



**ACTIVITY REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE
OF FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.**

FISCAL YEAR 2024



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ACTIVITY REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE OF FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. FOR THE YEAR 2024

1. INTRODUCTION

The Appointments and Remuneration Committee (the "**Committee**" or the "**NRC**") of Fomento de Construcciones y Contratas, S.A. ("**FCC**" or the "**Company**"), in accordance with the provisions of Articles 41.6 of the Bylaws and 38.7 of the Regulations of the Board of Directors, prepares this report on its activities and operation during fiscal year 2024 in accordance with the provisions of recommendation 6 of the Good Governance Code of Listed Companies approved by the CNMV on February 18, 2015 and revised on June 26, 2020 (the "**Good Governance Code**") and taking as a reference for these purposes the provisions of the CNMV Technical Guide 1/2019 on appointments and remuneration committees (the "**Technical Guide 1/2019**"), as well as generally accepted practices of good corporate governance.

2. REGULATION AND PRACTICAL GUIDELINES BEING FOLLOWED

The composition, powers and operation of the NRC are regulated in Articles 41 of the Bylaws and 38 of the Regulations of the Board of Directors, based on provisions of Article 529 quindecies of the revised text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of July 2 ("**LSC**") and the recommendations of the Good Governance Code.

In the exercise of its functions, the NRC is based on the provisions of the Code of Good Governance and has also taken into account the basic principles and recommendations of Technical Guide 1/2019 and Technical Guide 1/2024 on audit committees of public interest entities which, although applicable to audit committees, provides that its principles and guidelines on the suitability of its members should be extended to the other Board Committees.

In particular, this report includes the information contained in paragraph 11 of section three of Technical Guide 1/2019.

3. COMPOSITION

In accordance with the provisions of Article 41.1 of the Company's Bylaws and Article 38.1 of the Board of Regulations, the Board of Directors must have a



The Appointments and Remuneration Committee shall be composed of a minimum of four (4) and a maximum of six (6) Board Members, appointed by the Board of Directors, for a period not exceeding their term of office as Board Members and without prejudice to the possibility of being re-elected indefinitely, to the extent that they are also re-elected as Board Members.

All the members of the NRC must be non-executive directors, of which at least two (2) must be independent directors. The Committee shall appoint the Chairman from among its independent members. The Committee also have a Secretary with voice but no vote, who need not be a director.

Between January 1 and December 31, 2024, the composition of the NRC was as follows:

Name	Category	Cargo	Date of last appointment
D. Manuel Gil Madrigal	Independent Director	Chairman	14/06/2023
Ms. Esther Alcocer Koplowitz	Proprietary Director	Vocal	27/06/2024
Mr. Juan Rodríguez Torres	Proprietar y Director	Vocal	27/06/2024
Mr. Álvaro Vázquez de Lapuerta	Independent Director	Vocal	14/06/2023
D. Felipe Bernabé García Pérez	Secretary	Non-vocal	

The only change in the composition of the Committee during fiscal year 2024 was the replacement of DOMINUM DESGA, S.A. by Ms. Esther Alcocer Kolplowitz on June 27, 2024, date on which her mandate expired, and the Board agreed on the same date to appoint Ms. Alcocer Koplowitz.

Below is a description of the professional profile of the members of the NRC, information that is available in detail on the Company's corporate website (www.fcc.es):



- **MANUEL GIL MADRIGAL (Chairman)** holds a degree in Law and Business Studies (E-3) from ICADE and is a founding partner of Tasmania Gestión. In 2000, he was also founder of the financial company N+1 and has been Director of Vidrala, Ezentis, Funespaña, General de Alquiler de Maquinaria (GAM) and Campofrío, among other companies. In his professional career, he has also been director of Capital Markets at AB Asesores Bursátiles, partner at Morgan Stanley and auditor at Arthur Andersen. He is also an independent director of FCC and Grupo Barón de Ley.
- **Ms. ESTHER ALCOCER KOPLOWITZ** has a degree in Law and has completed the Senior Management Program (PADE) at the IESE Business School in Madrid. Since January 2013, she has been Chairman of the FCC Group, member of its Board, Executive Committee and Appointments and Remuneration Committee.

She is a member of the Board of Directors of Realia Business, S.A. and of its Appointments and Remuneration Committee. She is a member of the Board of Directors of Inmoco, S.A. and a member of its Audit and Control Committee.

She has been a member of the Board of Cementos Portland Valderrivas, S.A. and a member of its Audit and Control Committee. She was also a member of the Advisory Board of CaixaBank Banca Privada.

He 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). He has international experience on boards of directors.

She has received the following awards: Businesswoman Leadership Award 2023, from FEDEPE (Spanish Federation of Women Managers, Executives, Professionals and Entrepreneurs), Business Leader of the Year 2023 Award, from Henneo Group, AMMDE Construction and Architecture Award 2024 as "Woman Referent" granted by the Multisectorial Association of Women Managers and Entrepreneurs (AMMDE), Gold Master XL from the Royal Forum of Top Management. She is also a trustee of the Fundación Cultural de la Nobleza Española.

- **Mr. JUAN RODRÍGUEZ TORRES** is a Civil Engineer from the Universidad Nacional Autónoma de México (UNAM) and Master of Mathematics. He has studied Stage in France at Beton Precontraint, Master's Degree in Engineering Planning and Operations Research at UNAM and Senior Management Program AD-2 of the Instituto Panamericano de Alta Dirección de Empresa (IPADE Business School).

Former Chief Production Officer and Controller of Preesforzados Mexicanos, S.A. de ICA, Chief Executive Officer of Grupo Domit, in the footwear sector, and founder and director of several footwear companies. He is a director of Minera Frisco, S.A.B. de C.V. and Chairman of its Audit Committee, a director of Grupo Sanborns, S.A.B. de C.V., a director of Elementia Materiales, S.A.P.I. de C.V. and a member of its Audit Committee, a director of Fortaleza, S.A.B. de C.V. and a member of its Audit Committee.



Materiales, S.A.P.I de C.V. and Chairman of its Audit Committee and 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., Chairman of the Board of Directors and member of the Audit Committee of Operadora de Sites Mexicanos, S.A.B. de C.V.

He is a proprietary director of FCC at the proposal of CEC, and a member of its Audit and Control Committee and its Appointments and Remuneration Committee.

He is also a proprietary director of Inmocemento, S.A., Chairman of the Board and member of its Audit and Control and Appointments and Compensation Committees. He is also the non-executive Chairman and proprietary Director of Realía Business, S.A.

- **Mr. Álvaro Vázquez de Lapuerta** holds a degree in Law and Business Administration (E-3) from ICADE. He is currently a partner of the firms Lira Capital and Meridia Partners.

As Deputy Managing Director of BBVA he was responsible for Treasury Clients, Capital Markets, and Investment Banking, as well as Investor Relations at BBVA and CEO of the securities firm BBVA Bolsa. Previously, at JP Morgan in Madrid, London, New York and Mexico he was responsible for, among other areas, Investment Banking and Capital Markets for Latin America, as well as Equities for Europe.

He is also an independent director of FCC and Chairman of its Audit and Control Committee. He is also an independent director of Inmocemento, S.A. and a member of its Appointments and Remuneration Committee and Audit and Control Committee.

4. OPERATION

The operation of the Commission is governed by the following basic principles: independence and skepticism, constructive dialogue that promotes freedom of expression, internal dialogue and sufficient analytical capacity, and the use of external expert advice when deemed appropriate.

The Secretary of the NRC assists the Chairman and provides for the smooth functioning of the NRC, ensuring that the minutes duly reflect the progress of the meetings, the content of the deliberations and the resolutions adopted. Minutes are taken at each meeting and signed by the Secretary of the Commission with the approval of the Chairman.

The NRC is validly constituted when the majority of its members are present or represented, and its resolutions are adopted by an absolute majority of its members present or represented, with the Chairman having the casting vote in the event of a tie.



In accordance with the provisions of Articles 41.5 of the Company's Bylaws and 38.3 of the Board of Directors Regulations.

Articles 41.4 of the Company's Bylaws and 38.7 of the Board Regulations provide that the NRC shall meet at the discretion of its Chairman, or at the request of two of its members, as often as necessary for the performance of its duties.

to Article 41.6 of the Company's Bylaws and Article 38.7 of the Board of Directors Regulations, the NRC shall prepare an action plan for the year, which it shall report to the Board of , as well as a report on its activities during the year, which shall serve as the basis for the evaluation to be carried out by the Board of Directors.

5. COMPETENCIES

The Appointments and Remuneration Committee has the powers established in Articles 41.3 of the Bylaws and 38.4 of the Regulations of the Board of , in accordance with Article 529 quindecies of the LSC.

The NRC is empowered to provide information, advice and proposals within its competencies, and in addition to the functions established by law, by the Bylaws or in accordance with the Regulations of the Board of Directors, it is also empowered to perform the following functions:

- a) Evaluate the skills, knowledge and experience required on the Board of Directors. For this purpose, it shall define the functions and skills required of the candidates to fill each vacancy and shall evaluate the time and dedication necessary for them to effectively perform their duties, ensuring that the non-executive Directors have sufficient time available for the proper performance of their duties.
- b) To examine and organize the succession of the Chairman of the Board of Directors and the Chief Executive Officer and, where appropriate, to make proposals to the Board of Directors so that such succession occurs in an orderly and planned manner.
- c) To submit to the Board of Directors proposals for the appointment of independent Board Members for appointment by co-optation or for submission to the decision of the General Shareholders' Meeting, as well as proposals for the re-election or removal of such Board Members by the General Shareholders' Meeting.
- d) To report on the proposed appointments of the remaining Board Members for their appointment by cooptation or for submission to the decision of the General Shareholders' Meeting, as well as the proposals for their re-election or removal by the General Shareholders' Meeting.



- e) To report on proposals for the appointment and removal of Senior Executives, as well as to propose the basic conditions of their contracts, which the chief executive proposes to the Board, proposing the persons or positions that should be considered Senior Executives of the Company, in addition to those contemplated in Article 2.2 of the Regulations of the Board of Directors and preparing the proposals for reprimands referred to in Article 2.1 of the Regulations of the Board of Directors, as well as the proposals for reprimands referred to in Article 2.2 of the Regulations of the Board of Directors.
19.2.d) of said Regulation.

Likewise, it shall report in advance on appointments to positions or posts with an annual remuneration equal to or greater than amount established by the Committee in each case, and shall inform the Board of Directors of such appointments.

- f) Propose to the Board of Directors the compensation policy for Board Members 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 compensation and other contractual conditions of the executive Board Members, verifying their observance.

Likewise, the NRC shall inform and make proposals on multi-year incentive plans affecting the Company's Senior Executives and, in particular, those that may be established in relation to the value of the shares.

- g) To 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 bylaws and the remuneration policy, as well as on the individual determination of the remuneration of each Director for the performance of the executive functions attributed to him within the framework of the remuneration policy and in accordance with the provisions of his contract.
- h) Periodically review the remuneration policy applied to Directors and Senior Executives, including, if applicable, share-based compensation systems 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.
- i) To prepare and keep a record of the situations of FCC's Board Members and Senior Executives.
- j) Assist the Board in its function of ensuring that the selection procedures for its members favor diversity with respect to issues 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 for a balanced presence of women and men, so that the Company deliberately seeks and includes among potential candidates, women who meet the desired professional profile, having to



explain to the Board, if applicable, through the Annual Corporate Governance Report, the reason for the low or non-existent number of female Board Members and the initiatives adopted to correct this situation.

To this end, the NRC should establish a representation target for the underrepresented sex on the Board of Directors and develop guidance on how to achieve this target.

- k) To report on proposals for the appointment of members of the Board of Directors' Committees.
- l) To report on the appointment of the Chairman of the Board and the Vice Chairmen, as well as to report on the appointment and removal of the Secretary and, if applicable, the Vice Secretary of the Board.
- m) Verify the category of the Board Members as established in Article 6.3 of the Regulations of the Board of Directors.
- n) To report, in advance, to the Board of Directors on all matters provided for in the Law, the Bylaws and these Regulations of the Board of Directors.
- o) Receive and keep in the register of situations referred to in section g) above and the personal information provided by the Directors, as established in Article 25 of the Board of Directors Regulations.
- p) Request, as the case may be, the inclusion of items on the Agenda of the Board meetings, under the conditions and within the deadlines set forth in Article 34.3 of the Regulations of the Board of Directors.
- q) Ensure that possible conflicts of interest do not impair the independence of the external advice provided to the Commission.

6. MEETINGS

The NRC has met a total of six (6) times during fiscal year 2024.

The following is the schedule of NRC meetings held during fiscal year 2024:

Date
January 23rd
February 27th



April 29th
May 16
June 27
October 23rd

The meetings of the NRC have been convened with the advance notice established in the regulations. The prior and sufficient dedication of its members to analyze and evaluate the information is emphasized. The members of the NRC regularly attend the meetings.

All NRC members have attended all meetings during 2024.

The Company provides the necessary resources to the members of the Committee for the responsible knowledge of the matters to be discussed at the meetings and their active participation therein, as well as for the due fulfillment of the Committee's own functions and competencies.

In particular, for the effective performance of the NRC's duties, the members have the right and the duty to obtain information from the different Company managers and, in particular, from those responsible for internal governance areas. Thus, during fiscal year 2024, the NRC met, at the invitation of the Chairman, with the following executives and professionals:

- General Manager of Administration and Finance of FCC, on five occasions.
- Director of Human Resources, on five occasions.

The NRC duly complies, through its Secretary, with its obligation to prepare minutes of its meetings, which duly reflect the development of the same and the content of the deliberations and resolutions adopted. The corporate resolutions have been adopted in all cases by unanimous vote of those in attendance.

7. SIGNIFICANT ACTIVITIES CARRIED OUT DURING THE YEAR

The Commission has carried out the following actions in 2024:

(i) *In relation to corporate governance.*

- It has assessed the skills, knowledge and experience required on the Board, defining the roles and skills needed in the candidates to fill each vacancy and evaluating the time and dedication required for them to

The Board of Directors shall ensure that the non-executive Directors have sufficient time available for the proper performance of their duties.

- Approved the Report verifying the categories (proprietary, independent or executive) to which the members of the Board are assigned.
- It has approved the Performance Evaluation Reports of the Chairman of the Board of Directors and the Chief Executive Officer, for the evaluation by the Board of Directors of the performance of their duties during the 2023 fiscal year, which was submitted to the Board of Directors, so that this body could carry out the evaluation referred to in Article 34.9 of its Regulations.
- Approved the NRC's activity report for fiscal year 2023.

(ii) In relation to the compensation policy.

- Proposed to the Board of Directors the terms and conditions of the Chief Executive Officer's contract, in accordance with the Company's compensation policy.
- It has proposed to the Board of Directors the compensation policy for Board Members and general managers or those who perform their senior management duties under the direct supervision of the Board, Executive Committee or the Chief Executive Officer, as well as the individual compensation and other contractual conditions of the executive Board Members, verifying their observance.
- It has informed 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 bylaws and the remuneration policy, as well as on the individual determination of the remuneration of the Chief Executive Officer 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.
- It has reported favorably on the Report-Proposal on the statutory remuneration of the Board of Directors for the 2023 fiscal year.
- It has reported favorably on the FCC Group's salary policy proposal for the 2024 fiscal year.
- It has approved the Variable Remuneration Plan for the 2024 fiscal year.
- It has approved the application of the Variable Remuneration Plan during the 2023 fiscal year.



- It has proposed to the Board of Directors the Annual Report on Remuneration of the Company's Directors for the 2023 fiscal year.
- It has periodically reviewed the remuneration policy applied to the Directors and Senior Executives, as well as the proportion between their individual remuneration and that of the other Directors and Senior Executives of the Company, also verifying the information on remuneration of the Directors and Senior Executives contained in the various corporate documents, including the Annual Report on Directors' Remuneration.

(iii) *In connection with the appointment policy.*

- It has approved the Report to the Board provided for in article 529 decies LSC, regarding the proposed appointment of Ms. Esther Alcocer Koplowitz as Proprietary Director and the proposed re-election of Mr. Juan Rodríguez Torres as Proprietary Director, approved by the Ordinary General Shareholders' Meeting of the Company held on June 27, 2024.
- Has reported on the proposed appointment and re-election of members of the Board of Directors' Committees.
- It has reported on the appointment of Senior Executives and other positions that fall within the first three levels, as well as those that have a remuneration equal to or greater than 75,000 euros per year.
- Approval of the Company's Succession Plan.
- Approval of the Company's personnel selection procedure.

It is hereby stated for the record that during fiscal year 2024 the Committee has not reported to the Board of Directors any deviation in the Company's procedures or irregularities in matters within the competence of the Committee, as it is not aware of any such occurrence.

8. EVALUATION AND CONCLUSIONS

Based on the foregoing, the NRC concludes that it duly complies with its formal obligations and is organized and functions effectively for the proper performance of its functions and the ultimate achievement of its purposes. In this regard, the NRC considers that:



- It is composed of four Board Members, all of them non-executive, two of them having the category Independent, including its Chairman, thus meeting the composition requirements set forth in Article 529 quincecies LSC and in the Board of Directors Regulations.
- It has met as often as necessary and whenever necessary in view of its competencies, having met a total of six times.
- The members of the Commission have had at their disposal, prior to the meetings, the necessary information in relation to the different items on the , with the attendance at its meetings of the persons responsible for the matters within the NRC's competence.
- With respect to its functions, the Committee has deliberated and adopted resolutions on the main matters within its competence in relation to the Company's corporate governance system, the remuneration policy and the appointment policy of FCC.

In conclusion, the FCC Appointments and Remuneration Committee has a very positive assessment of its activity and operation during the 2024 fiscal year.

9. DATE OF FORMULATION OF THE REPORT BY THE NOMINATION AND REMUNERATION COMMITTEE AND DATE OF APPROVAL BY THE BOARD OF DIRECTORS

This Report on the activities of the Appointments and Remuneration Committee during fiscal year 2024 was prepared by the Committee on April 29, 2025, having been submitted to the Board of Directors of the Company and approved by the latter at its meeting held on the same date.