

JUSTIFICATION REPORT AND PROPOSAL OF THE BOARD OF DIRECTORS
OF TÉCNICAS REUNIDAS, S.A. REGARDING THE PROPOSED RE-ELECTION
AND APPOINTMENT OF Mr JOSÉ MANUEL LLADÓ ARBURÚA AS A NON-
EXECUTIVE PROPRIETARY DIRECTOR

I. Background

1. Mr José Manuel Lladó Arburúa was appointed non-executive proprietary director of Técnicas Reunidas, S.A. (the “Company”) by resolution of the Annual General Meeting of Shareholders on 29 June 2016, for a period of 4 years, in accordance with the provisions of legislation and the Articles of Association.
2. Under Article 20.1 of the Regulations of the Board of Directors and given the imminent expiry of the term for which Mr José Manuel Lladó Arburúa was appointed as Company director, the Appointments and Remuneration Committee has assessed the re-electing and re-appointment of Mr José Manuel Lladó Arburúa as a non-executive proprietary director on representation of Aragonesas Promoción de Obras y Construcciones, S.L.
3. Upon completing the assessment process, the Appointments and Remuneration Committee of the Company considered that Mr José Manuel Lladó Arburúa has the ideal profile to be a non-executive proprietary director of the Company.
4. The Appointments and Remuneration Committee therefore unanimously resolved to favourably report to the Company Board of Directors with regard to the proposal for re-election and appointment of Mr José Manuel Lladó Arburúa as non-executive proprietary director for submittal to the Company’s Annual General Meeting of Shareholders that will take place foreseeably on 25 June 2020.
5. Furthermore, and in accordance with the provisions of Article 529.decies.5 of the revised text of the Spanish Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July (the “LSC”), the Company Board of Directors, on the basis of the report from the Company Appointments and Remuneration Committee, which it endorses in full and attaches as Annex I, approved this justification report issued to evaluate the proficiency, experience and merits of Mr José Manuel Lladó Arburúa.

II. Legal aspects

Director category

6. In accordance with the provisions of article 529.duodecies.3 of the LSC, proprietary directors shall be deemed to be those who have a shareholding equal to or greater than that which is legally considered significant or who have been appointed due to their status as shareholders, although their shareholding does not reach this amount, as well as those who represent shareholders of the aforementioned.
7. In this sense, Mr. José Manuel Lladó Arburúa is proposed for his re-election and appointment as external proprietary director of the Company as representative of por Aragonesas Promoción de Obras y Construcciones, S.L. Notwithstanding the foregoing, this is a person who has recognized competence and professional experience, which guarantees that they will be able to contribute a very significant value to the Company in the performance of their duties.

Re-election procedure

8. In accordance with that which is provided for under Article 529.decies.4 and 529.quindecies.3.d) of the Spanish Companies Act and Article 17 of the Regulations of the Board of Directors, the re-election and appointment of Mr José Manuel Lladó Arburúa should be approved at the proposal of the Board of Directors by the Annual General Meeting of Shareholders, following the report of the Appointments and Remuneration Committee.
9. Furthermore, the re-election proposal must be accompanied by a justification report drawn up by the Board of Directors in which the proficiency, experience and merits of the candidate is assessed, as provided for by Article 529.decies.5 of the Spanish Companies Act.
10. Moreover, Article 19 of the Regulations of the Board of Directors establishes that the Board of Directors, prior to proposing the re-election of directors to the Annual General Meeting, must assess the quality of the work and the dedication to the post of those directors proposed during the preceding mandate. The proposed individual shall abstain in this procedure.

III. Justification of re-election and appointment. Proficiency, experience and merits of the director

11. Mr José Manuel Lladó Arburúa is duly proficient and has the experience

and merits required to undertake the position of director, as can be clearly deduced from his *curriculum vitae*, which is attached hereto as Annex II. To this regard, the director has an outstanding academic record and vast professional experience in top-level private financial and new technologies companies in Spain and abroad.

12. Specifically, with respect to his academic credentials, Mr José Manuel Lladó Arburúa holds a BSBA from the University of Georgetown (Washington DC) and an MBA from the University of Chicago (Illinois).
13. In terms of his professional career, Mr José Manuel Lladó Arburúa has extensive experience in the administration and management of several top-level private companies in Spain and abroad. He has held top executive positions at several companies, such as, for instance, Managing Director of Chase Manhattan Bank where he was responsible for Global Market Sales for Spain (1990-2001), Deputy Managing Director of Banesto, with responsibility for the International and Treasury area (2001-2004), and is a founding partner of Summa Financial Services (2004-present) and Managing Director of Ideon Financial Services (2008-present).
14. Furthermore, as provided for under Recommendation 25 of the Code of Good Governance, Mr José Manuel Lladó Arburúa has confirmed that he currently has the time available to properly undertake his functions as proprietary director of the Company.
15. In accordance with the foregoing, the Board of Directors considers that the profile and experience of Mr José Manuel Lladó Arburúa, in addition to his knowledge of how the Company operates and of its business, and the positive assessment of the performance of his functions during his previous mandate, make him the ideal person to be re-elected and appointed as proprietary director of the Company.
16. Likewise, the Board of Directors considers that by re-electing Mr José Manuel Lladó Arburúa, it will continue to avail of the skills, knowledge, experience and other diverse abilities required to better perform the functions entrusted to him, taking into account all relevant legal criteria and good governance recommendations and avoiding discrimination for whatever reason.

IV. Conclusion

17. In fine, the excellent abilities and qualifications of Mr José Manuel Lladó Arburúa, allied to his knowledge of economics, administration and management, which has been repeatedly accredited throughout his professional career to date, make him the ideal person to be re-elected and appointed as a non-executive proprietary director of the Company.

V. Proposal

Accordingly, in the light of the foregoing and to meet the current needs of the Board of Directors of the Company, the Board of Directors agrees to submit the following re-election and appointment proposal to the General Meeting of Shareholders of the Company for approval:

“To re-elect and appoint Mr José Manuel Lladó Arburúa as non-executive proprietary director of the Company for the statutory term of four years, following the report of the Appointments and Remuneration Committee, as well as from the Company Board of Directors.”

Annex I

JUSTIFICATION REPORT DRAFTED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF TÉCNICAS REUNIDAS, S.A. REGARDING THE PROPOSED RE-ELECTION AND APPOINTMENT OF Mr JOSÉ MANUEL LLADÓ ARBURÚA AS A NON-EXECUTIVE PROPRIETARY DIRECTOR

I. Background

1. Mr José Manuel Lladó Arburúa was appointed non-executive proprietary director of Técnicas Reunidas, S.A. (the “Company”) by resolution of the Annual General Meeting of Shareholders on 29 June 2016, for a period of 4 years, in accordance with the provisions of legislation and the Articles of Association.
2. Under Article 20.1 of the Regulations of the Board of Directors and given the imminent expiry of the term for which Mr José Manuel Lladó Arburúa was appointed as Company director, the Appointments and Remuneration Committee has assessed the possibility of re-electing and re-appointing Mr José Manuel Lladó Arburúa as a non-executive proprietary director.
3. In accordance with the provisions of art. 529.decies.5 of the revised text of the Spanish Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July (the “LSC”), the Appointments and Remuneration Committee has approved this document issued in relation to the proposal for re-election and appointment of Mr José Manuel Lladó Arburúa as non-executive proprietary director of the Company.

II. Legal aspects

Director category

4. Under Article 529.duodecies.3 of the LSC, proprietary directors are considered to be those who hold a share interest equal to or above that which is considered to be legally significant or those who have been designated as such on account of their condition as shareholders, even though their share interest may not reach the aforementioned figure considered as legally significant, as well as those who represent any such shareholders.
5. Accordingly, Mr José Manuel Lladó Arburúa must be classified as pertaining to the non-executive proprietary director category on account of his relationship with Aragonesas Promoción de Obras y Construcciones, S.L.U.

Re-election procedure

6. In accordance with that which is provided for under Articles 529.decies.4 and 529.quindecies.3.d) of the Spanish Companies Act and Article 17 of the Regulations of the Board of Directors, the re-election and appointment of Mr José Manuel Lladó Arburúa should be approved at the proposal of the Board of Directors by the Annual General Meeting of Shareholders, following the report of the Appointments and Remuneration Committee.
 7. The re-election proposal must be accompanied by a justification report drawn up by the Board of Directors in which the proficiency, experience and merits of the candidate is assessed, as provided for by Article 529.decies.5 of the Spanish Companies Act.
 8. In turn, Article 19 of the Regulations of the Board of Directors establishes that the Board of Directors, prior to proposing the re-election of directors to the Annual General Meeting, must assess the quality of the work and the dedication to the post of those directors proposed during the preceding mandate. The proposed individual shall abstain in this procedure.
- III. Justification of re-election and appointment. Proficiency, experience and merits of the director
9. The Appointments and Remuneration Committee considers that Mr José Manuel Lladó Arburúa is duly proficient and has the experience and merits required to undertake the position of director, as reflected in his *curriculum vitae*. To this regard, the director has an outstanding academic record and vast professional experience in top-level private financial and new technologies companies in Spain and abroad.
 10. Specifically, with respect to his academic credentials, Mr José Manuel Lladó Arburúa holds a BSBA from the University of Georgetown (Washington DC) and an MBA from the University of Chicago (Illinois).
 11. In terms of his professional career, Mr José Manuel Lladó Arburúa has extensive experience in the administration and management of several top-level private companies in Spain and abroad. He has held top executive positions at several companies, such as, for instance, Managing Director of Chase Manhattan Bank where he was responsible for Global Market Sales for Spain (1990-2001), Deputy Managing Director of Banesto, with responsibility for the International and Treasury area (2001-2004), and is a founding partner of Summa Financial Services (2004-present) and Managing Director of Ideon Financial Services (2008-present).

12. In turn, under Recommendation 25 of the Code of Good Governance, the Appointments and Remuneration Committee has studied his other professional pursuits, and considers that Mr José Manuel Lladó Arburúa has sufficient time available to properly undertake his functions as non-executive proprietary director of the Company.
13. In accordance with the foregoing, the Appointments and Remuneration Committee considers that the profile and experience of Mr José Manuel Lladó Arburúa, in addition to his knowledge of how the Company operates and of its business, and the positive assessment of the performance of his functions during his previous mandate, make him the ideal person to be re-elected and appointed as non-executive proprietary director of the Company.
14. Likewise, the Appointments and Remuneration Committee considers that by re-electing Mr José Manuel Lladó Arburúa, the Board of Directors will continue to avail of the skills, knowledge, experience and other diverse abilities required to better perform the functions entrusted to him, taking into account all relevant legal criteria and good governance recommendations and avoiding discrimination for whatever reason.

IV. Conclusion

15. In summary, in view of the excellent abilities and qualifications of Mr José Manuel Lladó Arburúa, as well as his knowledge of economics, administration and management, his dedication to the post in the course of his last mandate in the Company, his professional experience and contribution to the diversity of the Board of Directors, the Appointments and Remuneration Committee unanimously resolves to favourably report to the Board on the proposal for the re-election and appointment of Mr José Manuel Lladó Arburúa as non-executive proprietary director of the Company, for submittal to the Annual General Meeting of Shareholders to take place foreseeably on 25 June 2020.

Annex II

A) Professional background and biography.

He has a BSBA from Georgetown University and an MBA from the University of Chicago. In his professional career, he has been manager of the international corporate finance division of Citibank N.A. (1986-1990),

Managing Director of Chase Manhattan Bank where he was responsible for Global Market Sales for Spain (1990-2001).

Deputy Managing Director of Banesto, with responsibility for the International and Treasury area (2001-2004).

Founding partner of Summa Financial Services (2004-present).

Managing Director of Ideon Financial Services (2008-present).

B) Membership of other boards.

Aragonesas Promoción de Obras y Construcciones, S.L. (Director).

Layar Castilla, S.A. (Chairman).

Summa Investment Solutions, S.A. (Chairman).

Choice Financial Solutions, S.L. (Director).

Fintonic Servicios Financieros, S.L. (Director).

León Valores S.A., SICAV (Director).

Araltec, S.L. (Deputy Chairman) and Aragonesas Promoción de Obras y Construcciones (Director).

C) Director Category.

Non-executive proprietary director (through Aragonesas Promoción de Obras y Construcciones).

D) Date of first, and subsequent, appointments as Company director.

First appointment: 10/05/2006 / latest appointment: 29/06/2016.

E) Company shares or share options held.

None.