



**Report of the Board of Directors of ACS, Actividades de Construcción y Servicios, S.A. on the proposal to amend the Shareholders' General Meeting Regulations**

Madrid, 21 March 2024

# REPORT OF THE BOARD OF DIRECTORS OF ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A. ON THE PROPOSAL TO AMEND THE SHAREHOLDERS' GENERAL MEETING REGULATIONS

## 1. INTRODUCTION

In accordance with Article 3 of the Bylaws of the Shareholders' General Meeting of ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A. (the "**Company**"), the proposals to amend the Bylaws must be approved by the Shareholders' General Meeting, will be valid indefinitely and will be applicable as from the first Shareholders' General Meeting called after the amendment is made, without prejudice to the rights already recognised to the shareholders by law and under the articles of association.

In view of the above, at its meeting of 21 March 2024, the Company's Board approved this Report justifying the amendment of the Shareholders' General Meeting By-laws, which is submitted for approval at the Annual Shareholders' General Meeting called to be held on first call on 9 May 2024 and on second call on 10 May 2024, under Item Seven of the agenda.

## 2. JUSTIFICATION FOR THE PROPOSED AMENDMENTS

The Spanish Corporate Financing Act [*Ley 5/2015, de 27 de abril, de fomento de la financiación empresarial*] amended section 406 of the Revised Text of the Spanish Corporate Enterprises Act [*Ley de Sociedades de Capital*] enacted by Royal Legislative Decree 1/2010 of 2 July, making companies' management bodies competent to resolve to issue bonds and have them listed, and to grant guarantees for the issue of bonds, unless otherwise provided for in the Articles of Association, reserving to the general meeting the competence to resolve to issue bonds that can be converted into shares or bonds that attribute to their holders a share in the company's profits.

In accordance with the above, the Board has resolved to submit to the General Meeting the proposal to amend article 12 of the Company's Articles of Association to adapt it to the above legal criteria set out in section 406 of the current Corporate Enterprises Act.

In coordination with this, it is proposed to amend article 7 of the Company's Shareholders' General Meeting By-laws, the wording of which is set out below, with the changes highlighted:

### ***"Article 7. Competences***

*1. The Shareholders' General Meeting will decide on matters within its competence in accordance with the Law and the Articles of Association, and in any case on the following:*

(a) Approving the annual financial statements, the allocation of profit or loss and, where appropriate, the consolidated annual financial statements. It will also approve, where appropriate, the non-financial statement.

(b) Approving the Board's management of the Company.

(c) Appointing and removing members of the Board of Directors, and ratifying co-opted appointments made by the Board itself.

(d) Appointing, re-electing and dismissing auditors and liquidators.

(e) Bringing liability actions against Board Members, liquidators and auditors.

(f) Approving the transformation, merger, spin-off or global transfer of assets and liabilities, the transfer of the registered offices abroad and any structural modification when required by law.

**(g) Resolving to make capital increases and decreases, and delegating the Board the power to make capital increases, all in accordance with the terms established by law.**

~~(g)~~ **(h) Resolving on issuing bonds that can be converted into shares or bonds that grant their holders a share in the company's profits, and to delegate to the Board the power to issue them, all on the terms established by Law. or other debentures, to increase or reduce the Company's capital and, in general, any amendment to the Articles of Association.**

~~(h) Authorising the Board to increase the share capital, in accordance with the Law.~~

**(i) Resolving to amend the Articles of Association.**

~~(i)~~ **(j) Authorising acquisitions of treasury shares.**

~~(j)~~ **(k) Deciding on eliminating or limiting pre-emptive subscription rights, without prejudice to the possibility of delegating this to the Board on the terms provided by law.**

~~(k)~~ **(l) Approving the Director remuneration policy at least every three years.**

~~(l)~~ **(m) Deciding on the application of remuneration systems consisting of the paying employees in stock or stock options, and any other remuneration system that is referenced to the value of the shares, regardless of who the beneficiary is of those remuneration systems.**

~~(m)~~ **(n) Transferring subsidiaries essential activities carried out up to that time by the Company itself, even if the Company retains full control over them.**

~~(n)~~ **(o) Acquiring, disposing of or contributing essential assets to another company. Assets will be presumed to be essential when the amount of the**

*transaction exceeds twenty-five percent of the value of the assets appearing in the last approved balance sheet.*

*~~(o)~~(p) Approving the winding up of the Company.*

*~~(p)~~(q) Approving the final liquidation balance sheet.*

*~~(q)~~(r) Approving operations equivalent to the Company's liquidation.*

*~~(r)~~(s) Approving the Rules for the General Meeting which, subject to the Law and the Articles of Association, regulate how General Meetings will be convened, prepared, disseminated, attended and conducted, and how voting rights may be exercised when they are called and held.*

*~~(s)~~(t) Granting the Board the powers it deems appropriate for unforeseen cases, always within the legal framework applicable in this respect.*

*~~(t)~~(u) Approving the related-party transactions that correspond to the Shareholders' General Meeting on the terms established by law.*

*~~(u)~~(v) Deciding or voting on any other matters attributed to it by law or the Articles of Association.*

*2. The General Meeting will also resolve on any matter submitted to its decision by the Board or by the shareholders in the cases provided for by law or that fall under its purview by law".*

Madrid, 21 March 2024