

## **JUSTIFICATORY REPORT OF THE BOARD OF DIRECTORS OF FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. ON THE PROPOSAL FOR RE-ELECTION OF DIRECTORS (ITEM 3 OF THE AGENDA)**

### BACKGROUND AND JUSTIFICATION OF PROPOSALS

This report is prepared by the Board of Directors of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (the '**Company**' or '**FCC**') in accordance with the provisions of article 529 decies 5 of the Spanish Limited Liability Companies Law and in article 16 of the Rules of the Board of Directors to justify the following proposals for the re-election of directors that are submitted for the approval of the General Meeting of Shareholders under item 3 of the Agenda:

3.1. Re-election of Mr ALEJANDRO ABOUMRAD GONZÁLEZ as proprietary director.

It is proposed: *"To appoint, following a favourable report from the Appointments and Remuneration Committee, as a member of the Board of Directors, effective as of the date of this Meeting and for the statutory period of four (4) years, Mr ALEJANDRO ABOUMRAD GONZÁLEZ as a proprietary director".*

3.2. Re-election of DOMINUM DIRECCIÓN Y GESTIÓN, S.A. as proprietary director.

It is proposed: *"To appoint, following a favourable report from the Appointments and Remuneration Committee, as a member of the Board of Directors, effective as of the date of this Meeting and for the statutory period of four (4) years, DOMINUM DIRECCIÓN Y GESTIÓN, S.A. as a proprietary director".*

3.3. Re-election of Mr GERARDO KURI KAUFMANN as executive director.

It is proposed: *"To appoint, following a favourable report from the Appointments and Remuneration Committee, as a member of the Board of Directors, effective as of the date of this Meeting and for the statutory period of four (4) years, Mr GERARDO KURI KAUFMANN as an executive director".*

3.4. Re-election of Mr MANUEL GIL MADRIGAL as independent director.

It is proposed: *"Appoint, following the proposal of the Appointments and Remuneration Committee, as a member of the Board of Directors, with effect from the date of this Meeting and for the statutory period of four (4) years, Mr Manuel Gil Madrigal as an independent director".*

3.5. Re-election of INMOBILIARIA AEG S.A. DE CV as proprietary director.

It is proposed: *"To appoint, following a favourable report from the Appointments and Remuneration Committee, as a member of the Board of Directors, effective as of the date of*

*this Meeting and for the statutory period of four (4) years, INMOBILIARIA AEG SA DE CV as a proprietary director'.*

3.6. Re-election of SAMEDE INVERSIONES 2010, S.L. as proprietary director.

*It is proposed: "To appoint, following a favourable report from the Appointments and Remuneration Committee, as a member of the Board of Directors, effective as of the date of this Meeting and for the statutory period of four (4) years, SAMEDE INVERSIONES 2010, S.L. as a proprietary director'.*

3.7. Re-election of Mr ÁLVARO VÁZQUEZ DE LAPUERTA as independent director.

*It is proposed: "Appoint, following the proposal of the Appointments and Remuneration Committee, as a member of the Board of Directors, with effect from the date of this Meeting and for the statutory period of four (4) years, Mr Álvaro Vázquez de Lapuerta as an independent director'.*

3.8. Re-election of Mr HENRI PROGLIO as independent director.

*It is proposed: "Appoint, following the proposal of the Appointments and Remuneration Committee, as a member of the Board of Directors, with effect from the date of this Meeting and for the statutory period of four (4) years, Mr Manuel Henri Proglío as an independent director'.*

The purpose of this report is to assess the competence, experience and merits of the candidates whose re-elections are proposed to the Board, for which the Board of Directors has taken into account the suitability of the professional profile of the Directors to the characteristics of the business as well as to the growing internationalisation of the Company.

The Board of Directors has verified that the candidates meet the requirements of honourability, suitability, competence, experience, qualification, training, availability and commitment to their position, and that they are not involved, directly or indirectly, in any of the causes of incompatibility or prohibition provided for in Law, the Company Bylaws and the Rules of the Board of Directors.

The Appointments and Remuneration Committee has previously issued a report, approved at its meeting of 21 March 2019, in which it reports favourably following the proposal for re-election of proprietary and executive directors and has proposed the re-election of the independent directors.

This report contains, for the purposes of article 518.e) of the Spanish Limited Liability Companies Law, complete information on the identity, CV and category to which each of the directors belongs.

#### **Justification of the proposed re-election of the director Alejandro Aboumrad González.**

The Board of Directors, in light of the Report of the Appointments and Remuneration Committee, believe that the performance of Mr Alejandro Aboumrad González as a member of the Company

Board of Directors since his appointment on 25 June 2015 has been very satisfactory in all its aspects: performance in the position of director; the quantity and quality of his work; and dedication to the position.

Likewise, the Board of Directors, in the light of the Report of the Appointments and Remuneration Committee, appreciates that the CV and business background of ALEJANDRO ABOUMRAD GONZÁLEZ, show that he has the appropriate skills, experience and merits to hold the position of director.

This, in the opinion of the Board of Directors, recommends his re-election as a director, with the status of proprietary director.

**Justification of the proposal for re-election of the director DOMINUM DIRECCIÓN Y GESTIÓN, S.A. Represented by Mrs Carmen Alcocer Koplowitz.**

The Board of Directors, in light of the Report of the Appointments and Remuneration Committee, believe that the performance of DOMINUM DIRECCIÓN Y GESTIÓN, S.A. as a member of the Board since its appointment on 25 June 2015 has been very satisfactory in all its aspects: performance in the position of director; the quantity and quality of his work; and dedication to the position.

Likewise, the Board of Directors, in the light of the Report of the Appointments and Remuneration Committee, values the CV and the business background of Mrs Carmen Alcocer Koplowitz, that show that she has the necessary skills, experience and merits to hold the position of individual representative of the director DOMINUM DIRECCIÓN Y GESTIÓN, S.A.

This, in the opinion of the Board of Directors, justifies her re-election as a director, with the status of proprietary director.

**Justification of the proposal for re-election of the director Mr Gerardo Kuri Kaufmann.**

The Board of Directors, in light of the Report of the Appointments and Remuneration Committee, believe that the performance of Mr Gerardo Kuri Kaufmann as a member of the Company Board of Directors since his appointment on 25 June 2015 has been very satisfactory in all its aspects: performance in the position of director; the quantity and quality of his work; and dedication to the position.

Likewise, the Board of Directors, in the light of the Report of the Appointments and Remuneration Committee, appreciates that the CV and business background of Mr Gerardo Kuri Kaufmann, show that he has the appropriate skills, experience and merits to hold the position of director.

This, in the opinion of the Board of Directors, justifies her re-election as a director, with the status of executive director.

**Justification of the proposal for re-election of the director Mr Manuel Gil Madrigal.**

The Board of Directors, in light of the Report of the Appointments and Remuneration Committee, believe that the performance of Mr Gil Madrigal as a member of the Company Board of Directors since his appointment on 25 June 2015 has been very satisfactory in all its aspects: performance in the position of director; the quantity and quality of his work; and dedication to the position.

The Board of Directors, in view of the proposal formulated by the Appointments and Remuneration Committee, believe that the personal and professional career of Mr Gil Madrigal, show that he has the necessary skills, experience and merits to hold the position of director.

This, in the opinion of the Board of Directors, justifies her re-election as a director, with the status of independent director.

**Justification of the proposal for re-election of the director INMOBILIARIA AEG SA DE CV. Represented by Mr Carlos Slim Helú.**

The Board of Directors, in light of the Report of the Appointments and Remuneration Committee, believe that the performance of INMOBILIARIA AEG, S.A. de CV as a member of the Company Board of Directors since its appointment on 25 June 2015 has been very satisfactory in all its aspects: performance in the position of director; the quantity and quality of his work; and dedication to the position.

Likewise, the Board of Directors, in the light of the Report of the Appointments and Remuneration Committee, values the CV and business background of Mr Carlos Slim Helú, that shows that it has the necessary skills, experience and merits to hold the position of individual representative of the director INMOBILIARIA AEG S.A. DE CV.

This, in the opinion of the Board of Directors, justifies its re-election as a director, with the status of proprietary director.

**Justification of the proposal for re-election of the board member SAMEDE INVERSIONES 2010, S.L. Represented by Mrs Esther Koplowitz Romero de Juseu.**

The Board of Directors, in light of the Report of the Appointments and Remuneration Committee, believe that the performance of SAMEDE INVERSIONES 2010, S.L. as a member of the Board since its appointment on 25 June 2015 has been very satisfactory in all its aspects: performance in the position of director; the quantity and quality of his work; and dedication to the position.

Likewise, the Board of Directors, in the light of the Report of the Appointments and Remuneration Committee, values the CV and the business background of Mrs Esther Koplowitz Romero de Juseu, that shows that she has the skills, experience and merits to hold the position of individual representative of the director SAMEDE INVERSIONES 2010, S.L.

This, in the opinion of the Board of Directors, justifies her re-election as a director, with the status of proprietary director.

**Justification of the proposal for re-election of the director Mr Álvaro Vázquez De Lapuerta.**

The Board of Directors, in light of the Report of the Appointments and Remuneration Committee, believe that the performance of Mr Vázquez De Lapuerta as a member of the Company Board of Directors since his appointment on 25 June 2015 has been very satisfactory in all its aspects: performance in the position of director; the quantity and quality of his work; and dedication to the position.

The Board of Directors, in view of the proposal formulated by the Appointments and Remuneration Committee, believe that the personal and professional career of Mr Vázquez De Lapuerta, certifies that he has the necessary skills, experience and merits to hold the position of director.

This, in the opinion of the Board of Directors, justifies her re-election as a director, with the status of independent director.

**Justification for the proposal for re-election of the director Mr Henri Proglío**

The Board of Directors, in light of the Report of the Appointments and Remuneration Committee, believe that the performance of Mr Proglío as a member of the Company Board of Directors since his appointment on 25 June 2015 has been very satisfactory in all its aspects: performance in the position of director; the quantity and quality of his work; and dedication to the position.

The Board of Directors, in view of the proposal formulated by the Appointments and Remuneration Committee, believe that the personal and professional career of Mr Proglío, show that he has the necessary skills, experience and merits to hold the position of director.

This, in the opinion of the Board of Directors, justifies her re-election as a director, with the status of independent director.

Madrid, 21 March 2019