maximum and minimum number of Directors provided for the By-laws and the number defined by the general shareholders' meeting:

Maximum number of Directors	15
Minimum number of Directors	9
Number of Directors defined by the shareholders' meeting	12

C.1.2 Fill in the following table with Board members:

Name or company name of the Director	Representative	Director category	Position on the Board of Directors	First appointment date	Last appointment date	Election procedure
ALICIA ALCO CER KOPLOWITZ		Proprietary	DIRECTOR	29/06/2021	29/06/2021	GENERAL SHAREHOLDERS' MEETING RESOLUTION
DOMINUM DESGA, S.A.	ESTHER ALCO CER KOPLOWITZ.	Proprietary	CHAIRMAN	27/09/2000	02/06/2020	GENERAL SHAREHOLDERS' MEETING RESOLUTION
PABLO COLIO ABRIL		Executive	CHIEF EXECUTIVE OFFICER	12/09/2017	14/06/2022	GENERAL SHAREHOLDERS' MEETING RESOLUTION
ALEJANDRO ABOUMRAD GONZÁLEZ		Proprietary	VICE CHAIRMAN	13/01/2015	14/06/2023	GENERAL SHAREHOLDERS' MEETING RESOLUTION
GERARDO KURI KAUFMANN		Proprietary	DIRECTOR	13/01/2015	14/06/2023	GENERAL SHAREHOLDERS' MEETING RESOLUTION
JUAN RODRÍGUEZ TORRES		Proprietary	DIRECTOR	07/10/2015	02/06/2020	GENERAL SHAREHOLDERS' MEETING RESOLUTION

Name or company name of the Director	Representative	Director category	Position on the Board of Directors	First appointment date	Last appointment date	Election procedure
ÁLVARO VÁZQUEZ LAPUERTA		Independent	DIRECTOR	27/02/2015	14/06/2023	GENERAL SHAREHOLDERS' MEETING RESOLUTION
MANUEL GIL MADRIGAL		Independent	DIRECTOR	27/02/2015	14/06/2023	GENERAL SHAREHOLDERS' MEETING RESOLUTION
CARLOS SLIM HELÚ		Proprietary	DIRECTOR	14/06/2023	14/06/2023	GENERAL SHAREHOLDERS' MEETING RESOLUTION
CARMEN ALCOECER KOPLOWITZ		Proprietary	DIRECTOR	14/06/2023	14/06/2023	GENERAL SHAREHOLDERS' MEETING RESOLUTION
ESTHER KOPLOWITZ ROMERO DE JUSEU		Proprietary	FIRST VICE CHAIRMAN	14/06/2023	14/06/2023	GENERAL SHAREHOLDERS' MEETING RESOLUTION

Total number of Directors	11
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Indicate any departures, either by resignation or through an agreement reached by the general meeting, that have occurred on the Board of Directors during the reporting period:

Name or company name of the Director	Category of the Director at the time of departure	Last appointment date	Date of cessation	Special committees of which he/she was a member	Indicate whether the departure occurred before the end of the term
HENRI PROGLIO	Independent	08/05/2019	14/06/2023	Audit and Control Committee	NO
ALFONSO SALEM SLIM	Proprietary	02/06/2020	14/06/2023		YES
SAMEDE INVERSIONES 2010, S.L.U	Proprietary	08/05/2019	14/06/2023		NO
INMOBILIARIA AEG, S.A. DE C.V.	Proprietary	08/05/2019	14/06/2023		NO

Name or company name of the Director	Category of the Director at the time of departure	Last appointment date	Date of cessation	Special committees of which he/she was a member	Indicate whether the departure occurred before the end of the term
DOMINUM DIRECCION Y GESTION, S.A.	Proprietary	08/05/2019	14/06/2023		NO

C.1.3 Fill in the following tables on the Board members and their different categories:

EXECUTIVE DIRECTORS		
Name or company name of the Director	Position in company's organisation chart	Profile
PABLO COLIO ABRIL	Chief Executive Officer of FCC	Architect, graduating from the Higher Technical School of Madrid. He has spent most of his professional career at FCC, a company to which he has dedicated more than 26 years. Within the Group, he has been responsible for the international expansion of the Industrial area. Among the positions he has held in the company are managing Director of FCC Construction and managing Director of FCC Industrial. He is the chief executive officer of FCC Group y and member of its executive committee, duties he shares with those of president of FCC Construction, president of FCC Environment, vice president FCC Environmental Services Holding, S.A.U., and a Director of Cementos Portland Valderrivas, S.A. He is also a Director of the Mexican company Carso Infraestructuras y Construcción (CICSA).

Total number of executive Directors	1
% of the total Board	9.09

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
ALICIA ALCOCER KOPLOWITZ	ESTHER KOPLOWITZ ROMERO DE JUSEU	A Law graduate, she started her professional career at Banco Zaragozano, now La Caixa, where she worked for four years in the Finance Department, at the bank's treasury desk and served as a Director. She was a member of the innovation committee, under the Secretary of State for Science, Technology, and Innovation (CDTI). She is currently a Director of FCC and a member of its Executive Committee in a personal capacity. From 1999 to 2021, she was a member of the Board of Directors of FCC through EAC Inversiones

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
		<p>Corporativas, S.L. She is president of Cementos Portland Valderrivas, S.A. and a member of its executive committee and its appointments and remuneration committee, through EAC Inversiones Corporativas S.L. She sits on the Board of Clínica Cemtro, and is also Board member of the Esther Koplowitz Foundation, of the Hispanic-Jewish Foundation and used to be Board member of the Valderrivas Foundation. At present, she is a member of the Realía Board, the executive committee and the appointments and remuneration committee. She is also a Director of Air Nob. On 2 May 2022, she was awarded the "Encomienda de la Orden del Dos de Mayo" (Commandery of the Order of Dos de Mayo) Esther Alcocer Koplowitz, Alicia Alcocer Koplowitz, Carmen Alcocer Koplowitz and Esther Koplowitz Romero de Juseu have a parent-child relationship. (See Section A.6 of this Report for a description of the relationships between the Director and the significant shareholders).</p>
DOMINUM DESGA, S.A.	ESTHER KOPLOWITZ ROMERO DE JUSEU	<p>A Law graduate, she started her professional career at Banco Zaragozano, now La Caixa, where she worked for four years in the Finance Department, at the bank's treasury desk and served as a Director. She was a member of the innovation committee, under the Secretary of State for Science, Technology, and Innovation (CDTI). She is currently a Director of FCC and a member of its executive committee in a personal capacity. From 1999 to 2021, she was a member of the Board of Directors of FCC through EAC Inversiones Corporativas, S.L. She is president of Cementos Portland Valderrivas, S.A. and a member of its executive committee and its appointments and remuneration committee, through EAC Inversiones Corporativas S.L. She sits on the Board of Clínica Cemtro, and is also Board member of the Esther Koplowitz Foundation, of the Hispanic-Jewish Foundation and used to be Board member of the Valderrivas Foundation. At present, she is a member of the Realía Board, the executive committee and the appointments and remuneration committee. She is also a Director of Air Nob. On 2 May 2022, she was awarded the "Encomienda de la Orden del Dos de Mayo" (Commandery of the Order of Dos de Mayo) Esther Alcocer Koplowitz, Alicia Alcocer Koplowitz, Carmen Alcocer Koplowitz and Esther Koplowitz Romero de Juseu have a parent-child relationship. (See Section A.6 of this Report for a description of the relationships between the Director and the significant shareholders).</p>
ALEJANDRO ABOUMRAD GONZÁLEZ	CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	<p>Industrial Engineer graduate from the University of Anáhuac (Mexico). He has worked in subsidiaries and companies related to Grupo Carso during the last 15 years, of which five years he worked at Grupo</p>

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
		Financiero Inbursa in the area of Project Evaluation and Risk Assessment. He is member of the Board of Directors of Inmuebles Carso, S.A.B. of C.V. and Minera Frisco, S.A.B. of C.V., holding the post of General Manager with the latter. He is a Director at Cementos Portland Valderrivas, S.A. on behalf of Inmobiliaria AEG, S.A. de C.V., and Chairman of the Board of Directors of FCC Aqualia, Chairman of FCC Servicios Medio Ambiente Holding, S.A.U and Vice Chairman of the Board of FCC and Chairman of its Executive Committee. (See Section A.6 of this Report for a description of the relationships between the Director and the significant shareholders).
JUAN RODRÍGUEZ TORRES	CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	He is a civil engineer from the National Autonomous University of Mexico (UNAM), a master of Mathematics, stage in France at Beton Precontraint, he has a master's degree in engineering, planning and operations research from UNAM and has completed the AD-2 senior management programme at the Pan-American Institute of Senior Management (IPADE Business School). He has been Production Manager and Controller at Preesforzados Mexicanos, S.A. de ICA and Managing Director of Domit Group, in the footwear sector. He has been a founder and Director of several footwear companies. He is a Director of Minera Frisco, S.A.B. de C.V. and the Chairman of its Audit Committee. He is also a Director of Grupo Sanborns, S.A.B. de C.V., a Director of Elementia Materiales, S.A.P.I. de C.V. and member of its Audit Committee, a Director of Fortaleza Materiales, S.A.P.I de C.V. and Chairman of its Audit Committee and a Director of CICSA, Chairman of the Board of Directors of Red Nacional Última Milla S.A.P.I. de C.V. and Red Última Milla del Noroeste, S.A.P.I de C.V., an advisory Board member of Grupo Financiero Banamex, and Chairman of the Board and member of the Audit Committee of Operadora de Sites Mexicanos, S.A.B. de C.V. He is a Proprietary Director of Fomento de Construcciones y Contratas, S.A., as proposed by CEC, and a member of its Audit And Control and Appointments and Remuneration Committee, as well as a Director of Cementos Portland Valderrivas, S.A. and a member of its Executive, Audit and Control and Appointments and Remuneration Committee.
CARLOS SLIM HELÚ	CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	Civil Engineer from the National Autonomous University of Mexico (UNAM). Founder of Grupo Carso, S.A.B. de C.V., América Móvil, Grupo Financiero Inbursa, and Inversora bursátil. He is the owner of Teléfonos de México (Telmex). He has been Vice Chairman of the Mexican Stock Exchange and Chairman of the Mexican Association of Brokerage Houses. He was the first Chairman of the Latin American Committee of the New York Stock Exchange Board of Directors. He is currently

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
		Chairman of the Board of Directors of Carso Infraestructuras y Construcción (CICSA), Minera Frisco and President of Fundación Carlos Slim de la Educación, A.C. and Fundación Telmex, A.C. In addition, he is a member of the Board of Directors of Inmuebles Carso and IDEAL. (See Section A.6 of this Report for a description of the relationships between the Director and the significant shareholders).
GERARDO KURI KAUFMANN	CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	He holds a degree in industrial engineering from Anáhuac University (Huixquilucan, Mexico) and has extensive experience in the real estate sector, where he has held and currently holds positions of the highest relevance. He has worked as Purchasing Director for Carso Infraestructura y Construcción, S.A. de C.V. and is currently one of the members of its Board of Directors. He was the Managing Director of Inmuebles Carso, S.A. de C.V. from its establishment in 2010 and until 2015, and is currently a member of its Board of Directors, as well as that of all its subsidiary companies. He is also member of the Board of Directors of Grupo IDESA, S.A. de C.V., member of the Board of Directors of Elementia Materiales, S.A.P.I. de C.V., Acting Chairman of the Board of Directors of Fortaleza Materiales, S.A.P.I. de C.V. He is a Director and member of the Executive Committee of Operadora de Sites Mexicanos, S.A.B. de C.V. and its subsidiary companies, he is also a Director and Managing Director of Minera Frisco, S.A.B. de C.V. In Spain, he is a member of the Board of Directors of Fomento de Construcciones y Contratas, S.A., and of its Executive Committee. Moreover, he is a member of the Board of Directors of Cementos Portland Valderrivas, S.A., where he is also a member of its Executive, Audit and Control, and Appointments and Remuneration Committee.
ESTHER KOPLOWITZ ROMERO DE JUSEU	NUEVA SAMEDE 2016, S.L.U.	Shareholder of FCC, S.A. through NUEVA SAMEDE 2016, S.L., she is a member of the Board of Directors of FCC, S.A. and the company's Deputy Chairwoman. She holds a degree in Philosophy and Arts from the University of Madrid; she has developed her business experience in the international field as a Director of Veolia and Vivendi. She is founder and chairwoman of the Esther Koplowitz Foundation. Among other acknowledgements, she has been awarded with: the Grand Cross of Civil Merit, the Gold Medal of the Region of Madrid, the Gold Medal and the title of Academic of Honour of the Royal Academy of History, the distinction of Honorary Citizen by the Valencia City Council, the City of Barcelona Coat of Arms, the Business Leader of the Year award, granted by the Spanish Chamber of Commerce in the USA, the Blanquerna Prize of the Generalitat of Catalonia, Madrid Grand Cross of Healthcare, the Gold and Diamond Insignia of the Police Orphans Foundation, Légion d'Honneur of the French Republic

EXTERNAL PROPRIETARY DIRECTORS		
Name or company name of the Director	Name or company name of the significant shareholder that he/she represents or that has proposed his/her appointment	Profile
		and The Grand Cross of the Civil Order of Environmental Merit, awarded by the Spanish Council of Ministers. Esther Alcocer Koplowitz, Alicia Alcocer Koplowitz, Carmen Alcocer Koplowitz and Esther Koplowitz Romero de Juseu have a parent-child relationship. (See Section A.6 of this Report for a description of the relationships between the Director and the significant shareholders).
CARMEN ALCOCER KOPLOWITZ	CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	Graduate in law from the Francisco de Vitoria University of Madrid. She is a Director of FCC, S.A. on behalf of Dominum Dirección y Gestión S.A.U. She is present on the Board of Directors of Cementos Portland Valderrivas, S.A., on behalf of Meliloto, S.L. Esther Alcocer Koplowitz, Alicia Alcocer Koplowitz, Carmen Alcocer Koplowitz and Esther Koplowitz Romero de Juseu have a parent-child relationship. (See Section A.6 of this Report for a description of the relationships between the Director and the significant shareholders).

Total number of Proprietary Directors	8
% of the total Board	72.73

EXTERNAL INDEPENDENT DIRECTORS	
Name or company name of the Director	Profile
ÁLVARO VÁZQUEZ LAPUERTA	He holds a degree in law and business studies (E-3) from ICADE and is currently a partner of the firms Lira Capital and Meridia Partners. As Deputy Managing Director of BBVA, he was responsible for the Client Treasury, Capital Markets, and Investment Banking areas, as well as Investor Relations at BBVA and was Chief Executive officer of the securities firm BBVA Bolsa. Previously, at JP Morgan in Madrid, London, New York and Mexico, he was responsible, among other areas, for Investment Banking and Capital Markets for Latin America, as well as for Equities for Europe. He is also a Director of Cementos Portland Valderrivas.
MANUEL GIL MADRIGAL	He holds a degree in Law and Business Sciences (E-3) by ICADE and is a founding partner of the company Tasmania Gestión. In 2000 he was also founder of the financial company N+1 and has been a Board member of Ezentis, Funespaña, General de Alquiler de Maquinaria (GAM) and Campofrío, among other companies. During his career he has also been Director of Capital Markets for AB Asesores Bursátiles, partner of Morgan Stanley and auditor of Arthur Andersen.

Total number of Independent Directors	2
% of the total Board	18.18

Indicate whether any Director qualified as independent receives any amounts or benefits for any concept other than Director remuneration from the company or its group, or maintains or has maintained, during the last tax year, a business relationship with the company or with any company in its group, either in its own name or as a significant shareholder, Director or senior manager of an entity with which he/she maintains or has maintained this relationship.

As applicable, a reasoned statement by the Board shall be included providing the reasons why it believes that this Director can perform his/her duties as an Independent Director.

Name or company name of Director	Description of the relationship	Reasoned statement
No data		

**OTHER EXTERNAL DIRECTORS**

The other external Directors shall be identified and the reasons they cannot be considered proprietary or independent and their relationships, whether with the Company, its Directors, or its shareholders, shall be detailed:

Name or company name of the Director	Reasons	Company, executive or shareholder with whom he/she maintains a relationship	Profile
No data			

Total number of other external Directors	N/A
% of the total Board	N/A

Indicate the changes to the category of each Director that, as appropriate, have occurred during the period:

Name or corporate name of the Director	Change date	Previous category	Current category
No data			

C.1.4 Fill in the following table with information regarding the number of female Directors at the end of the past 4 years, as well as the category of these female Directors:

	Number of female Directors				% of total Directors for each category			
	2023	2022	2021	2020	2023	2022	2021	2020
Executive					0.00	0.00	0.00	0.00
Proprietary	4	4	4	4	50.00	44.44	44.44	44.44



	Number of female Directors				% of total Directors for each category			
	2023	2022	2021	2020	2023	2022	2021	2020
Independent					0.00	0.00	0.00	0.00
Other External					0.00	0.00	0.00	0.00
Total	4	4	4	4	36.36	30.77	28.57	28.57

C.1.11 List the positions of Director, administrator or representative thereof, held by Directors or representatives of Directors who are members of the company's Board of Directors in other entities, whether or not they are listed companies:

Identity of the Director or representative	Corporate name of the entity, whether listed or not	Position
MANUEL GIL MADRIGAL	Barón de Ley, S.A.	DIRECTOR
MANUEL GIL MADRIGAL	Tasmania Gestión, S.L.	JOINT DIRECTOR
PABLO COLIO ABRIL	Carso Infraestructura y Construcción S.A.B. de C.V. (CISCA)	DIRECTOR
PABLO COLIO ABRIL	Cafig Constructores S.A. de C.V.	DIRECTOR
PABLO COLIO ABRIL	Constructora Terminal Valle de Mexico S.A. de C.V.	DIRECTOR
PABLO COLIO ABRIL	Servicios Terminal Valle de Mexico, S.A.	DIRECTOR
PABLO COLIO ABRIL	Servicios CTVM S.A. de C.V.	DIRECTOR
PABLO COLIO ABRIL	Finver Inversiones 2020, S.L.	DIRECTOR
PABLO COLIO ABRIL	Soinmob Inmobiliaria Española	DIRECTOR
PABLO COLIO ABRIL	Dominum Dirección y Gestión S.A.	DIRECTOR
ESTHER KOPLOWITZ ROMERO DE JUSEU	Diseño Especializado en Organización de Recursos, S.L.	SOLE ADMINISTRATOR
ESTHER KOPLOWITZ ROMERO DE JUSEU	Ordenamientos Ibéricos, S.A.	SOLE ADMINISTRATOR
ESTHER KOPLOWITZ ROMERO DE JUSEU	Dominum Desga S.A.	SOLE ADMINISTRATOR
ESTHER KOPLOWITZ ROMERO DE JUSEU	Ejecución Organización de Recursos, S.L.	SOLE ADMINISTRATOR
ESTHER KOPLOWITZ ROMERO DE JUSEU	Samede Inversiones 2010, S.L.	SOLE ADMINISTRATOR
ESTHER KOPLOWITZ ROMERO DE JUSEU	Nueva Samede 2016, S.L.	SOLE ADMINISTRATOR
ESTHER KOPLOWITZ ROMERO DE JUSEU	Esther Koplowitz Foundation	CHAIRMAN
ESTHER ALCO CER KOPLOWITZ.	Soinmob Inmobiliaria Española, S.A.	DIRECTOR
ESTHER ALCO CER KOPLOWITZ.	EAC Inversiones Corporativas, S.L.	JOINT DIRECTOR

Identity of the Director or representative	Corporate name of the entity, whether listed or not	Position
ESTHER ALCO CER KOPLOWITZ.	EAC Medio Ambiente, S.L.	JOINT DIRECTOR
ESTHER ALCO CER KOPLOWITZ.	Meliloto, S.L.	JOINT DIRECTOR
ESTHER ALCO CER KOPLOWITZ.	Diseño Especializado en Organización de Recursos, S.L.	JOINT DIRECTOR
ESTHER ALCO CER KOPLOWITZ.	Ordenamientos Ibéricos, S.A.	JOINT DIRECTOR
ESTHER ALCO CER KOPLOWITZ.	Dominum Desga, S.A.	JOINT DIRECTOR
ESTHER ALCO CER KOPLOWITZ.	Ejecución Organización de Recursos, S.L.	JOINT DIRECTOR
ESTHER ALCO CER KOPLOWITZ.	Samede Inversiones 2010, S.L.	JOINT DIRECTOR
ESTHER ALCO CER KOPLOWITZ.	Nueva Samede 2016, S.L.	JOINT DIRECTOR
ALICIA ALCO CER KOPLOWITZ	Soinmob Inmobiliaria Española, S.A.	DIRECTOR
ALICIA ALCO CER KOPLOWITZ	EAC Inversiones Corporativas, S.L.	JOINT DIRECTOR
ALICIA ALCO CER KOPLOWITZ	EAC Medio Ambiente S.L.	JOINT DIRECTOR
ALICIA ALCO CER KOPLOWITZ	Meliloto, S.L.	JOINT DIRECTOR
ALICIA ALCO CER KOPLOWITZ	Diseño Especializado en Organización de Recursos, S.L.	JOINT DIRECTOR
ALICIA ALCO CER KOPLOWITZ	Ordenamientos Ibéricos, S.A.	JOINT DIRECTOR
ALICIA ALCO CER KOPLOWITZ	Dominum Desga, S.A.	JOINT DIRECTOR
ALICIA ALCO CER KOPLOWITZ	Ejecución Organización de Recursos, S.L.	JOINT DIRECTOR
ALICIA ALCO CER KOPLOWITZ	Samede Inversiones 2010, S.L.	JOINT DIRECTOR
ALICIA ALCO CER KOPLOWITZ	Nueva Samede 2016, S.L.	JOINT DIRECTOR
CARMEN ALCO CER KOPLOWITZ	EAC Inversiones Corporativas, S.L.	JOINT DIRECTOR
CARMEN ALCO CER KOPLOWITZ	EAC Medio Ambiente, S.L.	JOINT DIRECTOR
CARMEN ALCO CER KOPLOWITZ	Meliloto, S.L.	JOINT DIRECTOR
CARMEN ALCO CER KOPLOWITZ	Diseño Especializado en Organización de Recursos, S.L.	JOINT DIRECTOR
CARMEN ALCO CER KOPLOWITZ	Ordenamientos Ibéricos, S.A.	JOINT DIRECTOR
CARMEN ALCO CER KOPLOWITZ	Dominum Desga, S.A.	JOINT DIRECTOR
CARMEN ALCO CER KOPLOWITZ	Ejecución Organización de Recursos, S.L.	JOINT DIRECTOR
CARMEN ALCO CER KOPLOWITZ	Samede Inversiones 2010, S.L.	JOINT DIRECTOR
CARMEN ALCO CER KOPLOWITZ	Nueva Samede 2016, S.L.	JOINT DIRECTOR
JUAN RODRÍGUEZ TORRES	Elementia Materiales, S.A.P.I. de C.V.	DIRECTOR
JUAN RODRÍGUEZ TORRES	Minera Frisco, S.A.B. de C.V.	DIRECTOR
JUAN RODRÍGUEZ TORRES	Fortaleza Materiales, S.A.P.I. de C.V.	DIRECTOR

Identity of the Director or representative	Corporate name of the entity, whether listed or not	Position
JUAN RODRÍGUEZ TORRES	Operadora de Sites Mexicanos, S.A.B. de C.V.	DIRECTOR
JUAN RODRÍGUEZ TORRES	Grupo Sanborns, S.A.B. de C.V.	DIRECTOR
JUAN RODRÍGUEZ TORRES	Red Última Milla del Noroeste, S.A.P.I. de C.V.	CHAIRMAN
JUAN RODRÍGUEZ TORRES	Red Nacional Última Milla, S.A.P.I. de C.V.	CHAIRMAN
JUAN RODRÍGUEZ TORRES	Calzado Técnico S.A. de C.V.	BOARD REPRESENTATIVE
JUAN RODRÍGUEZ TORRES	Calzado Rohcal S.A. de C.V.	BOARD REPRESENTATIVE
JUAN RODRÍGUEZ TORRES	Calzado y Componentes S.A. de C.V.	BOARD REPRESENTATIVE
JUAN RODRÍGUEZ TORRES	Inmobiliaria Inro S.A. de C.V.	BOARD REPRESENTATIVE
JUAN RODRÍGUEZ TORRES	Inmobiliaria Calro S.A. de C.V.	BOARD REPRESENTATIVE
JUAN RODRÍGUEZ TORRES	Inmobiliaria Proii S.A. de C.V.	BOARD REPRESENTATIVE
ÁLVARO VÁZQUEZ LAPUERTA	Meridia Partners, S.L.	OTHER
ÁLVARO VÁZQUEZ LAPUERTA	Lira Capital, S.L.	OTHER
ÁLVARO VÁZQUEZ LAPUERTA	Libra Fotovoltaica, S.L.	OTHER
GERARDO KURI KAUFMANN	Elementia Materiales, S.A.P.I. de C.V.	DIRECTOR
GERARDO KURI KAUFMANN	Minera Frisco, S.A.B. de C.V.	DIRECTOR
GERARDO KURI KAUFMANN	Fortaleza Materiales, S.A.P.I. de C.V.	DIRECTOR
GERARDO KURI KAUFMANN	Inmuebles Carso, S.A. de C.V.	DIRECTOR
GERARDO KURI KAUFMANN	Carso Infraestructura y Construcción, S.A. de C.V.	DIRECTOR
GERARDO KURI KAUFMANN	Operadora de Sites Mexicanos, S.A.B. de C.V.	DIRECTOR
GERARDO KURI KAUFMANN	Grupo Idesa, S.A. de C.V.	DIRECTOR
MANUEL GIL MADRIGAL	Tasmania Inmuebles, S.L.	CHAIRMAN-CHIEF EXECUTIVE OFFICER

Manuel Gil Madrigal, positions in the following entities are remunerated: Barón de Ley, S.A./Tasmania Inmuebles, S.L.  
Pablo Colio Abril, positions in the following entities are remunerated: Carso Infraestructura y Construcción S.A.B. de C.V. (CISCA)  
Juan Rodríguez Torres, all positions in the entities indicated here are remunerated.  
Álvaro Vázquez de Lapuerta, positions in the following entities are remunerated: Meridia Partners, S.L. y Lira Capital, S.L.  
Gerardo Kuri Kaufmann, all positions in the entities indicated here are remunerated.

Indicate, where appropriate, the other remunerated activities of the Directors or Directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the Director or representative	Other paid activities
ÁLVARO VÁZQUEZ LAPUERTA	Aptimus Capital Partners (Spain) – Advisory Director

C.1.12 Indicate whether the company has established rules on the maximum number of company Boards on which its Directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

- Yes  
 No

C.1.13 Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	2,845
Funds accumulated by current Directors for long-term savings systems with consolidated economic rights (thousands of euros)	
Funds accumulated by current Directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	
Pension rights accumulated by former Directors (thousands of euros)	

C.1.14 Identify members of senior management who are not executive Directors, and indicate the total remuneration accrued in their favour during the business year:

Name or company name	Position(s)
FELIPE BERNABÉ GARCÍA PÉREZ	General Secretary
MIGUEL MARTINEZ PARRA	Managing Director of Administration and Finance
FELIX PARRA MEDIAVILLA	Managing Director of Aqualia
MARCOS BADA GUTIÉRREZ	Managing Director of Internal Audit
JAIME ROCHA FONT	CEO Cementos Portland Valderrivas

Number of women in senior management	
Percentage of total senior management	0.00
Total remuneration of senior management (thousands of euros)	2,179

C.1.15 Indicate whether there has been any change in the Board's Regulations during the business year:

- Yes  
 No

C.1.21 Explain whether there are specific requirements, other than those applicable to all Directors, to be appointed as Chairman of the Board of Directors:

Yes  
 No

C.1.23 Indicate whether the articles of incorporation or Board regulations establish any term limits for Independent Directors other than those required by law or any other additional requirements that are stricter than those provided by law:

Yes  
 No

C.1.25 Indicate the number of meetings held by the Board of Directors during the year. Furthermore, indicate, where appropriate, the times that the Board has met without the presence of the Chairman. In this calculation, proxies granted with specific instructions shall be considered as attendance.

Number of Board meetings	14
Number of Board meetings held without the chairman's presence	0

Indicate the number of meetings held by the coordinating Director with other Directors, without the attendance or representation of any executive Director:

Number of meetings	0
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Indicate the number of meetings held by the different Committees of the Board of Directors during the year:

Number of Audit and Control Committee meetings	10
Number of Appointments and Remuneration Committee meetings	6
Number of Executive Committee meetings	8

C.1.26 Indicate the number of meetings held by the Board of Directors during the year with member attendance data:

Number of meetings at which at least 80% of Directors were in attendance	14
% of face-to-face attendance divided by total votes during the year	91.52
Number of meetings with the face-to-face attendance, or proxies made with specific instructions, of all Directors	
% of votes cast with face-to-face attendance and proxies made with specific instructions, divided by total votes during the year	91.52

C.1.27 Indicate whether the individual and consolidated annual accounts submitted to the Board for preparation have been certified previously:

- Yes  
 No

Identify, where appropriate, the person(s) who has/have certified the company's individual and consolidated financial statements for their preparation by the Board:

Name	Position
PABLO COLIO ABRIL	Chief Executive Officer
MIGUEL MARTINEZ PARRA	Managing Director of Administration and Finance
DANIEL SORROCHE PÉREZ	Administrative Manager

C.1.29 Does the secretary of the Board have Director status?

- Yes  
 No

If the secretary does not have Director status, fill in the following table:

Name or corporate name of the secretary	Representative
FRANCISCO VICENT CHULIA	

C.1.31 Indicate whether during the business year, the Company has changed its external auditor. If applicable, identify the incoming and outgoing auditor:

- Yes  
 No

If there have been disagreements with the outgoing auditor, explain the nature of these:

- Yes  
 No

C.1.32 Indicate whether the audit firm performs other work for the Company and/or its Group other than those inherent to audits and, in that case, state the fees received for this work and the percentage that the aforementioned amount represents of the fees billed for audit work to the Company and/or its group:

- Yes  
 No

C.1.33 Indicate whether the audit report of the previous business year's financial statements includes qualifications. As applicable, indicate the reasons given to shareholders at the General Shareholders' Meeting by the Chairman of the Audit Committee to explain the content and scope of these qualifications.

- Yes  
 No

C.1.34 Indicate the number of business years that the current audit firm has been continuously auditing the Company's individual and/or consolidated financial statements. Furthermore, indicate the percentage that the number of years audited by the current audit firm accounts for in terms of the total number of years in which the annual accounts have been audited:

	Individual	Consolidated
Number of uninterrupted years	3	3
	Individual	Consolidated
Number of exercises audited by the current audit firm/Number of years that the Company or its Group have been audited (in %)	8.82	8.82

C.1.35 Indicate and, as applicable, describe if there is a procedure for Directors to receive the necessary information to prepare meetings with administrative bodies with sufficient time:

- Yes  
 No

Describe the procedure

Regulations of the Board of Directors.  
Article 26. Information and inspection powers  
"1. In the performance of their duties, every Director has the duty to demand and the right to obtain from the Company, the adequate and necessary information that will allow them to fulfil their obligations concerning all aspects of FCC and its subsidiaries and investees, whether national or foreign. To this end, they may examine the documentation deemed necessary, make contact with those responsible for the affected departments and visit the corresponding facilities.  
2. To refrain from disturbing the ordinary management of the FCC Group, the exercise of the powers of information shall be channelled through the Chairman, who shall respond to the Director's requests, directly providing the information or offering the details of the corresponding contacts at the corresponding organisational level.  
3. If the request for information is denied, delayed or incorrectly responded to, the requesting Director may repeat their request before the Audit and Control Committee, and, once the Chairman and the requesting Director have provided their reasons, this Committee shall decide how to proceed for the purposes mentioned above.  
4. The requested information may only be denied when, in the opinion of the Chairman and the Audit and Control Committee, it is unnecessary or harmful to the Company's corporate interests. This refusal shall not apply when the request has been supported by the absolute majority of the Board members".  
"Article 30. The Chairman. Functions  
[...]  
3. The Chairman, as the person ultimately responsible for the management and effective functioning of the Board of Directors, [...] shall ensure, with the assistance of the Secretary, that Directors receive sufficient information in advance to enable them to deliberate on the items on the agenda [...]."  
  
"Article 30. The Chairman. Functions  
[...]  
3. The Chairman, as the person ultimately responsible for the management and effective functioning of the Board of Directors, [...] shall ensure, with the assistance of the Secretary, that Directors receive sufficient information in advance to enable them to deliberate on the items on the agenda [...]."

C.1.39 Identify individually, when referring to Directors, and on an aggregate basis for other cases and indicate, in detail, the agreements between the Company and its administrative and management positions or employees concerning compensation, guarantee or shield clauses, when they resign or are dismissed improperly or if the contractual relationship comes to an end as a result of a takeover bid or other transactions.

Number of beneficiaries	1
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Type of beneficiary	Description of the agreement
Chief Executive Officer	And if the contractual relationship is terminated at the will of the Chief Executive Officer for any of the following causes: - Substantial changes in working conditions that are notoriously detrimental to his professional training, that are detrimental to his dignity, or that are decided with serious transgression of good faith, by the company. - Failure to pay for three consecutive months or six alternate months, or continued delay in the payment of the remuneration agreed under the contract. Succession of a company or significant change in ownership of the same, which has the effect of a renewal of its governing bodies or the content of its main activity, provided that the termination occurs within three months of the occurrence of such changes. - Any other serious breach of the contractual obligations by the Company, with the exception of force majeure budgets, in which the payment of compensation shall not be applicable. As in the case of free and unilateral termination from FCC, he will have the right to receive compensation resulting from the sum of the following two items: a) The amount resulting from the termination of the employment relationship that the CEO previously held with FCC Construcción or with any other company of the FCC Group using 12 September 2017 as the calculation date (and in accordance with the applicable regulations on that date). The amount resulting from multiplying 7 days wages by the number of years that have elapsed from 12 September 2017 until the contract expires.

Indicate whether, beyond the assumptions provided for in the regulations, these contracts must be communicated and/or approved by the corresponding bodies of company or its group. If so, specify the procedures, expected cases and the nature of the bodies responsible for their approval or communication:

	Board of Directors	General Shareholders' Meeting
Body authorising the clauses	√	
	Yes	No
Is the General Shareholders' Meeting aware of the clauses?	√	

## C.2. Committees of the Board of Directors

C.2.1 Provide details of all the Committees of the Board of Directors, their members and the proportion of executive, proprietary, independent and other external Directors who serve on them:



Appointments and Remuneration Committee meetings

Name	Position	Category
DOMINUM DESGA, S.A.	VOTING MEMBER	Proprietary
JUAN RODRÍGUEZ TORRES	VOTING MEMBER	Proprietary
ÁLVARO VÁZQUEZ LAPUERTA	VOTING MEMBER	Independent
MANUEL GIL MADRIGAL	CHAIRMAN	Independent

% of executive Directors	0.00
% of Proprietary Directors	50.00
% of Independent Directors	50.00
% other external Directors	0.00

Executive Committee

Name	Position	Category
ALICIA ALCOECER KOPLOWITZ	VOTING MEMBER	Proprietary
DOMINUM DESGA, S.A.	VOTING MEMBER	Proprietary
PABLO COLIO ABRIL	VOTING MEMBER	Executive
ALEJANDRO ABOUMRAD GONZÁLEZ	CHAIRMAN	Proprietary
GERARDO KURI KAUFMANN	VOTING MEMBER	Proprietary
JUAN RODRÍGUEZ TORRES	VOTING MEMBER	Proprietary

% of executive Directors	16.67
% of Proprietary Directors	83.33
% of Independent Directors	0.00
% other external Directors	0.00

Audit and Control Committee

Name	Position	Category
JUAN RODRÍGUEZ TORRES	VOTING MEMBER	Proprietary
ÁLVARO VÁZQUEZ LAPUERTA	CHAIRMAN	Independent
MANUEL GIL MADRIGAL	VOTING MEMBER	Independent

% of executive Directors	0.00
% of Proprietary Directors	33.33
% of Independent Directors	66.67
% other external Directors	0.00

Identify the members of the Audit Committee that have been appointed taking into account their knowledge and experience in accounting, auditing or both, and report on the date on which the Chairman of this Committee was appointed to the position.

Names of Directors with experience	MANUEL GIL MADRIGAL
Date of appointment of the Chairman to the position	14/06/2023

C.2.2 Fill in the following table with information regarding the number of female Directors that sit on the Committees of the Board of Directors at the end of the last four years:

	Number of female Directors							
	2023		2022		2021		2020	
	Number	%	Number	%	Number	%	Number	%
Appointments and Remuneration Committee meetings	1	25.00	1	25.00	1	25.00	1	25.00
Executive Committee	2	33.33	2	33.33	2	33.33	2	33.33
Audit and Control Committee	0	0.00	0	0.00	0	0.00	0	0.00

**D. TRANSACTIONS WITH RELATED PARTIES AND INTRA-GROUP TRANSACTIONS**

**D.2.** Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the Board of Directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or Director has abstained. In the event that the Board of Directors has responsibility, indicate if the proposed resolution has been approved by the Board without a vote against the majority of the independents:

	Name or company name of shareholder or any of its subsidiaries	Shareholding	Name or company name of the company or entity within its group	Amount (thousands of euros)	Approving body	Identification of the significant shareholder or Director who has abstained	The proposal to the Board, if any, has been approved by the Board without a vote against the majority of independents
(1)	CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	69.58	FCyC, S.A.	49,571	Board of Directors		NO

	Name or company name of shareholder or any of its subsidiaries	Nature of the relationship	Nature of the operation and other information necessary for its assessment
(1)	CONTROL EMPRESARIAL DE CAPITALES, S.A. DE C.V.	Corporate	Acquisition of a 3.99% stake in Metrovacesa by FC y C, S.A.

**D.3.** Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or Director has abstained. In the event that the Board of Directors has responsibility, indicate if the proposed resolution has been approved by the Board without a vote against the majority of the independents:

	Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Amount (thousands of euros)	Approving body	Identification of the significant shareholder or Director who has abstained	The proposal to the Board, if any, has been approved by the Board without a vote against the majority of independents
(1)	ALEJANDRO ABOUMRAD GONZÁLEZ	FCC	Director	354	Board of Directors		NO

	Name or company name of the administrators or managers or their controlled or jointly controlled entities	Nature of the operation and other information necessary for its assessment					
(1)	ALEJANDRO ABOUMRAD GONZÁLEZ	Provision of services					

D.4. Report individually on intragroup transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, any intragroup transactions carried out with companies established in countries or territories that are considered a tax haven shall be reported:

Corporate name of the Group entity	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
Servicios Especiales de Limpieza, S.A.	Contracts for the provision of cleaning services. - Realia Patrimonio, S.L.U. and Hermanos Revilla, S.A.	510
FCC Medio Ambiente, S.A.	Contracts for the provision of cleaning services - Realia Patrimonio, S.L.U.	177
FCC Industrial e Infraestructuras Energéticas S.A.U.	Contracts for the provision of maintenance services - Realia Patrimonio, S.L.U.	754
FCC Real State (UK) Ltd.	Authorisation for the sale of the landfills in the United Kingdom by different companies, including those closed and the ones currently in operation after they are closed, in favour of FCC Real Estate (UK) Ltd ("FCC RE UK"), subsidiary of FCyC, entering into the corresponding sale contracts, defined as "APA1", "APA2" for closed landfills and "APA3" for the active landfills, for a total amount, respectively, of GBP 3.47 million for block 1 (APA1), and of GBP -63.23 million for block 2 (APA2), due to the existence of provisions linked to associated liabilities.	66,700
FCC Real State (UK) Ltd.	Operation and maintenance (O&M) contract related to the assets included in the landfill sale transaction between FCC Recycling (UK) Ltd., a subsidiary of FCC, as the contractor responsible for management, operation and maintenance of the assets, and FCC Real State (UK) Ltd., a subsidiary of FCyC, as the employer or client. *An annual estimate of the amount of the contract was drawn up given the complexity of the transaction to accurately establish the amount, subject to the specification of different variables.	358
FCC Real State (UK) Ltd.	Granting of a personal guarantee by FCC in favour of FCyC's subsidiary, FCC Real Estate (UK) Ltd., in relation to the risks inherent to the assets (landfills sold) included in the sale agreement.	30,000
FCC Construcción, S.A.	Contract for the execution of works - Realia Business, S.A.	19,850

Corporate name of the Group entity	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
FCYC, S.A.	Management and marketing contracts for real estate developments - Realia Business, S.A.	5,319
FCYC, S.A.	Management and marketing contracts for real estate developments - Realia Business, S.A.	7,219
Fomento de Construcciones y Contratas, S.A.	Intragroup loan - Realia Business, S.A. (Borrower)	40,000
FCYC, S.A.	Intragroup loan of Fomento de Construcciones y Contratas, S.A. (Lender)	178,803
Fomento de Construcciones y Contratas, S.A.	Intragroup loan - Realia Business, S.A. (Borrower)	65,000

**D.5.** Provide individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

Company name of the related party	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
Soimob Inmobiliaria Española, S.A.U.	Acquisition of a 1.9484% stake in Metrovacesa by FCyC, S.A.	24,233
Soimob Inmobiliaria Española, S.A.U.	Acquisition of a 12.19% stake in Realia Business, S.A. by FCyC, S.A.	105,000
Vilafulder Corporate Group, S.L.U.	Agreement for the provision of services with Fomento de Construcciones y Contratas, S.A.	355

**G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS**

Indicate the degree of compliance at the company with the recommendations of the Code of Good Governance of Listed Companies.

In the event that any recommendation is not followed or is only partially followed, a detailed explanation of the reasons for this shall be included, so that shareholders, investors and the market in general have sufficient information to assess the company's behaviour. General explanations shall not be acceptable.

1. The By-laws of listed companies do not limit the maximum number of votes that can be cast by the same shareholder, nor contain other restrictions that make it difficult to take control of the company by acquiring its shares on the market.

Compliant  Explain

2. Where the listed company is controlled, within the meaning established by Article 42 of the Commercial Code, by another entity, whether listed or not, and has, directly or through its subsidiary companies, business dealings with that entity or any of its subsidiary companies (other than those of the listed company) or engages in activities related to those of any of them, it should accurately publicly disclose the following:
  - a) The respective areas of activity and any business relationships between, the listed company or its subsidiary companies and the parent company or its subsidiary companies.
  - b) The proposed mechanisms for resolving any conflicts of interests that may arise.

Compliant  Partially compliant  Explain  Not applicable

The Audit and Compliance Committee is responsible for assessing, prior to approval by the General Meeting or the Board of Directors, the fairness and reasonableness of related-party transactions from the point of view of the Company and, where applicable, of shareholders other than the related party, and for reporting on the assumptions on which the assessment is based and the methods used, thereby applying the control and supervision regime provided for by law.

3. During the ordinary general shareholders' meeting, in addition to the dissemination in writing of the annual corporate governance report, the Chairman of the Board of Directors verbally informs shareholders, in sufficient detail, of the most relevant aspects of the Company's Corporate Governance and, in particular:
  - a) Of the changes that have occurred since the previous ordinary general shareholders' meeting.
  - b) Of the specific reasons that the company does not follow any of the recommendations in the Corporate Governance Code and, as applicable, any alternative rules that apply in this regard.

Compliant  Partially compliant  Explain

The Company understands that the corporate governance information provided to its shareholders in this report is sufficient, which is made available to all shareholders from the date of preparation of the annual financial report in which it is included and which is published in the CNMV and on the Company's corporate website, as well as from the date of announcing the call for the General Shareholders' Meeting. In this regard, the notice of the General Shareholders' Meeting expressly states in the "Right to Information" section that any shareholder may obtain from the Company, for examination at the registered office or to be sent immediately and free of charge, among other documents, the Annual Corporate Governance Report, which is submitted to the shareholders for approval as part of the Management Report. This report is available online on the Company's website under its corporate governance section.

4. The company defines and promotes a policy regarding communication and contact with shareholders, institutional investors in the framework of their involvement in the company, as well as with voting advisors that fully complies with the standards in force to combat market abuse and addresses shareholders in the same position equally. The company publishes this policy on its website, including information related to the way in which it has been implemented and identifying the points of contact or persons responsible for carrying it out.

And, notwithstanding the legal obligations to disclose inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through the channels it deems appropriate (media, social networks or other channels) that helps to maximise the dissemination and quality of the information available to the market, investors and other stakeholders.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

The Company does not have a formal document with its Policy on Communication and Contacts with Shareholders, Institutional Investors, Analysts, Voting Advisors and Credit Rating Agencies.

Without prejudice to this, in practice, on matters regarding communication and contacts with shareholders and institutional investors within the framework of its corporate social governance strategies, which fully complies with the standards in force to combat market abuse and addresses shareholders in the same position equally. Likewise, within the framework of legal obligations to disclose inside, relevant and other regulated information, the Company endeavours to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Likewise, FCC has a shareholder service office, the contact information and opening hours of which are published on the corporate website at <https://www.fcc.es/web/portalwebfcc/oficina-de-atencion-al-accionista>.

5. "The Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities

When the Board of Directors approves any issuance of shares or convertible securities excluding the pre-emptive subscription right, the company immediately publishes the reports on said exclusion to which trade legislation refers on its website.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

6. The listed companies that prepare the reports mentioned below, whether they are mandatory or voluntary, publish them on their website well in advance of the Ordinary General Shareholders' Meeting, even when their dissemination is not mandatory:

- a) Report on the independence of the auditor.
- b) Reports on the functioning of the audit committee and the appointments and remuneration committee.
- c) Report of the audit committee on related transactions.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

The Company publishes on its website, together with the other documentation that must be made available to shareholders when the General Meeting is convened, the report of the Audit and Compliance Committee on the independence of the auditor, as well as the reports on the functioning of the Audit and Compliance Committee and the Appointments and Remuneration Committee.



With regard to related-party transactions, the Audit and Control Committee, which exercises, in accordance with the law, the function of reporting on related-party transactions to be approved by the General Shareholders' Meeting or the Board of Directors. In this regard, the Company considers that the information on related-party transactions is sufficiently disclosed to shareholders in section D of this IAGC, which lists the significant related-party transactions that have taken place during the year.

7. The Company broadcasts General Shareholders' Meetings live, on its website.

And the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Shareholders' Meeting to be conducted by such remote means.

Compliant  Partially compliant  Explain

8. The audit committee should ensure that the financial statements submitted by the Board of Directors to the general shareholders' meeting are drawn up in accordance with accounting standards. In those cases in which the auditor has included an exception in the audit report, the chairman of the audit committee should clearly explain at the general meeting the audit committee's opinion on its content and scope, and a summary of said opinion should be made available to shareholders at the time of publication of the notice of call to the meeting, together with the rest of the Board's proposals.

Compliant  Partially compliant  Explain

9. The Company publishes on its website, on a permanent basis, the requirements and procedures that it shall accept to demonstrate ownership of shares, the right to attend the general shareholders meeting and the exercise or delegation of the right to vote.

These requirements and procedures promote the attendance and exercise of shareholders' rights and are applied in a non-discriminatory manner.

Compliant  Partially compliant  Explain

10. When a legitimate shareholder has exercised, before the General Shareholders' Meeting is held, the right to add to the agenda or submit new resolutions, the Company:
- a) Immediately disseminates these additional items and new resolutions proposed.
  - b) Discloses the attendance card template or vote delegation form or distance voting form with the necessary modifications so that the new items on the agenda and alternative resolution proposals can be voted on under the same terms as those proposed by the Board of Directors.
  - c) Submit all the alternative points or proposals to a vote and apply the same voting rules as applied to those prepared by the Board of Directors, including, in particular, assumptions or deductions on the meaning of the vote.
  - d) After the General Shareholders' Meeting, communicate the breakdown of the vote on these additional items or alternative proposals.
- Compliant [  ]      Partially compliant [  ]      Explain [  ]      Not applicable [  ]

11. If the company plans to pay out attendance premiums to the General Shareholders Meeting, a general policy on these premiums is established in advance and this policy is stable.
- Compliant [  ]      Partially compliant [  ]      Explain [  ]      Not applicable [  ]

12. The Board of Directors performs its functions with unity of purpose and independence of judgment, treats all shareholders in the same position in the same way and is guided by the social interest, understood as the achievement of a profitable and sustainable business in the long term, which promotes its continuity and maximisation of the economic value of the company.

And in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

13. The Board of Directors is the correct size to ensure it is effective and participative, meaning it is advisable to have between five and fifteen members.

Compliant [  ]      Explain [  ]

14. The Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:
- Is specific and verifiable.
  - Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and
  - promote the diversity of knowledge, experience, age and gender. For these purposes, measures that encourage the company to have a significant number of female senior executives are considered to be conducive to gender diversity.

The result of the preliminary analysis of powers required by the Board of Directors is included in the explanatory report issued by the Appointments Committee that is published when the General Shareholders Meeting is called and to which the ratification, appointment or re-election of each Director is submitted.

The Appointments Committee will verify compliance with this policy and will be informed in the Annual Corporate Governance Report.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

Article 38.4.j) of the Regulations of the Board of Directors establishes the following among the functions of the Appointments and Remuneration Committee: "Assist the Board in its function of ensuring that the procedures for selecting its members favour diversity with respect to matters such as age, gender, disability or professional training and experience and do not suffer from implicit biases that could imply any discrimination and, in particular, that they facilitate the selection of female Directors in a number that allows a balanced presence of women and men to be achieved, in such a way that the Company deliberately seeks and includes among the potential candidates, women who meet the desired professional profile, and the Board must explain, where appropriate, through the Annual Corporate Governance Report, the reason for the low or non-existent number of female Directors and the initiatives adopted to correct such situation. For this purpose, it should set a target for representation of the under-represented sex on the Board and develop guidance on how to achieve this target".

Likewise, In 2023, FCC renewed its commitment to the Diversity Charter through 2025. This Charter is a voluntary code promoting the core principles of Equality. The initiative, promoted by the Directorate of Justice at the European Commission as part of the development of its anti-discrimination policies, contemplates the implementation of inclusion policies and non-discrimination programmes at signatory companies. Moreover, the corresponding reports and proposals prepared by the Board of Directors and the Appointments and Remuneration Committee in relation to the appointments and re-elections of Directors agreed by the Ordinary General Shareholders' Meeting held on 14 June 2023 confirm that these were based on the analysis of Board needs, with a view to promoting diversity in a broad sense, both in terms of gender and also in terms of experience, knowledge, age or seniority in the position of the Directors, among other aspects, as essential factors to achieve the corporate goals with a plural and well-balanced approach. After assessing the results of the corresponding analyses, the Board of Directors and the Appointments and Remuneration Committee considered that the presence of such members on the Board would help drive a culture of diversity and balance, which was already present in the current Board, while benefitting from the knowledge and experience of such members in areas that may be beneficial to Society as a whole.

Notwithstanding the foregoing, the Company has not considered it necessary at this time to include the various provisions already in place regarding the composition and diversity of Directors in a specific document formally called a "policy", although the essential principles of Recommendation 14 are included in the rules of conduct of the Company's governing bodies and are applied by them when necessary.

15. Proprietary and Independent Directors should constitute a substantial majority of the Board of Directors and the number of executive Directors should be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive Directors.

And that the number of female Directors should account for at least 40% of the members of the Board of Directors by the end of 2022 and beyond, but no less than 30% before then.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

With regard to the first part of the recommendation, the Proprietary and Independent Directors represent a large majority of the Board of Directors (ten of its eleven members are Proprietary or Independent Directors), the number of executive Directors being the minimum necessary, with a single Executive Director, who acts as the Chief Operating Officer.

With regard to the percentage of women on the Board, after the end of the term of Henri Proglio and following the resignation of Alfonso Salem, FCC adopted the decision not to appoint a new Director, increasing the representation of women on the Board from 30.77% to the current 36.36%, as already explained in section C of this report.

16. The percentage of Proprietary Directors compared to the total of Non-executive Directors is no greater than the proportion between the capital of the Company represented by these Directors and other capital.

This criteria may be relaxed:

- a) At companies with a high capitalisation with few shareholdings considered significant by law.
- b) For companies in which there is a large number of shareholders represented on the Board of Directors who have no links to one another.

Compliant [  ] Explain [  ]

However, even though the recommendation is not fully met (in this regard, the percentage of Proprietary Directors over the total number of Non-executive Directors is of 80% and the share capital represented by these Proprietary Directors is of 75.94%), we consider that there is a very small difference. In essence, we consider that the recommendation would be met.

In this regard, as the CNMV points out in principle 11 of the CBG, according to the principle of proportionality between shareholding and representation on the Board of Directors, the relationship between Proprietary Directors and Independent Directors must reflect the relationship between the percentage of capital represented on the Board of Directors by the Proprietary Directors and the rest of the capital, without the aforementioned proportional principle being an exact mathematical rule, but rather an approximate rule aimed at ensuring that the Independent Directors have a sufficient weight on the Board of Directors and that no significant shareholder exercises disproportionate influence in relation to their participation.

17. The number of Independent Directors represents at least half the total number of Directors.

However, when the company is not highly capitalised or when, even if it is, one shareholder or more shareholders are acting together, controlling more than 30% of the share capital, the number of Independent Directors represents at least one third of the total number of Directors.

Compliant [  ] Explain [  ]

On its Board of Directors, FCC has two Independent Directors out of a total of eleven members, representing 18% of the total number of Directors.

FCC understands that such a percentage does not make it necessary to increase the number of Independent Directors, taking into account the Company's highly concentrated shareholding structure. In this regard, the composition of the FCC Board of Directors responds to its shareholding structure and Proprietary Directors perform a supervisory task similar to that assigned to Independent Directors. Likewise, all Directors have suitable profile for the exercise of their duties and all of them contribute to the proper functioning of the Board of Directors and its Committees.

18. Companies publish the following information about Directors on their website, and keep it up to date:

- a) Professional and biographical profile.
- b) Other Boards of Directors to which they belong, whether at listed companies or not, and the other paid activities they perform, regardless of their nature.
- c) Indication of the category of Director to which they belong, indicating, in the case of Proprietary Directors, the shareholder they represent or with whom they have links.
- d) Date of their first appointment as a Director of the Company, as well as subsequent re-elections.
- e) Shares in the company, and options on them, that they own.

Compliant  Partially compliant  Explain

19. The Annual Corporate Governance Report, after a check performed by the Appointments Committee, explains the reasons that Proprietary Directors have been appointed at the request of shareholders whose shareholding is less than 3% of the share capital; and it explains the reasons that formal requests for presence on the Board from shareholders whose shareholding is equal to or greater than that of others, at whose request Proprietary Directors have been appointed, have not been met.

Compliant  Partially compliant  Explain  Not applicable

20. Proprietary Directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of Proprietary Directors.

Compliant  Partially compliant  Explain  Not applicable

21. The Board of Directors does not propose the removal of any Independent Director before the end of the statutory period for which they were appointed, unless there is just cause, identified by the Board following in a report from the Appointments and Remuneration Committee. In particular, it shall be considered that there is just cause when the Director first occupies new positions or contracts new obligations that prevent him/her from dedicating the necessary time to the performance of the duties assigned to the position of Director, breaches the duties inherent to the position in question or incurs in any of the circumstances resulting in him/her losing his/her status as an Independent Director, pursuant to the provisions of the applicable legislation.

The removal of Independent Directors may also be proposed as a result of takeovers, mergers or other similar corporate transactions that involve a change in the capital structure of the company, when these changes in the structure of the Board of Directors can be attributed to the criteria of proportionality indicated in recommendation 16.

Compliant  Explain

22. Companies should establish rules requiring Directors to report and, where appropriate, resign when situations arise affecting them, whether or not this is related to their actions in the company itself, which could be harmful to the credit and reputation of the company. This is in addition to the specific requirement of informing the Board of Directors of any criminal proceedings in which they are under investigation, as well as the progress of any such proceedings.

And, having been informed of or otherwise having become aware of any of the situations mentioned in the previous paragraph, the Board should examine the case as soon as possible. It should also, in view of the specific circumstances, decide, after a report from the Appointments and Remuneration Committee, whether or not to adopt any measures, such as opening an internal investigation, requesting the resignation of the Director or proposing his or her dismissal. And to report on the matter in the annual corporate governance report, unless there are special circumstances justifying this, which should be recorded in the minutes. This is notwithstanding the information that the company must disclose, where appropriate, at the time of adopting the corresponding measures.

Compliant  Partially compliant  Explain

23. All Directors clearly express their opposition when they consider that any proposed decision submitted to the Board of Directors may be contrary to the corporate interest. The same applies, in a special way, to independents and other Directors who are not affected by any potential conflict of interests, in the case of decisions that may harm shareholders not represented on the Board of Directors.

When the Board of Directors adopts significant or repeated decisions about which the Director would have made reservations, he/she shall draw the necessary conclusions and, if he chooses to resign, explain his/her reasons for doing so in the letter indicated in the following recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if he/she does not have the status of a Director.

Compliant  Partially compliant  Explain  Not applicable

24. When, either by resignation or by resolution of the general meeting, a Director steps down before the end of their term of office, they should sufficiently explain the reasons for their departure or, in the case of Non-executive Directors, their views on the reasons for the Board's decision to dismiss them, in a letter sent to all members of the Board of Directors.

And, notwithstanding the fact that all the above is disclosed in the annual corporate governance report, to the extent that it is relevant for investors, the company should announce the departure as soon as possible, including a sufficient mention of the reasons or circumstances provided by the Director.

Compliant  Partially compliant  Explain  Not applicable

25. The Appointments Committee ensures that Non-executive Directors have sufficient time available for the proper performance of their duties.

And the Regulations of the Board establish the maximum number of Boards on which its Directors may serve.

Compliant  Partially compliant  Explain

Article 21.4 of the Regulations of the Board of Directors stipulates that "Directors must inform the Appointments and Remuneration Committee of their other professional obligations, in case they might interfere with the dedication proper to their position". Article 38.4.a) of the Regulations of the Board of Directors also establishes that the functions of this Committee include "Assessing the skills, knowledge and experience required on the Board of Directors. For these purposes, it shall define the functions and skills required of the candidates to fill each vacancy and shall assess the time and dedication necessary for them to perform their duties effectively, ensuring that the Non-executive Directors have sufficient time available for the proper performance of their duties". For the time being, the Company has not set the maximum number of Boards to which each Director may belong, given that the proven dedication of the Directors to the company is adequate, without it being considered necessary, therefore, to indicate such number, for which reason the Company understands that it partially complies with the recommendation.

26. The Board of Directors meets with the necessary frequency to perform its duties effectively and, at least, eight times a year, following the programme of dates and matters established at the beginning of the year, with each Director allowed to individually propose other items on the agenda not initially provided for.

Compliant  Partially compliant  Explain

27. The absence of Directors is limited to indispensable cases and quantified in the Annual Corporate Governance Report. And should such absences occur, the Directors appoint a proxy with instructions.

Compliant  Partially compliant  Explain

Although during financial year 2023, absences of Directors have been reduced to essential cases, no proxies have been granted with instructions when absences have been necessary.

28. When the Directors or the secretary express concern about any proposal or, in the case of Directors, about the progress of the company and these concerns are not resolved by the Board of Directors, at the request of the person expressing them, these shall be recorded in the minutes.

Compliant  Partially compliant  Explain  Not applicable

29. The Company establishes the appropriate channels so that Directors can obtain the necessary advice for them to perform their duties, including, if the circumstances so require, external advice charged to the company.

Compliant  Partially compliant  Explain

30. Regardless of the knowledge required by Directors in the exercise of their duties, the companies also offer the Directors knowledge refresher programmes when the circumstances so advise.

Compliant  Explain  Not applicable

31. The agenda of meetings clearly indicates the points on which the Board of Directors must adopt a decision or resolution so that the Directors can study or collect, in advance, the information necessary for its adoption.

When, exceptionally, for reasons of urgency, the Chairman wishes to submit decisions or resolutions that do not appear on the agenda for approval by the Board of Directors, the prior and express consent of the majority of the Directors present shall be required, duly reflected in the minutes.

Compliant  Partially compliant  Explain

32. Directors are periodically informed of changes in the shareholding structure and of the opinion that significant shareholders, investors and rating agencies have about the company and its Group.

Compliant  Partially compliant  Explain

33. The Chairman, as the person responsible for the effective functioning of the Board of Directors, in addition to exercising the duties assigned to him by Law and in the By-laws, prepares and submits a programme of dates and matters to be discussed to the Board of Directors; organises and coordinates the periodic assessment of the Board, as well as, where appropriate, the company's Chief Executive; is responsible for the direction of the Board and the effectiveness of its functioning; ensures that sufficient discussion time is devoted to strategic issues, and agrees and reviews knowledge refresher programmes for each Director, when the circumstances so advise.

Compliant  Partially compliant  Explain



34. When there is a Coordinating Director, the By-laws or the Regulations of the Board of Directors, in addition to the powers that correspond to him by Law, assign the following powers thereto: preside over the Board of Directors in the absence of the Chairman and Deputy Chairman, as applicable; echoes the concerns of Non-executive Directors; maintains contact with investors and shareholders to obtain their points of view to form an opinion on their concerns, particularly in relation to the corporate governance of the company; and coordinates the Chairman's succession plan.

Compliant [  ]      Partially compliant [  ]      Explain [  ]      Not applicable [  ]

35. The secretary of the Board of Directors ensures that the Board of Directors takes into account the recommendations on good governance contained in the Code of Good Governance applicable to company in its actions and decisions.

Compliant [  ]      Explain [  ]

36. The Board of Directors assesses, once a year, and adopts, where appropriate, an action plan that corrects any shortcomings detected regarding:

- a) The quality and efficiency of the functioning of the Board of Directors.
- b) The functioning and composition of its committees.
- c) Diversity in the composition and powers of the Board of Directors.
- d) The performance of the Chairman of the Board of Directors and the Chief Executive of the company.
- e) The performance and contribution of each Director, paying particular attention to those responsible for the different Committees of the Board of Directors.

To perform the assessment of the different committees, the report submitted to the Board of Directors will be used, and for the Board assessment, the report submitted to the Appointments Committee.

Every three years, the Board of Directors will be assisted by an external consultant in performing the assessment, whose independence shall be verified by the Appointments Committee.

The business relationships that the consultant or any company in its group may have with the company or any Group company shall be broken down in the Annual Corporate Governance Report.

The process and the areas assessed shall be described in the Annual Corporate Governance Report.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

The Board of Directors internally performs the annual assessment of the efficiency of its functioning, its committees, as well as that of the Chairman of the Board of Directors (Non-executive) and the CEO. The Company believes that the conclusions drawn during the internal assessment make it possible to sufficiently correct any shortcomings detected or improvements in the functions assigned to the Board. The assessment with the help of an external consultant has been carried out twice in the past. The Board shall assess the suitability of requesting such external assistance each year.

37. When there is an executive committee, at least two Non-executive Directors should sit on it, at least one of whom should be independent and its secretary should be the secretary of the Board of Directors.

Compliant [ ]      Partially compliant [ X ]      Explain [ ]      Not applicable [ ]

The Secretary of the Executive Committee is the same as the Secretary of the Board and, in addition, has several Non-executive members. However, the composition of this Committee, whose members have been appointed by the Board taking into account the knowledge, skills and experience of the Directors and the duties of the Committee, does not include any Independent Directors, two of whom are present in the Board meetings.  
All decisions taken by the Executive Committee are reported to the Board.  
On this Committee, Independent Directors may request as many clarifications or comments as they deem appropriate.  
Given the continuous control that the Board exercises over the Executive Committee, it has not been considered necessary to include Independent Directors on this Committee.

38. The Board of Directors is always aware of the matters discussed and the decisions taken by the Executive Committee and that all the members of the Board of Directors receive a copy of the minutes of the Executive Committee meetings.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]      Not applicable [ ]

39. Members of the Audit Committee as a whole, and especially its Chairman, are appointed taking into account their knowledge and experience in accounting, auditing and risk management matters, both financial and non-financial.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

40. Under the supervision of the Audit Committee, there is a unit that assumes the internal audit function ensuring the proper functioning of the information and internal control systems, which functionally reports to the Non-executive Chairman of the Board or the Audit Committee.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]

41. The head of the unit responsible for the internal audit function should present the annual work plan to the Audit Committee for approval by the Committee or the Board, report directly to it on its implementation, including any incidents and limitations on scope arising in the course of its implementation, the results and follow-up of its recommendations, and submit an activities report to it at the end of each year.

Compliant [ X ]      Partially compliant [ ]      Explain [ ]      Not applicable [ ]

42. In addition to those provided by law, the Audit Committee assumes responsibility for the following functions:

1. In relation to information and internal control systems:
  - a) Supervise and assess the preparation process and the integrity of financial and non-financial information, as well as the control and management systems for financial and non-financial risks relating to the company and, if applicable, the group, including operational, technological, legal, social, environmental, political, reputational and corruption-related risks, reviewing compliance with regulatory requirements, the adequate definition of the scope of consolidation and the correct application of accounting criteria.
  - b) Ensure the independence of the Internal Audit function; propose the selection, appointment and removal of the head of the Internal Audit service, as well as the budget of this service; approving or proposing approval to the Board of the annual internal audit orientation and work plan, making sure that its activity is mainly focused on relevant risks (including reputational risks); receive periodic information about its activities; and verify that Senior Management takes into account the conclusions and recommendations in its reports.
  - c) Establish and supervise a mechanism that allows employees and other persons related to the company, such as Directors, shareholders, suppliers, contractors or subcontractors, to report potentially significant irregularities, including financial, accounting or any other irregularities related to the company that they become aware of within the company or its group. This mechanism must guarantee confidentiality and, in any case, allow for anonymous communications to be made to protect and uphold the rights of both the complainant and the person being reported.
  - d) Generally ensure that the policies and systems in place for internal control are effectively implemented in practice.
2. In relation to the external auditor:
  - a) In case of the resignation of the external auditor, examine the circumstances that may have led to this.
  - b) Ensure that the remuneration of the external auditor for his/her work does not compromise his/her quality or independence.
  - c) Ensure that the company communicates any change in auditor through the CNMV and accompanies this with a statement about the possible existence of disagreements with the departing auditor and, if there were any disagreements, the nature of them.
  - d) Ensure that the external auditor holds an annual meeting with the Board of Directors to inform them about the work undertaken and the evolution of the accounting and risk situation at the company.
  - e) Ensure that the company and the external auditor respect the rules in force on the provision of services other than auditing services, the limits on the concentration of the auditor's business and, in general, the other rules applicable to the auditor's independence.

Compliant [  ]      Partially compliant [  ]      Explain [  ]

The company's Audit and Compliance Committee performs all the functions envisaged in this recommendation, with the sole exception of the meeting of the external auditor with the full Board referred to in section 2.d) of this recommendation, which does not take place, given that, in accordance with the provisions of article 15.1 of the Board Regulations, the Board's relations with the external auditor are channelled through the Audit and Compliance Committee, this being the ordinary sphere of information of the external auditor to the members of the Board. Notwithstanding this, the Board is duly informed of the most relevant issues dealt with in the Committee, given that, on the one hand, the Committee reports to the Board on the development of its functions, informing the Board, at the first plenary session following the Committee's meetings, of the activity carried out by the Committee and, on the other hand, a copy of its minutes is sent to all the members of the Board.

43. The Audit Committee may summon any employee or manager at the company, and even arrange for them to appear without any other manager present.

Compliant  Partially compliant  Explain

44. The Audit Committee is informed about the structural and corporate modifications that the company plans to perform for its analysis and preliminary report to the Board of Directors on its economic conditions and its accounting impact and, especially, where appropriate, on the proposed exchange ratio.

Compliant  Partially compliant  Explain  Not applicable

To date, all Directors at the company, including Independent Directors, have voted in favour of the transactions referred to in this recommendation, meaning that the step previous to those before the Audit and Control Committee is not considered necessary. In any case, on the Board of Directors, members of the Audit and Control Committee may present their reflections and opinions, which will be taken into account by the Board at the time of making a decision.

45. The risk control and management policy identifies or determines at least:

- a) The different types of risk, both financial and non-financial, (including operational, technological, legal, social, environmental, political and reputational, including those related to corruption) that the company faces, including financial or economic, contingent liabilities and other off-balance-sheet risks.
- b) A tiered risk management and control model, including a specialised risk committee where sector rules require this or where the company deems it appropriate.
- c) The level of risk that the Company considers acceptable.
- d) The measures planned to mitigate the impact of the risks identified, should they materialise.
- e) The information and internal control systems that will be used to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Compliant  Partially compliant  Explain

46. Under the direct supervision of the Audit Committee or, where appropriate, a specialised committee of the Board of Directors, there is an internal risk control and management function performed by an internal unit or department at the company that has been expressly attributed the following functions:

- a) Ensure the proper functioning of the control and risk management systems and, in particular, that all important risks affecting the Company are properly identified, managed, and quantified.
- b) Actively participate in the preparation of the risk strategy and in the important decisions about its management.
- c) Ensure that control and risk management systems adequately mitigate risks within the framework of the policy defined by the Board of Directors.

Compliant  Partially compliant  Explain

47. The members of the Appointments and Remuneration Committee, or of the Appointments Committee and the Remuneration Committee, if they are separate, should be appointed ensuring that they have the knowledge, skills and experience suitable for the duties they are called upon to perform and the majority of the members should be Independent Directors.

Compliant  Partially compliant  Explain

The Appointments and Remuneration Committee is currently made up of two proprietary and two Independent Directors, one of whom is the Chairman. FCC considers that the configuration of the Appointments and Remuneration Committee, with two Independent Directors out of a total of four, and one of them being the chairman, sufficiently guarantees the proper functioning of this Committee, considering the most relevant aspect for the purposes of the composition of the Committee to be that all its members have been appointed by the Board bearing in mind the knowledge, skills and experience of the Directors and the duties of each Committee.

48. Large-cap companies should have a separate appointments committee and a separate remuneration committee.

Compliant  Explain  Not applicable

49. The Appointments Committee should consult with the Chairman of the Board of Directors and the CEO of the Company, especially on matters relating to executive Directors.

And any Director may request the consideration of potential candidates to fill vacancies of Director from the Appointments Committee, if it finds them suitable in its opinion.

Compliant  Partially compliant  Explain

50. The Remuneration Committee should carry out its duties independently and, in addition to the duties assigned by law, should have the following responsibilities:

- a) To propose to the Board of Directors the basic conditions of senior management contracts.
- b) To verify compliance with the remuneration policy established by the company.
- c) To regularly review the remuneration policy applied to Directors and senior executives, including the share based remuneration systems and their application, and ensure that their individual remuneration is in line with that paid to the other Directors and senior executives at the Company.
- d) To ensure that any conflicts of interest do not undermine the independence of the external advice provided to the committee.
- e) Verify the information on Directors' and senior executives' remuneration contained in the various corporate documents, including the annual Directors remuneration report.

Compliant  Partially compliant  Explain

51. The remuneration committee should consult with the company's chairman and CEO, especially on matters relating to executive Directors and senior executives.

Compliant  Partially compliant  Explain

52. The rules governing the composition and operation of the supervision and control committees should be set out in the regulations of the Board of Directors and be consistent with those applicable to the legally obligatory committees in accordance with the above recommendations, including:

- a) They should be composed exclusively of Non-executive Directors, with a majority of Independent Directors.
- b) Their chairmen should be Independent Directors.
- c) The Board of Directors should appoint the members of these committees, bearing in mind the knowledge, skills and experience of the Directors and the duties of each committee, and should discuss their proposals and reports; and to report, at the first plenary session of the Board of Directors after its meetings, on its activity and should be accountable for the work carried out.
- d) The committees may seek external advice, when they consider it necessary for the carrying out of their duties.
- e) Minutes should be taken of their meetings and made available to all Directors.

Compliant  Partially compliant  Explain  Not applicable

53. Supervision of compliance with the company's environmental, social and corporate governance policies and rules, as well as internal codes of conduct, should be entrusted to one or more committees of the Board of Directors, which may be the audit committee, the appointments committee, a committee specialising in sustainability or corporate social responsibility or any other specialised committee that the Board of Directors, in the exercise of its powers of self-organisation, has decided to set up. Such a committee should be formed solely of Non-executive Directors, the majority of whom should be independent, and should be specifically attributed at least the duties indicated in the following recommendation.

Compliant  Partially compliant  Explain

54. The minimal duties referred to in the above recommendation are as follows:

- a) Overseeing compliance with the company's corporate governance rules and internal codes of conduct, and ensuring that the corporate culture is aligned with its purpose and values.
- b) Overseeing the implementation of the general policy on economic-financial, non-financial and corporate reporting as well as communication with shareholders and investors, proxy advisors and other stakeholders. The way in which the institution communicates and interacts with small and medium-sized shareholders will also be monitored.
- c) Regular assessment and review of the Company's corporate governance system and environmental and social policy, in order for them to fulfil their aim of promoting the corporate interest and taking into account, as appropriate, the legitimate interests of other stakeholders.
- d) Ensuring that the company's environmental and social practices are in line with the established strategy and policy.
- e) The supervision and evaluation of the processes of relationship with the different stakeholders.

Compliant  Partially compliant  Explain

55. Sustainability policies on environmental and social issues should at least identify and include:
- a) The principles, commitments, objectives and strategy with regard to shareholders, employees, customers, suppliers, social issues, environment, diversity, accountability on tax-related matters, respect for human rights and prevention of corruption and other unlawful actions.
  - b) Methods or systems for monitoring compliance with policies, associated risks and their management.
  - c) Mechanisms for monitoring non-financial risk, including those related to ethical and business conduct issues.
  - d) Channels of communication, participation and dialogue with stakeholders.
  - e) Responsible communication practices that avoid the manipulation of information and protect integrity and honour.

Compliant  Partially compliant  Explain

56. Directors' remuneration should be sufficient to attract and retain Directors with the desired profile and to reward the dedication, qualifications and responsibility required for the position, but should not be so high as to compromise the independent judgement of Non-executive Directors.

Compliant  Explain

57. Variable remuneration linked to the company's performance and personal performance, as well as compensation in the form of shares, options or rights to shares or instruments linked to the value of the share and long-term savings schemes such as pension plans, retirement systems or other social welfare systems, should be exclusively limited to executive Directors.

The delivery of shares may be considered as remuneration to Non-executive Directors when it is subject to their remaining on the Board. The foregoing shall not apply to the shares that the Director needs to sell, if any, to meet the costs related to their acquisition.

Compliant  Partially compliant  Explain



58. In the case of variable remuneration, remuneration policies should include the necessary technical limits and precautions to ensure that said remuneration is related to the professional performance of its beneficiaries and is not simply a result of general market or sector trends or other similar circumstances.

And, in particular, that the variable components of remuneration:

- a) Should be linked to performance criteria that are predetermined and measurable, and these criteria should take into account the risk assumed in order to obtain a result.
- b) Should promote the sustainability of the company and include non-financial criteria that are appropriate for the creation of long-term value, such as compliance with the company's internal rules and procedures and its policies for risk control and management.
- c) Should be designed on the basis of a balance between the achievement of short-, medium- and long-term objectives, allowing performance to be rewarded for continued achievement over a period of time sufficient to assess their contribution to sustainable value creation, so that the elements used to measure that performance do not revolve solely around one-off, occasional or extraordinary events.

Compliant  Partially compliant  Explain  Not applicable

59. The payment of variable components of remuneration is subject to sufficient verification that the performance or other conditions set out above have been effectively met. Entities shall include in the annual Directors' remuneration report the criteria as to the time required and methods for such verification depending on the nature and characteristics of each variable component.

In addition, entities should consider the establishment of a malus clause based on the deferral for a sufficient period of time of the payment of a part of the variable components that can lead to their total or partial loss should an event occur prior to the time of payment that makes this advisable.

Compliant  Partially compliant  Explain  Not applicable

The CEO's variable is related to EBITDA, operating cash flow and individual objectives. This variable is approved once the Board of Directors has drawn up the accounts and approved the financial objectives.

60. Remuneration related to the Company's profit and loss should take into account any qualifications in the external auditor's report that reduce said profit and loss.

Compliant  Partially compliant  Explain  Not applicable

61. A significant percentage of the variable remuneration of executive Directors should be linked to the delivery of shares or financial instruments tied to their value.

Compliant  Partially compliant  Explain  Not applicable

Although article 38 of the By-laws provides for the possibility that Directors may be remunerated through the delivery of shares or stock options of the Company itself, the Company has not considered it necessary for the time being to establish remuneration to its executive Directors through the delivery of shares or financial instruments referenced to their value, since it considers that the current variable remuneration systems for its executive Directors are the most appropriate to encourage their motivation and professional performance, as well as their commitment and linkage to the interests of the Company and the Group. In particular, the variable remuneration of the chief executive officer, as expressly set forth in the current Remuneration Policy, shall be established, implemented and maintained in line with the business and risk management strategy of the Company, its risk profile, its objectives, its risk management practices, and the short, medium and long-term performance and interests of FCC as a whole, and shall include measures aimed at avoiding conflicts of interest.

62. Once the shares, options or financial instruments corresponding to the remuneration systems have been attributed, executive Directors may not transfer ownership or exercise them until at least three years have passed.

An exception is made where the Director has, at the time of the transfer or exercise, a net economic exposure to share price changes of a market value equivalent to an amount of at least twice his or her annual fixed remuneration through the ownership of shares, options or other financial instruments.

The above will not apply to shares that the Director needs to dispose of in order to meet the costs related to their acquisition or, after a favourable assessment from the appointments and remuneration committee, to address extraordinary situations that so require it.

Compliant  Partially compliant  Explain  Not applicable

63. Contractual agreements should include a clause allowing the company to claim reimbursement of the variable components of remuneration when the payment has not been in accordance with the performance conditions or when they have been paid on the basis of data which is subsequently proven to be inaccurate.

Compliant  Partially compliant  Explain  Not applicable

Variable remuneration is approved by the Board of Directors once the parameters to which it is tied have been verified. It has not been considered necessary, both because of the volume of the remuneration and the time at which it is paid, to establish additional precautions.

64. Severance payments of payments for contract termination should not exceed a set amount equivalent to two years' total annual remuneration and should not be paid until the company has been able to verify that the Director has met the criteria or conditions established for their receipt.

For the purposes of this recommendation, termination or contractual termination payments include any payments that accrue or are payable as a result of or in connection with the termination of the Director's contractual relationship with the company, including amounts not previously vested in long-term savings schemes and amounts paid under post-contractual non-compete agreements.

Compliant  Partially compliant  Explain  Not applicable

Indicate whether any Directors voted against or abstained from voting on the approval of this Report.

Yes  
 No

I hereby declare that the data included in this statistical annex match and are consistent with the descriptions and data included in the annual corporate governance report published by the Company.