FCC
Citizen Services

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

FULL WORDING OF PROPOSED RESOLUTIONS FORMULATED BY THE BOARD OF DIRECTORS TO THE ORDINARY GENERAL MEETING SCHEDULED FOR 2 JUNE 2020 ON FIRST CALL OR, IF APPLICABLE, 3 JUNE 2020 ON SECOND CALL

1. Financial statements and corporate management

1.1. Examination and approval, if applicable, of the financial statements and management reports corresponding to fiscal year 2019 of the company Fomento de Construcciones y Contratas, SA and its Consolidated Group.

The following is proposed: "Approve the Financial Statements and Management Report corresponding to the year 2019 of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, SA (the "**Company** ") and entities in its Consolidated Group. These documents were endorsed by the Audit and Control Committee and verified by the Company's Statutory Auditor."

1.2. Examination and approval of corporate management in 2019

The following is proposed: "Approve the management of the Board of Directors of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, SA during the fiscal year ended on 31 December 2019."

1.3. Examination and approval, where pertinent, of non-financial reporting corresponding to the year ended 31 December 2019, which is part of the consolidated management report.

The following is proposed: "Approve the statement of consolidated non-financial information corresponding to the fiscal year ended 31 December 2019, which is an integral part of the consolidated management report for that year."

1.4. Examination and approval, where pertinent, of the proposed application of the 2019 profits.

Addressing the earnings reported in the Profit and Loss Account for the fiscal year of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, SA (the "**Company**" or "**FCC**") closed on 31 December 2019, the following is proposed:

"Apply the 2019 profit of 241.452.726,04 euros as follows:

To legal reserves: 2.687.864 euros

To voluntary reserves: 238.764.862,04 euros

Notwithstanding the foregoing, a proposal under item 6 of the Agenda is submitted to this General Meeting to distribute a scrip dividend for an amount up to 156.905.930,40 euros (dividend equivalent to approximately, 0,40 euros per share), through which FCC shareholders may choose between (i) receiving newly issued shares; (ii) obtaining an equivalent cash value through the transfer to the Company of the free allocation rights they receive for the shares they own; and/or (iii) obtaining a cash value through the transmission of the aforementioned rights in the market.

2. **Re-election of the statutory auditors of the Company and its Consolidated Group.**

The following is proposed: " Appoint, at the proposal of the Audit and Control Committee, as Statutory Auditor of the Company and its Consolidated Group for the years 2021, 2022 and 2023, the firm ERNST & YOUNG, SL, domiciled in Madrid at Raimundo Fernandez Villaverde Street, 65, 28003 (Madrid); bearing corporate tax code B78970506, duly entered on the Madrid Companies Register under volume 9.364, folio 68, section 8, sheet M-87.690-1 and registered as No. S-0530 in the Official Registry of Auditors (ROAC).

To this end, the Board of Directors is delegated to determine the remaining conditions of this re-election in the terms and conditions it deems appropriate and is expressly authorised, as provided for under article 249 bis I) of the Spanish Corporate Enterprises Act, to sub-delegate (with the faculty of substitution where appropriate) in the Executive Committee, the director or directors that it deems pertinent, each and every one of the powers delegated by virtue of this agreement."

3. **Amendment of the bylaws and establishment of the number of directors.**

3.1. Amendment of article 28 of the bylaws to establish a minimum of nine (9) and a maximum of fifteen (15) members of the board of directors; the specific number of members will be agreed at the General Shareholders' Meeting.

The following is proposed: "Amend section 1 of article 28 of the bylaws which, from now on and all of which expressly supersede its previous content, will have the following wording: "*The Board of Directors will be made up of a minimum of nine (9) and a maximum of fifteen (15) members. The General Shareholders' Meeting shall be responsible for determining the specific number of its members, i.e., the minimum and maximum number of members, as mentioned above*".

3.2. The minimum and maximum number determined in the Bylaws, establishes that the number of members of the Company's Board of Directors must be fourteen (14)

The following is proposed: "The minimum and maximum number determined in the Bylaws, establishes that the number of members of the Company's Board of Directors must be fourteen (14)".

4. **Re-election of directors**

4.1. Re-election of DOMINUM DESGA, S.A. as proprietary director

The following is proposed: "Re-elect and appoint DOMINUM DESGA, S.A. to the Board of Directors as a proprietary director following a favourable report by the Appointments and Remuneration Committee, effective as of the date of this Meeting and for the statutory period of four (4) years".

4.2. Re-election of JUAN RODRÍGUEZ TORRES as proprietary director.

The following is proposed: "Re-elect and appoint JUAN RODRIGUEZ TORRES to the Board of Directors as a proprietary director following a favourable report by the Appointments and Remuneration Committee, effective as of the date of this Meeting and for the statutory period of four (4) years".

4.3. Re-election of ALFONSO SALEM SLIM as proprietary director

The following is proposed: "Re-elect and appoint ALFONSO SALEM SLIM to the Board of Directors as a proprietary director following a favourable report by the Appointments and Remuneration Committee, effective as of the date of this Meeting and for the statutory period of four (4) years".

4.4. Re-election of ANTONIO GÓMEZ GARCÍA as proprietary director

The following is proposed: "Re-elect and appoint ANTONIO GÓMEZ GARCÍA to the Board of Directors as a proprietary director following a favourable report by the Appointments and Remuneration Committee, effective as of the date of this Meeting and for the statutory period of four (4) years".

5. Approval, for any and all necessary effects, of the waiver of the obligation not to carry out activities entailing an effective competition with the Company in accordance with article 230 of the Spanish Corporate Enterprises Act.

Pursuant to article 229 of the Corporate Enterprises Act, the members of the Board of Directors must refrain from carrying out activities on their own behalf or by others that involve effective competition, whether actual or potential, with the Company or that, in any other way, place them in a permanent conflict with the interests of the Company.

Moreover, article 230 of the Corporate Enterprises Act lets the General Meeting relieve directors of such obligation in the event that no harm can be expected for the Company or that it can be expected to be compensated for the benefits from such activities.

Under the Fourth Item of the Agenda, the re-election and appointment of three directors (Juan Rodríguez Torres, Alfonso Salem Slim and Antonio Gómez García), whose respective professional profiles have been made available to the shareholders, have been submitted to the General Meeting for approval. These Directors qualify as proprietary directors of the shareholder Control Empresarial de Capitales SA de CV. (subsidiary of Inmobiliaria Carso, SA de CV), an entity pertaining to an international group of companies in which the aforementioned Directors are physical persons occupying managerial or administrative positions and who, among other business sectors, carry out certain construction, real estate and concessions activities.

While none of the aforementioned directors, whose re-election and appointment is proposed, can be considered to directly or indirectly carry out an activity that places them in a situation of permanent conflict with the interests of the Company to date, given that article 229 of the Corporate Enterprises Act also refers to "potential" competition and a broad interpretation of that term could be made, to avoid any risk of not complying with the terms thereof and, insofar as we cannot expect any harm to the Company, but rather, synergies with FCC for future business opportunities, especially in Latin America, which is foreseeable to result in benefits for the Company, for the purposes of the provisions of article 230 of the Corporate Enterprises Act, the dispensation with respect to each of the aforementioned directors is submitted to a vote of the General Meeting so they can have direct or indirect participation, as well as how to hold management or administration positions in the companies of the group to which the shareholder Control Empresarial de Capitales SA de CV and Inmobiliaria Carso, SA de CV, or the subsidiaries and affiliates thereof.

5.1. Approval, for any and all necessary effects, of the waiver of the obligation not to carry out activities entailing an effective competition with the Company in accordance with article 230 of the Spanish Corporate Enterprises Act with regard to JUAN RODRÍGUEZ TORRES.

The following is proposed: "To provide and, therefore, allow JUAN RODRÍGUEZ TORRES the direct and indirect participation, as well as the exercise of positions and functions in the companies of the

Group belonging to the shareholder Control Empresarial de Capitales SA de CV and Inmobiliaria Carso, SA de CV, or the subsidiaries and affiliates thereof".

5.2. Approval, for any and all necessary effects, of the waiver of the obligation not to carry out activities entailing an effective competition with the Company in accordance with article 230 of the Spanish Corporate Enterprises Act with regard to ALFONSO SALEM SLIM

The following is proposed: "To provide and, therefore, allow ALFONSO SALEM SLIM the direct and indirect participation, as well as the exercise of positions and functions in the companies of the Group belonging to the shareholder Control Empresarial de Capitales SA de CV and Inmobiliaria Carso, SA de CV, or the subsidiaries and affiliates thereof".

5.3. Approval, for any and all necessary effects, of the waiver of the obligation not to carry out activities entailing an effective competition with the Company in accordance with article 230 of the Spanish Corporate Enterprises Act with regard to ANTONIO GÓMEZ GARCÍA.

The following is proposed: "To provide and, therefore, allow ANTONIO GÓMEZ GARCÍA the direct and indirect participation, as well as the exercise of positions and functions in the companies of the Group belonging to the shareholder Control Empresarial de Capitales SA de CV and Inmobiliaria Carso, SA de CV, or the subsidiaries and affiliates thereof".

6. Distribution of a scrip dividend through (i) a share capital increase for a determinable amount by issuing new ordinary shares of 1 euro par value each, without issue premium, of the same class and series as those currently in circulation, charged against reserves; and (ii) the offer of the acquisition of free allocation rights at a guaranteed price. Express provision for the possibility of incomplete allocation. Delegation of powers.

It is proposed to implement a scrip dividend for a maximum value of €156.905.930,40 (dividend equivalent to 0.40 euros per share), through the offer to all the shareholders of the Company of newly issued shares or, where appropriate, to obtain cash by means of the transmission of the free allocation rights that they receive by the shares they hold.

Therefore, FCC shareholders will have the option, at their own discretion, of:

a) Not transferring their free allocation rights. In such a case, at the end of the trading period, the shareholder will receive the corresponding number of new shares depending on the proportion described below, fully released.

b) Transfer all or part of their free allocation rights to FCC under the Purchase Commitment (as defined below) at a guaranteed fixed price of 0.40 euros per right. In this regard, the shareholder may choose to monetise their rights and receive a cash amount instead of receiving shares.

c) Transfer all or part of their free allocation rights in the market. In this case, the shareholder may also choose to monetise the corresponding rights, although in this case the shareholder would receive no guaranteed fixed price, but the consideration for the rights would depend on the market conditions in general, and the quoted price of the referred rights in particular.

Shareholders of the Company who opt, partially or totally, to receive new shares will also receive a compensatory dividend in cash so that the options of transferring their free allocation rights to FCC under the Purchase Commitment and receiving this amount in shares released from the Company, i.e., though the economic terms shall neither favour nor penalise any of these options.

A. Capital increase

For the purposes of the foregoing, the capital increase is agreed for the amount resulting from multiplying (a) the nominal value of 1 euro per share of FCC by (b) the number of new shares of FCC resulting from the application of the formula that is collected in the following sections (the "New Shares"), without which the sum of the reference market value of the New Shares may exceed a total of a maximum of 156,905,930.40 euros.

The capital increase is carried out through the issuance and circulation of New Shares, which will be ordinary shares with a par value of 1 euro each, of the same class and series as those currently in circulation, represented by book entries.

The New Shares are issued at par, i.e. for their nominal value of 1 euro, without issue premium, and will be assigned free of charge to the shareholders of the Company.

The capital increase may be executed by the Board of Directors (with express powers of substitution) in accordance with the provisions of the following sections, at its sole discretion and without having, therefore, to address this General Meeting of Shareholders again.

Article 311 of the consolidated text of the Spanish Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010 of July 2 (the "Corporate Enterprises Act"), provides for the possibility of incomplete allocation of the capital increase.

B. New Shares to be issued

The number of New Shares to be issued would be calculated by the following formula, rounded to the next lower whole number:

$$NNS = \frac{NOS}{No.of\ rights}$$

where,

"NNS" = Number of New Shares to be issued;

"NOS" = Number of FCC shares outstanding at the date on which the Board of Directors agrees to carry out the capital increase; and

"No. of rights" = Number of free allocation rights necessary for the allocation of a New Share, which will be the one resulting from the application of the following formula, rounded to the upper whole number:

$$No.of\ rights = \frac{NOS}{No.of\ provisional\ shares}$$

where,

$$No.of\ provisional\ shares = \frac{Scrip\ dividend\ amount}{Listing\ price}$$

For this purpose:

"Scrip Dividend Amount" = the maximum value of the scrip dividend to be distributed among shareholders of the Company; and

"Listing Price" = the arithmetic mean of the weighted average prices of the Company's stock on the Spanish Stock Exchanges in the 5 trading sessions prior to the date of the Board of Directors resolution to carry out the Capital Increase, rounded to the thousandth of the nearest euro and, in the case of one-half of one thousandth of a euro, to the nearest thousandth of a euro.

C. Free allocation rights

Each outstanding Company share would grant one free allocation right.

The number of free allocation rights needed to receive a New Share ("No. rights") would be determined automatically according to the proportion existing between the Number of New Shares ("NNS") and the Number of Outstanding Shares ("NOS"). Specifically, FCC shareholders would be entitled to receive one New Share for every so many free allocation rights as determined in accordance with the provisions of the previous section of the holders.

If the number of free allocation rights required for the allocation of an action ("No. of rights") multiplied by the Number of New Shares ("NNS") results in a number lower than the Number of Outstanding Shares ("NOS"), FCC (or an entity of its group that, as the case may be, owns shares in FCC), would renounce a number of free allocation rights equal to the difference between both figures, for the exclusive purposes that the NNS is a whole number.

The free allocation rights would be assigned to FCC shareholders who had acquired their respective shares until the day of publication of the announcement of the capital increase in the Official Gazette of the Companies Registry (inclusive) and appear as such in the accounting records of the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear) on the corresponding date in accordance with the applicable rules of compensation and liquidation of securities.

The free allocation rights may be traded in the market during the term determined by the Board of Directors (with express powers of substitution), with a minimum of 15 calendar days. During the trading period of the free allocation rights, sufficient free allocation rights may be acquired in the market in the necessary proportion to subscribe New Shares.

D. Irrevocable commitment to acquire the free allocation rights

The Company or, with its guarantee, the designated group company, will assume an irrevocable commitment to purchase, at the price indicated below, the rights received free of charge by the shareholders, without it extending to the rights of purchase purchased or otherwise acquired in the market.

The Purchase Commitment will be valid and may be accepted during the term, within the period for trading the rights, as determined by the Board of Directors (with express powers of substitution). For this purpose, it is agreed to authorise the Company, or the corresponding company of its group, to acquire such free allocation rights (and their corresponding shares), with the maximum limit of the total of the rights that are issued, though legal limitations must be complied with in all cases.

The "Purchase Price" of each free allocation right will be equal to 0.40 euros.

E. Compensatory mechanism

In order to ensure the economic equivalence of the options for (i) transferring the free allocation rights to FCC under the Purchase Commitment and (ii) receiving that amount in New Shares, i.e., without favouring or penalising any options in economic terms, the Company will in turn pay shareholders of the Company who choose to receive New Shares, whether partially or totally, a compensatory dividend in cash to offset the lower economic value that, as a consequence of the application of the above exchange formulas, such New Shares would have with respect to the amount received in cash by the shareholders under the Purchase Commitment.

The compensatory dividend ("Compensatory dividend" or "CD") that the Company will pay to its shareholders through this equity mechanism will be equal to the results of the following formula, rounded to the lowest thousandth of a euro:

$$CD = (0.40 - Theoretical\ value\ of\ the\ right)\ x\ (No. of\ exercised\ rights + NNS\ subscribed)$$

where,

$$\text{Theoretical value of the right} = \text{Listing Price} - \frac{(\text{Listing price x No. of rights})}{(\text{No. of rights } + 1)}$$

The "Theoretical Value of the Right" will be rounded to the lowest thousandth of a euro.

"No. of exercised rights" = Total number of free allocation rights exercised by the shareholder.

“NNS subscribed” = Total number of New Shares received by the shareholder.

F. Balance for the operation and reserve with charge to which the increase is made

The balance sheet that would serve as the basis for the operation corresponds to 31 December 2019, duly audited and approved by the Ordinary General Shareholders' Meeting.

The capital increase would be made entirely charged to reserves pursuant to article 303.1 of the Corporate Enterprises Act. On the occasion of the execution of the increase, the Board of Directors (with express powers of substitution) will determine the reserve or reserves to be used and the amount in accordance with the balance sheet that serves as the basis for the operation.

G. Representation of the New Shares

The shares that are issued would be represented by book entries, whose accounting record is attributed to Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) and its participating entities.

H. Rights of the New Shares

New Shares would give their holders the same political and economic rights as ordinary shares of FCC currently in circulation as of the date they are registered in their name in the corresponding accounting records.

I. Application for admission to trading

Admission to trading of the New Shares would be requested on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia through the Stock Exchange Interconnection System (Continuous Market) and, for this purpose, the necessary or advisable steps, procedures and actions would be carried before the competent bodies.

J. Execution of the increase

Within a period of one year from the date of the present agreement, the Board of Directors (with express powers of substitution), may indicate the date on which this capital increase must be carried out and set the terms and conditions thereof in all matters not contemplated herein.

However, should the Board of Directors (with express powers of substitution) does not consider it appropriate to fully or partially execute the capital increase within the indicated period (due to market conditions, the Company itself, or for any fact or event with particular transcendence and in particular those that could result from the situation generated by the COVID-19), it may abstain from executing it, reporting on it at the next General Shareholders' Meeting.

Likewise, the resolutions of this General Shareholders' Meeting in relation to the capital increase shall be without any value or effect whatsoever when, within a period of one year from its approval, the Board of Directors does not exercise the delegated powers in that regard.

Once the negotiation period of the free allocation rights has ended:

a) The New Shares will be allocated to shareholders who, in accordance with the accounting records of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) and its participating entities, were holders of free allocation rights in the proportion resulting from section C above.

b) The Board of Directors (with express powers of substitution) will declare the trading period of the free allocation rights closed and will proceed to formalise the application of the reserves in the amount of the capital increase, which will be disbursed with said application.

Likewise, upon conclusion of the period for trading free allocation, the Board of Directors (with express powers of substitution) will adopt the corresponding amendments to the Bylaws to reflect the new amount of share capital in accordance with the resulting number of New shares and request for admission to trading of the new shares in the Spanish Stock Exchanges.

K. Delegation for execution

It is agreed to delegate to the Board of Directors, as provided for under article 297.1.a) of the Corporate Enterprises Act, the right to indicate the date on which this capital increase must be executed and to set the terms and conditions of the capital increase in all matters not contemplated herein. In particular, the powers conferred to the Board of Directors (with express powers of substitution) in this regard include but are not restricted to:

i) Indicating the date on which the agreement thus adopted to increase the share capital must be carried out, in any case within a period of one year from the approval thereof.

ii) Setting the exact amount of the capital increase, the number of New Shares, the compensatory Dividend, the Scrip dividend amount and the free allocation rights necessary for the allocation of New Shares, applying the rules established by this General Meeting, and being able to, where appropriate, waive free subscription rights to subscribe New Shares for the sole purpose of facilitating the number of New Shares to be a whole number.

iii) Designating the company or companies to assume the functions of agent and/or financial adviser in relation to the capital increase, and entering into any and all agreements, contracts and documents as necessary for that purpose.

iv) Setting the duration of the trading period for free allocation rights.

v) Declaring the part of the capital increase agreed for execution closed and executed.

vi) Rewording article 5 of FCC's Bylaws relating to the share capital, adapting it to the result of the execution of the capital increase.

vii) Renouncing the New Shares that correspond to the free allocation rights of which the Company is the holder at the end of the trading period thereof.

viii) Carrying out all the necessary or appropriate procedures for the New Shares subject to the capital increase to be registered in the accounting records of Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) and admitted to trading on the Spanish Stock Exchanges.

ix) Taking as many steps as necessary or advisable to execute and formalise the capital increase before any public or private entities or organisations, Spanish or foreign, including making declarations, statements, supplements, corrections on defects or omissions that could impede or interfere with the full effectiveness of the previous agreements.

The Board of Directors is expressly authorised, pursuant to article 249 bis l) of the Corporate Enterprises Act 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 delegated by virtue of this agreement."

7. Remuneration of the members of the Board of Directors.

7.1. Remuneration of the members of the Board of Directors corresponding to 2019.

The following is proposed: "Approve, in accordance with article 38 of the Bylaws, that the total amount to be distributed among the directors corresponding to the 2019 remuneration for the effective attendance at the Board and its Committees is €506,900."

7.2. Submission to a vote of an advisory nature of the Annual Director Remuneration Report corresponding to 2019.

Pursuant to article 541 of the Corporate Enterprises Act and article 38 of the Corporate Bylaws, the Board of Directors must draw up an annual report on director remuneration. At its meeting of 27

February 2020, the Board of Directors of the Company, after a favourable report from the Appointments and Remuneration Committee, approved the Annual Director Remuneration Report, which was published as a Relevant Event on the website of the National Securities Market Commission on 28 February 2020 and made available to shareholders on the Company's website since the announcement of the General Meeting was published.

Based on the foregoing, the following is proposed: "To approve, in an advisory capacity, the FCC Annual Director Remuneration Report corresponding to 2019.”

8. Reduction of the convocation period of extraordinary general meetings

Article 515 of the Corporate Enterprises Act allows to reduce the period for convening the Extraordinary General Meetings at least fifteen days in advance, provided that the Company allows voting to all its shareholders by electronic means and said reduction is agreed upon at the Ordinary General Meeting with the favourable vote of the shareholders representing two-thirds of the share capital. The Act provides that the term reduction agreement is only valid until the next Ordinary General Meeting.

Based on the foregoing, the following is proposed: "Approve, as provided for under article 515 of the Corporate Enterprises Act, that Extraordinary General Meetings may be convened, if necessary, at least fifteen days in advance. This agreement will be valid until the next Ordinary General Meeting."

9. **Grant directors broad powers to draw up, place on the public record, register, rectify and execute the adopted agreements.**

The following is proposed: "Empower, as far as necessary within the law, the Board of Directors to enter resolutions adopted at the General Meeting onto the public record, with powers to interpret, correct, rectify and develop the text thereof, as well as to (i) enter into public record the said agreements and agree anything require for their development and compliance; (ii) sign as many public or private documents as necessary or convenient, and carry out as many actions as may be appropriate in their execution, including the publication of legal notices, before any public or private body or agency, until they are registered in the Mercantile Registry, or any others, being able to even grant deeds of ratification, rectification, correction and clarification, in view of the verbal suggestions or of the written qualification of the corresponding registrar - even proceeding to request the partial registration of the registrable agreements - and of any other competent private or public body; and (iii) draft as many public or private documents as are necessary or convenient and carry out as many procedures as are pertinent before the National Securities Market Commission (CNMV) and Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), the Stock Exchange Governing Bodies and any other body, entity or public or private registry, both national and international, in order to execute and bring to fruition the approved agreements, as well as for the processing of files and any type of documents that may be necessary before public or private organisations and, in general, for any actions related to the agreements adopted at this General Meeting.

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 the present agreement".