



**2023 Activity Report of the Nominations Committee of
ACS, Actividades de Construcción y Servicios, S.A.**

Madrid, 21 March 2024

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2023 ACTIVITY REPORT OF THE NOMINATIONS COMMITTEE OF ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A.

1. STATUTE

Section 529 terdecies of the revised text of the Corporate Enterprises Act, enacted by Royal Legislative Decree 1/2010 of 2 July (the "**Corporate Enterprises Act**") establishes that listed companies must set up a Nominations and Remuneration Committee, and section 529 quincecies Corporate Enterprises Act regulates its composition, operation and powers.

ACS, Actividades de Construcción y Servicios, S.A. ("**ACS**" or the "**Company**") has a Nominations Committee for which the standards of operation, composition and powers are regulated in Article 22 of the Company By-laws, having been elaborated on, through Article 27 of the Board Rules.

This report on the ACS Nominations Committee's work in 2023 has been prepared in accordance with Recommendation 6 of the Code of Good Governance [Código de Buen Gobierno], and in accordance with the recommendations of the CNMV's Technical Guide 1/2019 on appointments and remuneration committees of entities ("**Technical Guide 1/2019**"), while also taking into account the best corporate governance practices. The report will be published on the corporate website before the Company's Annual General Meeting is held.

2. COMPOSITION

In accordance with ACS' Company By-laws and the Board Rules, the Nominations Committee of the Company will be made up of a minimum of two members and a Chair. At least two members of the Nominations Committee must be Independent Directors and the Chair of the Committee will be appointed from among the constituent Independent Directors. In any case, the number of members of the Committee will be determined by the Board directly by express resolution or indirectly by filling the vacant positions or appointing new members.

From 1 January 2023 to 5 May 2023, the Nominations Committee consisted of the following members:

Name	Position	Category	Seniority	
			Date of first appointment to the Board	Date of first appointment to the Committee
MS CATALINA MIÑARRO BRUGAROLAS	CHAIR	Independent	28/04/2015	11/05/2017
MS CARMEN FERNÁNDEZ ROZADO	BOARD MEMBER	Independent	28/02/2017	11/05/2017
MR JAVIER ECHENIQUE LANDIRIBAR	BOARD MEMBER	Proprietary	20/05/2004	11/05/2017
MR MARIANO HERNÁNDEZ HERREROS	BOARD MEMBER	Proprietary	05/05/2016	13/12/2018
MR PEDRO JOSÉ LÓPEZ JIMÉNEZ	BOARD MEMBER	Other External	28/06/1989	11/05/2017
MS MARÍA JOSÉ GARCÍA BEATO	BOARD MEMBER	Independent	06/05/2022	06/05/2022
MR JOSÉ LUIS DEL VALLE PÉREZ	NON-MEMBER SECRETARY			

From 5 May 2023, following the appointment of María José García Beato as a Committee member, to 31 December 2023, the Committee comprised the following members:

Name	Position	Category	Seniority	
			Date of first appointment to the Board	Date of first appointment to the Committee
MS CATALINA MIÑARRO BRUGAROLAS	CHAIR	Independent	28/04/2015	11/05/2017
MS CARMEN FERNÁNDEZ ROZADO	BOARD MEMBER	Independent	28/02/2017	11/05/2017
MR JAVIER ECHENIQUE LANDIRIBAR	BOARD MEMBER	Proprietary	20/05/2004	11/05/2017

MR MARIANO HERNÁNDEZ HERREROS	BOARD MEMBER	Proprietary	05/05/2016	13/12/2018
MS MARÍA JOSÉ GARCÍA BEATO	BOARD MEMBER	Independent	06/05/2022	06/05/2022
MS LOURDES MÁIZ CARRO	BOARD MEMBER	Independent	05/05/2023	05/05/2023
MR JOSÉ LUIS DEL VALLE PÉREZ	NON-MEMBER SECRETARY			

- **CATALINA MIÑARRO BRUGAROLAS (Chair)**. Born in Madrid in 1963. She holds a degree in Law awarded in 1986 by the Complutense University of Madrid, and she passed the examination to become a State Counsel in 1989.

Currently on extended leave of absence, she served as State Counsel at the National High Court and at the Court of Auditors, in the Directorate General of the Treasury and Finance Policy, as Secretary to the Madrid Regional Financial and Administrative Tribunal, as State Counsel in the Ministry of Health and Consumer Affairs, and as State Counsel at the Madrid High Court of Justice.

She has also served as Technical General Secretary to the Office of the Presidency of the Autonomous Community of Madrid, Chief Legal Officer of the State holding company Sociedad Estatal de Participaciones Estatales, Secretary to the Board of Sociedad Estatal de Transición al Euro, Secretary of the Board of Saeta Yield and a Director of Autoestradas de Galicia, S.A. Currently, she is an independent Board member of Mapfre, S.A., in addition to sitting on the boards of two of its subsidiaries, Mapfre Spain and Mapfre International.

- **CARMEN FERNÁNDEZ ROZADO (Member)**. She holds a Bachelor degree in Business and Economic Sciences and in Political and Sociology Sciences from the Complutense University of Madrid, and a PhD in Government Taxation from the same university. She has completed the Senior Management Program (PADE) at the IESE Business School (University of Navarre). Government Tax Inspector and Auditor.

She began her career in 1984 at the Ministry of Treasury, where she also held several positions at the State Tax Administration Agency. In 1999, she was appointed as a member of the Board of the National Energy Commission (Comisión Nacional de la Energía), a position she held until 2011. Since then, she has been an international consultant for the development and execution of business plans in Energy and Infrastructure in a variety of countries of Latin America and Asia. During 2012 and

2013 she was a member of the Advisory Board of EY. She is a member of the Advisory Board of Beragua Capital Advisory. Between 2021 and 2022 she was a director of Primafrío and, since April 2015, she has been a director and member of the Audit Committee and the Corporate Governance and Sustainability Committee of EDP (Energías de Portugal) in Lisbon.

She is a professor at various Spanish and foreign universities and business schools, and the author of numerous Articles and publications on Taxation, Energy and Sustainability.

- **JAVIER ECHENIQUE LANDRÍBAR (Member)**. Born in Isaba, Navarre in 1951. Graduate in Economic and Actuarial Sciences.

He has been Director - General Manager of Allianz-Ercos and General Manager of the BBVA Group, Deputy Chair of Banco Sabadell and Director of Grupo Empresarial ENCE, S.A. He is currently a Director of ACS and Dragados, S.A. and Deputy Chair and Coordinating Director of Telefónica, S. A. He also sits on the boards of Telefónica Audiovisual Digital, S.L.U., and Grupo Calcinor, S.L. He is a member of the Advisory Board of Telefónica Spain, and of the McKinsey Advisory Council and is Chair of the Advisory Board of Banco Sabadell Guipuzcoano.

Javier Echenique Landiribar sits on the Boards of Trustees of the Fundación Novia Salcedo and Fundación Altuna Trusts.

- **MARIANO HERNÁNDEZ HERREROS (Member)**. Born in Torrelavega, Cantabria in 1943. Mariano Hernández Herreros holds a degree in Medicine and Surgery from Complutense University, where he specialised in Psychiatry.

He has spent his entire career as a psychiatrist at the López-Ibor clinic and is the author of numerous works in scientific publications and of papers at international conferences. He has sat on the boards of Grupo Dragados, Iberpistas, S.A. and Autopistas Aumar, S.A.

In addition to sitting on ACS's Board, he also serves on the boards of Dragados, S.A., and ACS, Servicios y Concesiones, S.L.

- **PEDRO LÓPEZ JIMÉNEZ (Member until 5 May 2023)**. Born in Málaga in 1942. Civil Engineer (graduated in 1965). Partial studies in Journalism and Social Sciences at the Instituto Social León XIII (1960-62) (ACNPD Scholarship). Programme in Senior Business Administration (PADE) at the IESE Business School (1995/96). Awarded the Grand Cross of the Order of Isabel la Católica. He has been Director of Construcción de Centrales Térmicas Hidroeléctrica Española (1965/70); Board member and General Manager of Empresarios Agrupados; Board member of GHESA; Deputy-Secretary of MOPU, Director General of the Port Authority; Board member of UE and Enher; Board member of INI (1978/79); Chair of Endesa (1979/82); Board member of Atlas Copco, Semi, Tecmed, Continental Auto, Vias y

Construcciones, Enamsa, Tractebel España, Hilatura de Portolin; Chair of Union Fenosa; Vice-President of Indra; Board member of CEPSA; Board member of Lingotes Especiales; Chair and Board member of GTCEISU Construcción S.A. (TERRATEST Group); Board member of ENCE; Board member of Keller Group, plc.; and Member of the Board of the University of Alcalá de Henares.

In addition to having been a member of the ACS Nominations Committee until 5 May 2023, he is currently Vice-Chairman of the Board of Directors and a member of the ACS Executive Committee.

As for the positions he holds in other ACS Group companies, he is Chairman of Dragados, S.A., and of ACS Servicios y Concesiones, S.L. He is also Director and Chairman of the Supervisory Board, of the Human Resources Committee and of the Nominations Committee of HOCHTIEF; Member of the Board of Directors, of the Remuneration and Nominations Committee and of the Ethics, Compliance and Sustainability Committee of CIMIC Group Limited, Director and member of the Audit and Control Committee and of the Appointments and Remuneration Committee of Abertis Infraestructuras, S.A., and Director of Abertis Holdco, S.A.

He is also Chairman and Managing Director of Flagoser, S.L. He is also the individual representative of the Sole Director Flagoser, S.L., in the following companies: Fidalser, S.L., Fapin Mobi, S.L., Centro Empresarial Calle Miguel Yuste, S.L., Fidalrent, S.L., Fidalrent Sky Park, S.L., Fidalrent Residencial, S.L. and Arapiles XY, S.L. He is also the individual representative of the Sole Director Centro Empresarial Calle Miguel Yuste, S.L., in the company MAF Inversiones, S.A., and is the sole director of LOCYXX DOS, S.L.

He has also been Vice-Chairman of the Board of Trustees of the Royal National Library of Spain, is a Member of the Board of Trustees and the Executive Council of the Picasso Museum in Málaga, and is Vice-Chairman of Real Madrid Football Club.

- **MARÍA JOSÉ GARCÍA BEATO (Member).** She was born in Córdoba in 1965. She holds a degree in Law and a diploma in Criminology. State Counsel since 1991. She has worked as a State Counsel, among other posts, at the High Court of Justice of Madrid, the Spanish Data Protection Agency (AEPD), the General Secretariat for Communications and the National High Court. She has been Director of the Cabinet of the Minister of Justice and Undersecretary of Justice.

In 2005, she joined Banco Sabadell as Director of the Legal Department, where she served as General Secretary, Deputy Secretary of the Board and General Secretary Director. She has been director of Red Eléctrica Corporación and director and secretary of several companies. She currently serves on the boards of Banco Sabadell, S.A., Iberpapel Gestión, S.A. and MdF Family Partners, S.A. She is a practising lawyer.

- **LOURDES MÁIZ CARRO (Member since 5 May 2023).** Born in Santiago de Compostela in 1959. She holds a degrees in Law and Philosophy. She is a member of

the Philosophy Faculty at the Complutense University of Madrid as a member of the Research Programme, she has taught metaphysics and theory of knowledge since 1982, receiving her PhD in 1988.

A State Counsel, she has held various positions in the General State Administration, including Director General of Administrative Organisation, Jobs and IT, Technical Secretary General in the Ministry of Agriculture and Director General and Secretary of the Board of Directors of the State-Held Assets Corporation [Sociedad Estatal de Participaciones Patrimoniales]. She has served on the boards of the Official Credit Institute (ICO), Banco Hipotecario, RENFE, Gerencia de Infraestructuras Ferroviarias (now part of ADIF), Aldeasa Almacenaje y Distribución and INISAS, Compañía de Seguros y Reaseguros (now part of ADESLAS). Legal Director and Secretary of the Board of IBERIA, Líneas Aéreas de España, from 2001 to 2016.

She has been an independent director of BBVA since 2014 and currently sits on the Audit and Remuneration Committees.

As a whole, the members of the Appointments Committee have the knowledge and experience required to perform the functions of the Committee. On the corporate website of the Company, detailed information on the Committee members and their professional career is available to shareholders, investors and other interested parties.

3. DUTIES

The duties of the Nominations Committee are set out in Article 27 of the Board Rules, as follows:

- In relation to the composition of the Board:

- a) To evaluate the capabilities, expertise and experience required by the Board. To this end, it will define the functions and skills required of the candidates to fill each vacancy and assess the time and dedication necessary for them to perform their duties effectively, ensuring that non-executive Directors have sufficient time available to properly perform their duties.

To this end, the Committee must prepare and periodically update a matrix with the necessary skills of the Board that defines the aptitudes and expertise of the candidates for the Board, especially those of executive and independent directors.

- b) To propose to the Board the policy on diversity on the basis of, among others, the criteria of age, disability, training, professional experience and gender, establishing the objectives in this respect.
- c) To verify the Board members' categories each year.

- In relation to selecting Directors and Senior Executives:

- d) To make proposals to the Board on appointing Independent Board Members by co-option or by approval at the General Meeting, and proposals for the General Meeting to re-elect or remove those Board members.
- e) To make proposals on appointing other Board Members by co-option or by approval at the General Meeting, and proposals for the General Meeting to re-elect or remove those Board members.
- f) To make proposals appointing or removing Senior Executives, especially those who will form part of the Group's Management Committee, and to propose the basic terms of their contracts, in coordination, where necessary, with the Remuneration Committee.
- g) To regularly verify the criteria regarding the selection of board members.

- In relation to Board positions:

- h) To make proposals for appointing the Chair and, as applicable, the Vice Chairs of the Board.
- i) To propose the appointment of the Secretary and, as applicable, the Deputy Secretaries, of the Board.
- j) To make proposals, where necessary, for the appointment of the Coordinating Director.
- k) To examine and organise the succession of the Chair of the Board and of the Chief Executive Officer of the Company and, if applicable, to make proposals to the Board for that succession to occur in an orderly and well-planned fashion, drawing up a succession plan in this regard.

- Other duties:

- l) To lead, in coordination with the Chair of the Board and with the collaboration, where appropriate, of the Coordinating Director, the annual evaluation of the Board regarding the performance and composition of the Board, its Committees and the Directors of the Company.
- m) To design and organise regular refresher programmes for Directors, in coordination, as necessary, with the Remuneration Committee.
- n) To ensure that any conflicts of interest will not compromise the independence of any advice ultimately provided to the Committee.

4. COMPLIANCE WITH THE DUTIES.

4.1. MEETINGS HELD AND ATTENDEES AT THEM.

In compliance with Article 27 of the Board Rules, the Secretary of the Board will attend Nominations Committee meetings with the right to speak but not to vote, and will take the minutes, copies of which, once approved, will be sent to each of the Board members.

The Audit Committee will be quorate when the majority of its members are present, and its resolutions will be passed by majority vote of those present. The Chair will cast the deciding vote in the event of a tie.

From 1 January 2023 to 31 December 2023, the Nominations Committee held four meetings, with all the Committee members in attendance, either in person or remotely.

4.2. SIGNIFICANT ACTIVITIES PERFORMED IN 2023.

The Nominations Committee performed the following significant activities in 2023:

In connection with the **appointment or re-election of Directors who do not have the status of Independent Directors**, the Nominations Committee is responsible for reporting on proposals for appointment by co-option or for submission to a decision of the General Meeting, as well as proposals for the re-election or removal of those Directors by the General Meeting; and, within the framework of this function, at its meeting held on 23 March 2023, the Committee **reported favourably to the Board on the re-election** of Mr Florentino Pérez Rodríguez and Mr José Luis del Valle Pérez as Executive Board Members, Mr Pedro José López Jiménez under the category of Other External Board Members, and Ms María Soledad Pérez Rodríguez as Proprietary Board Member.

In relation to the **appointment or re-election of Directors who have the status of Independent Directors**, the Nominations Committee has the function of nominating them for appointment by co-option or for submission to the decision of the General Shareholders' Meeting, and proposing their re-election or removal by the General Shareholders' Meeting.

Within the framework of this proposal function, at its meeting held on 23 March 2023, the Nominations Committee resolved to **propose to the Board, for submission to the General Shareholders' Meeting of ACS, the appointment** of Ms Lourdes Máiz Carro and Ms Lourdes Fraguas Gadea as Independent Board Members, as well as the **re-election** of Mr Antonio Botella García, Mr Emilio García Gallego and Ms Catalina Miñarro Brugarolas as Independent Board Members.

Furthermore, and conditional upon the General Meeting approving their appointments as Board Members, the Nominations Committee, within the framework of its function to **report on the proposed appointments to the Board**, at its meeting of 5 May 2023 resolved to report favourably on the following appointments to the Board of Directors and the Committees:

- Re-election of Mr Florentino Pérez Rodríguez as Chairman of the Board.
- Appointment of Mr Pedro López Jiménez as Deputy-Chairman of the Board
- Re-election of Mr Emilio García Gallego, Ms Catalina Miñarro Brugarolas and Ms María Soledad Pérez Rodríguez as members of the Company's Audit Committee.
- Re-election of Ms Catalina Miñarro Brugarolas and appointment of Ms Lourdes Máiz Carro as Chairwoman and member of the Nominations Committee, respectively.
- Re-election of Mr Antonio Botella García as Chairman of the Remuneration Committee, and Mr Emilio García Gallego and Ms María Soledad Pérez Rodríguez as members of this Committee and appointment of Ms Lourdes Fraguas Gadea to this Committee.

At its meeting of 23 March 2023, the Nominations Committee also reported favourably on the Company's 2022 Annual Corporate Governance Report and the Committee's 2022 Activities Report.

5. EVALUATION OF THE FUNCTIONING AND PERFORMANCE OF THE BOARD OF DIRECTORS AND ITS COMMITTEES.

In compliance with the obligation to evaluate the functioning of the Board and its Committees, under Articles 9 and 27(4)(l) of the Board Rules, which, in turn, elaborates on section 529(h) Corporate Enterprises Act for the improvement of corporate governance, and in the Recommendation 36 of the CNMV's Code of Good Governance for Listed Companies, the Nominations Committee has drawn up this report to evaluate its performance in 2023.

Furthermore, as part of the evaluation of the Board and its Committees, and in line with Recommendation 36 of the Code of Good Governance, which states that: “*every three years, the board of directors will be assisted in its evaluation by an external consultant, the independence of which will be verified by the Nominations Committee*”, with regard to the evaluation for 2023, ACS was aided by PwC Tax & Legal Services, whose evaluation report concluded in 2024. In that report, PwC Tax & Legal Services concluded that the Nominations Committee “*engages in very limited activities essentially geared toward complying with its legal obligations*”.

In this regard and in relation to its performance, the 2023 evaluation report showed that the Committee’s members accredit that it is **carrying out the duties assigned to it**, with no relevant comments made on its activity or performance, and the assessment by the members of the Committee is very positive, in aspects such as additional training and the support of external advisors and the smooth running of the Committee's meetings, where there is a working atmosphere with open and sincere dialogue, allowing the members to freely take a position and express their views.

Meanwhile, as regards the Board, the 2023 evaluation report concluded that the Board's composition is appropriate in view of the ACS Group's decentralised governance model, and the new members added to the Board are highly valued for their professional experience. Likewise, with respect to the functioning and performance of the Board, its members stressed, on the one hand, the improvement in aspects such as the training provided in matters necessary for them to carry out their duties correctly, such as corporate governance, regulatory compliance and sustainability and, on the other hand, they unanimously recognised the improvement in the level of information and time devoted at Board meetings to reviewing the environment and the level of risks applicable to the Group's activities, the main current and future projects, as well as the strategic orientation of the Group in each area of activity, especially the explanations provided by the Chief Executive Officer. It also once again recognised how the Chair makes the Board more efficient and, in particular, the work of the Secretary of the Board.

With regard to the **positions on the Board of Directors**, the evaluation report noted the **Chair's** good performance of his duties in leading the Board, and of the Executive Committee, stressing their dedication, capacity for work and dialogue with the Board members. As for the **Chief Executive Officer**, the report highly valued the clarity and detail with which he has explained the strategic positioning of the ACS Group, its most relevant projects and its situation in the meetings of the Executive Committee and the Board. With regard to the performance of the **Secretary of the Board**, the evaluation report stated that all the Board members consider him to be key to the proper functioning of the Board and its Committees, and they have full confidence in his ability to manage the legal and corporate affairs.

Likewise, it also rated each of the Board members' performance and contributions in 2023 highly, in particular, those of the chairs of the various Board Committees.

With respect to the **Audit Committee**, the evaluation report concluded that the Committee is very active and the general perception is that its meetings and its operations are carried out appropriately. It also highlighted the relevance of the actions carried out by the Committee in 2023 and, in particular, the analysis of risk issues, the information on the activity of the Compliance Committee and the analysis of non-financial risks, such as those related to sustainability.

In relation to the **Remuneration Committee**, the evaluation report noted the limited activity of the committee, which has duly complied with its legal obligations.

Lastly, with regard to the **Executive Committee**, the evaluation report noted the effectiveness with which the Committee has carried out its duties, stressing the efficiency of its functioning and its performance as a body for debate and dialogue before Board meetings.

6. GOOD GOVERNANCE PRACTICAL GUIDES BEING FOLLOWED.

The Nominations Committee, in the exercise of its functions, follows both the **Code of Good Governance** and the guidelines and recommendations of **Technical Guide 1/2019**, while also following the best corporate governance practices.

7. CONCLUSIONS.

On the basis of the above, the Nominations Committee is of the opinion that:

- It comprises six members, half of whom are Independent Board members, including its Chair, by which the composition requirements under section 529 (quindecies) Corporate Enterprises Act are met.
- The Committee has met with all its members in attendance, either in person or remotely.
- The Committee members had advance access to all the necessary information on the respective items on the Agenda.
- Concerning the duties and powers assigned to it, the Committee considers that it has deliberated and adopted resolutions on the main matters within its remit.

In conclusion, the ACS Nominations Committee assesses the activities carried out in 2023 as being very positive.

8. DATE OF FORMULATION OF THE REPORT BY THE NOMINATIONS COMMITTEE AND DATE OF APPROVAL BY THE BOARD.

This 2023 ACS Nominations Committee report was formulated by the Committee on 21 March 2024, and was unanimously approved by the Company's Board at its meeting held on 21 March 2024.