

Justified proposal for a resolution by Control Empresarial de Capitales, S.A. de C.V. (“CEC”) regarding the inclusion on the Agenda of the Ordinary General Meeting of FCC: (i) of point 4.5. “Amendment of Clause 26 (Deliberations. Adoption of Resolutions. Meeting Minutes)”, (ii) of point 4.6. “Amendment of Clause 27 (The Board of Directors)”, and (iii) of point 4.7. “Amendment of Clause 28 (Structure)”.

1. INTRODUCTION

This justified proposal for a resolution is prepared by CEC in compliance with the provisions under Article 519 of the Capital Company Law (LSC), in relation to new points 4.5., 4.6., and 4.7, the inclusion of which on the Agenda of the Ordinary General Meeting of FCC, which is to be held on first call on 28 June 2016 at 4 p.m and on second call on 29 June 2016 at 4 p.m, is requested.

2. JUSTIFICATION AND PROPOSED AMENDMENT

Without prejudice to the fact that this proposal is made pursuant to the resolutions contained in the document “Modificatory and Non-Extinctive Novation regarding the Investment Agreement signed on 27 November 2014” in a meeting held on 5 February 2016 between the shareholders Dominum Dirección y Gestión, S.A. (“**DDG**”), Nueva Samede 2016, S.L.U. (“**Nueva Samede**”), CEC, Inversora Carso, S.A. de C.V. (“**IC**”), Bankia, S.A. (“**Bankia**”) and Banco Bilbao Vizcaya Argentaria, S.A. (“**BBVA**”), and communicated to the market by means of Relevant Fact dated 5 February 2016 and under registration number 234682 (the, “**Novation of Investment Agreement**”), by means of this proposal, it is proposed: firstly (i) qualified majorities regarding voting quorums in the General Meeting are eliminated, establishing the general regime under Article 201 of the Capital Company Law, with the exception of that set forth under Section 3 of Article 26 relating to the issuance of shares, bonds or securities that are convertible into shares without pre-emptive subscription rights in favour of the shareholders of the Company, which shall be adopted with a favourable vote of more than fifty percent of the subscribed share capital with right to vote; secondly (ii) Clause 27 of the Articles of Association is modified to re-establish the legal regime under Articles 249 bis and 529 three of the Capital Company Law as regards the non-delegable powers of the Board of Directors; and, likewise, (iii) pursuant to the provisions in Recommendation 13 of the Code of Good Governance, which establishes that the Board of Directors is to have the required number of members so it can efficiently and participatory operate, recommended to be between five and fifteen members, Clause 28 of the Articles of Association is amended, increasing the number of members of the Board to fifteen.

In this regard, the Novation of Investment Agreement, specifically Clause 4 thereof (“Corporate Governance of FCC”), among other aspects, establishes (i) *“In the Articles of Association of FCC and in the Rules of the Board of Directors, set the number of members of the FCC Board of Directors at fifteen (15)”*, (ii) *“Remove from the Articles of Association of FCC the provision of present qualified majorities in the favourable vote of, at least, 50% of the share capital in order for the shareholders' meeting to adopt decisions on the following issues; (a) Amendment of the company purpose, (b) Transferring the registered address to a location abroad, (c) Issuance or creation of classes or series of shares other than those currently in circulation, (d) Any remuneration or incentive system for the board directors or senior executives consisting of the provision of shares, share options or any other kind of share-based remuneration, (e) the dissolution, winding-up, merger, de-merger, overall transfer of assets and liabilities, transformation, or bankruptcy proceedings, and (f) The*

amendment of the articles governing the aforementioned issues”, it also highlights the need to maintain the “the favourable vote of, at least, 50% of the share capital in order for the meeting of shareholders to adopt decisions on the issuance of shares or bonds or securities that can be converted into shares with exclusion of the pre-emptive subscription right in favour of the FCC shareholders”.

Furthermore, letter (v) of Section 5.1 (“Commitments of parties in relation to the Corporate Governance of FCC”) of Clause 5 (“Corporate Governance of FCC”) of the Investment Agreement in FCC signed on 27 November 2014 that established certain issues that cannot be delegated by the Board of Directors, which disappear after the Novation of the Investment Agreement, thereby making the corresponding amendment to the Articles of Association necessary, is eliminated. Such elimination also favours the effectiveness of said governing body, affording it greater flexibility and speed in the day-to-day managing of the Company.

All the foregoing requires the modification of Clauses 26, 27 and 28 of the Articles of Association of FCC and the corresponding articles of the Rules of the General Meeting of the Company which CEC requests.

Consequently, it is proposed to submit the amendment of the following clauses of the Articles of Association, in the terms indicated below, to the General Meeting of Shareholders.

Current wording	Proposed wording
<u>Clause 26. Deliberations. Adoption of resolutions. Meeting minutes</u>	<u>Clause 26. Deliberations. Adoption of resolutions. Meeting minutes</u>
1. The Chairman shall lead the Meeting and discussion, granting the floor to all the shareholders who so request in writing and, subsequently, to those who so request verbally, until he considers that the matter has been sufficiently discussed. 2. In the General Meeting, matters that are substantially independent from others shall be voted on separately and, in any case, the appointment, ratification, re-election and separation as regards each director, the amendment of the Articles of Association and of each Clause or group of individual Clauses, as well as the matters referred to in the following section, even if they appear under the same point on the agenda, shall be separately voted on. 3. The resolutions will be adopted by a simple majority of votes of present or represented shareholders in the Meeting, with an agreement understood to be adopted when there are more votes from the capital present or represented for than against, except for those cases where	1. The Chairman shall lead the Meeting and discussion, granting the floor to all the shareholders who so request in writing and, subsequently, to those who so request verbally, until he considers that the matter has been sufficiently discussed. 2. In the General Meeting, matters that are substantially independent from others shall be voted on separately and, in any case, the appointment, ratification, re-election and separation as regards each director, the amendment of the Articles of Association and of each Clause or group of individual Clauses, as well as the matters referred to in the following section, even if they appear under the same point on the agenda, shall be separately voted on. 3. The resolutions will be adopted by a simple majority of votes of present or represented shareholders in the Meeting, with an agreement understood to be adopted when there are more votes from the capital present or represented for than against, except for those cases where

the Law or these Articles require a qualified majority, as referred to below: In particular, the resolutions shown below must be adopted with the favourable vote of the shares present or represented in the General Meeting, with over fifty percent (50%) of the subscribed share capital with the right to vote: (i) Amendment of the company purpose. (ii) Transferring the registered address to a location abroad. (iii) Issuance of shares or bonds or securities that can be converted into shares with exclusion of the pre-emptive subscription right in favour of Company shareholders. (iv) Issuance or creation of new classes or series of shares other than those currently in circulation. (v) Introduction and/or amendment of any nature of any remuneration system and/or provision of incentive for directors or senior executives consisting of the provision of shares, share options or any other kind of share-based remuneration of the Company. (vi) Dissolution, winding-up, merger, de-merger, overall transfer of assets and liabilities, transformation. (vii) Amendment of the Clauses of these Articles of Association that govern the subject matters above. 4. Every share with the right to vote that is present or represented in the General Meeting of Shareholders shall be entitled to one vote. 5. For each agreement, the number of shares compared with those that issued valid votes, the proportion of the share capital represented by these votes, the total number of valid votes, the number of votes in favour and against each resolution and, if	the Law or these Articles require a qualified majority. In particular, it must be adopted with the favourable vote of the shares present or represented in the General Meeting, with over fifty percent (50%) of the subscribed share capital with the right to vote. (i) Amendment of the company purpose. (ii) Transferring the registered address to a location abroad. (iii) The issuance of shares or bonds or securities that can be converted into shares with exclusion of the pre-emptive subscription right in favour of Company shareholders. (iv) Issuance or creation of new classes or series of shares other than those currently in circulation. (v) Introduction and/or amendment of any nature of any remuneration system and/or provision of incentive for directors or senior executives consisting of the provision of shares, share options or any other kind of share-based remuneration of the Company. (vi) Dissolution, winding up, merger, de-merger, overall transfer of assets and liabilities, transformation. (vii) Amendment of the Clauses of these Articles of Association that govern the subject matters above. 4. Every share with the right to vote that is present or represented in the General Meeting of Shareholders shall be entitled to one vote. 5. For each agreement, the number of shares compared with those that issued valid votes, the proportion of the share capital represented by these votes, the total number of valid votes, the number of votes in favour and against each resolution and, if applicable, the number of abstentions
---	---

applicable, the number of abstentions shall be determined. 6. Meeting resolutions shall be recorded in the minutes as required by law, with a summary of the topics discussed and the interventions requested to be on the record, and they shall be signed by the Secretary, with approval from the Chairman, or by the parties substituting them. The minutes can be approved by the Meeting once concluded or, failing this, by the Chairman of the General Meeting and two (2) auditors, one representing the majority and the other, the minority, within fifteen (15) days. 7. Minutes approved in either of these two ways shall be enforceable as of the date of approval. In the event that a Notary Public is required to take the Minutes, the notarial Minutes shall not be subject to the approval procedure and shall be considered as the Minutes of the Meeting. 8. Certificates of the Minutes and the resolutions of General Meetings shall be issued by the Secretary or the Deputy Secretary of the Board of Directors, with approval from the Chairman or, where appropriate, the Deputy Chairperson of the Board. 9. Approved resolutions and the outcome of votes shall be fully published on the website of the Company within five (5) days of the conclusion of the General Meeting.	shall be determined. 6. Meeting resolutions shall be recorded in the minutes as required by law, with a summary of the topics discussed and the interventions requested to be on the record, and they shall be signed by the Secretary, with approval from the Chairman, or by the parties substituting them. The minutes can be approved by the Meeting once concluded or, failing this, by the Chairman of the General Meeting and two (2) auditors, one representing the majority and the other, the minority, within fifteen (15) days. 7. Minutes approved in either of these two ways shall be enforceable as of the date of approval. In the event that a Notary Public is required to take the Minutes, the notarial Minutes shall not be subject to the approval procedure and shall be considered as the Minutes of the Meeting. 8. Certificates of the Minutes and the resolutions of General Meetings shall be issued by the Secretary or the Deputy Secretary of the Board of Directors, with approval from the Chairman or, where appropriate, the Deputy Chairperson of the Board. 9. Approved resolutions and the outcome of votes shall be fully published on the website of the Company within five (5) days of the conclusion of the General Meeting.
<u>Clause 27. The Board of Directors</u> 1. The Board of Directors is the body responsible for the management, administration and representation of the Company, both in and out of court, without prejudice to the powers, pursuant to the Law and these Articles of Association, that correspond to the General Meeting, focusing fundamentally on overseeing the day-to-day management of the Company that is entrusted to the executive directors and senior managers, and on all matters of particular importance to the	<u>Clause 27. The Board of Directors</u> 1. The Board of Directors is the body responsible for the management, administration and representation of the Company, both in and out of court, without prejudice to the powers, pursuant to the Law and these Articles of Association, that correspond to the General Meeting, focusing fundamentally on overseeing the day-to-day management of the Company that is entrusted to the executive directors and senior managers, and on all matters of particular importance to

Company. 2. The powers and duties reserved, by law or by the Articles, for the competence of the entire Board of Directors shall not be delegated, neither shall those needed for the responsible exercise of its general supervisory duties, nor those that the General Meeting has delegated to the Board of Directors, except where it has given it expressed authorisation to subdelegate them. In particular, the Board of Directors shall under no circumstance delegate the approval of the following matters, not even to one of its members (including the Managing Director). a) Approving the contracting of financial debt, in an act or succession of acts by the Company and/or its subsidiaries or associated companies, which involves a consolidated debt greater than twenty million euros (€20,000,000). For these purposes, the term "financial debt" shall refer to any that is considered as such by the Company according to its audited accounting practices. b) Approving the purchase or sale of significant assets, in an act or succession of acts by the Company and/or its subsidiaries or associated companies; for these purposes, the term "significant assets" refers to those that represent more than twenty million euros (€20,000,000) of the individual total assets of the company concerned. c) Approving the formalisation of any relevant contract, in an act or succession of acts by the Company and/or its subsidiaries or associated companies; for these purposes, the term "relevant contracts" refers to any whose execution involves a volume of funds of twenty million euros (€20,000,000) and which are not contracts specific to the activity of the Company and/or its subsidiaries or associated companies.	the Company. 2. The powers and duties reserved, by law or by the Articles, for the competence of the entire Board of Directors shall not be delegated, neither shall those needed for the responsible exercise of its general supervisory duties, nor those that the General Meeting has delegated to the Board of Directors, except where it has given it expressed authorisation to subdelegate them. In particular, the Board of Directors shall under no circumstance delegate the approval of the following matters, not even to one of its members (including the Managing Director). a) Approving the contracting of financial debt, in an act or succession of acts by the Company and/or its subsidiaries or associated companies, which involves a consolidated debt greater than twenty million euros (€20,000,000). For these purposes, the term "financial debt" shall refer to any that is considered as such by the Company according to its audited accounting practices. b) Approving the purchase or sale of significant assets, in an act or succession of acts by the Company and/or its subsidiaries or associated companies; for these purposes, the term "significant assets" refers to those that represent more than twenty million euros (€20,000,000) of the individual total assets of the company concerned. e) Approving the formalisation of any relevant contract, in an act or succession of acts by the Company and/or its subsidiaries or associated companies; for these purposes, the term "relevant contracts" refers to any whose execution involves a volume of funds of twenty million euros (€20,000,000) and which are not contracts specific to the activity of the Company and/or its subsidiaries or associated companies.
---	---

<u>Clause 28. Structure</u> 1. The Board of Directors shall consist of twelve (12) members. 2. Directors shall be classified as executive and non-executive; these in turn shall be distinguished as proprietary, independent or other external members, pursuant to the provisions of legal requirements in this regard. 3. The Board of Directors shall particularly include three independent directors who shall be elected by the General Meeting based on the criteria of rigorous professionalism and full independence, after a proposal for election has been put forward by the Appointments and Remuneration Committee and, successively, after a proposal has been made to the same by a firm of recognised standing which is responsible for selecting directors of listed companies; this firm shall act in the selection process according to the director profile being sought by the Company and with a view to meeting the requirements of professionalism and independence that are accordingly established both under law and by the practice of good corporate governance. The selected candidates shall be proposed to the Board of Directors which, in turn, shall propose them to the General Meeting of Shareholders unless vacancies are directly covered by co-optation. 4. The Board of Directors shall guarantee that the procedures used to select its members favour gender diversity, experience and knowledge, and are not implicitly biased to the extent that discrimination of any kind is engendered and, in particular, facilitate the selection of female Directors.	<u>Clause 28. Structure</u> 1. The Board of Directors shall consist of fifteen (15) members. 2. Directors shall be classified as executive and non-executive; these in turn shall be distinguished as proprietary, independent or other external members, pursuant to the provisions of legal requirements in this regard. 3. The Board of Directors shall particularly include three independent directors who shall be elected by the General Meeting based on the criteria of rigorous professionalism and full independence, after a proposal for election has been put forward by the Appointments and Remuneration Committee and, successively, after a proposal has been made to the same by a firm of recognised standing which is responsible for selecting directors of listed companies; this firm shall act in the selection process according to the director profile being sought by the Company and with a view to meeting the requirements of professionalism and independence that are accordingly established both under law and by the practice of good corporate governance. The selected candidates shall be proposed to the Board of Directors which, in turn, shall propose them to the General Meeting of Shareholders unless vacancies are directly covered by co-optation. 4. The Board of Directors shall guarantee that the procedures used to select its members favour gender diversity, experience and knowledge, and are not implicitly biased to the extent that discrimination of any kind is engendered and, in particular, facilitate the selection of female Directors.
--	--