



**TECNICAS REUNIDAS**

**REPORT ON THE OPERATION OF THE  
RISK AND MANAGEMENT COMMISSION**

**FISCAL YEAR 2022**



## CONTENTS

1. INTRODUCTION.....	2
2. COMMISSION REGULATIONS .....	2
3. COMPOSITION.....	2
4. COMPETENCIES OF THE COMMISSION AND ACTIVITIES CARRIED OUT DURING THE FISCAL YEAR .....	9
5. MEETINGS.....	11
6. EVALUATION.....	12
7. CONCLUSIONS.....	13

## REPORT ON THE OPERATION OF THE RISK AND MANAGEMENT COMMISSION DURING FISCAL YEAR 2022

### 1. INTRODUCTION

The recast text of the Spanish Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010, of July 2 (“LSC”) establishes in Article 529 nonies that the Board of Directors must annually evaluate its operation and that of its Commissions, and Recommendation 36 of the Good Governance Code of Listed Companies (the “Good Governance Code”) establishes that the evaluation of the Commissions shall be based on the report they submit to the Board of Directors.

Based on the foregoing, the Risk and Management Commission of Técnicas Reunidas, S.A., (the “Company”) has prepared this report on its operation during the 2022 fiscal year, which will be at the disposal of its shareholders and other stakeholders on the Company’s website from the call for the Ordinary General Meeting of Shareholders, as set forth in Recommendation 6 of the Good Governance Practices.

### 2. COMMISSION REGULATIONS

The Company’s Risk and Management Commission is regulated in Article 30 bis of the Company’s Bylaws, Article 15 of the Board of Directors’ Regulations and in the Management and Risk Commission Regulations of Técnicas Reunidas. These documents are published and can be permanently referred to in the Company’s corporate website ([www.tecnicasreunidas.es](http://www.tecnicasreunidas.es)).

### 3. COMPOSITION

In accordance with the aforementioned Articles 30 bis of the Company’s Bylaws, 15 of the Board of Directors’ Regulations and Article 3 of the Risk and Management Commission Regulations, the Commission must be comprised of a minimum of three and a maximum of eight directors, appointed by the Board of Directors, and may include an executive director.

Likewise, the President of the Risk and Management Commission shall be elected by the Board of Directors for a term of four years and may be re-elected one or more times for terms of the same duration.

Between January 1, 2022 and [May 11, 2022] the Commission was comprised of the following members:

Director	Position	Category
Mr. Juan Lladó Arburúa	President	Executive
Mr. Pedro Luis Uriarte Santamarina	Vice-President	Independent director
Ms. Petra Mateos-Aparicio Morales	Member	Independent director
Mr. Fernando de Asúa Álvarez	Member	Other non-executive directors
Mr. José Manuel Lladó Arburúa	Member	Proprietary director
Mr. José Nieto de la Cierva	Member	Independent director
Mr. Rodolfo Martín Villa	Member	Other non-executive directors
Mr. Alfredo Bonet Baiget	Member	Independent director
Non-Board Member Secretary: Ms. Laura Bravo Ramasco.		

On May 11, 2022 Ms. Petra Mateos-Aparicio was replaced by Mr. Ignacio Sánchez-Asiaín. Therefore, since that date until June 28, 2022 the Commission was comprised as follows:

Director	Position	Category
Mr. Juan Lladó Arburúa	President	Executive
Mr. Pedro Luis Uriarte Santamarina	Vice-President	Independent director
Mr. Ignacio Sánchez-Asiaín Sanz	Member	Independent director
Mr. Fernando de Asúa Álvarez	Member	Other non-executive directors
Mr. José Manuel Lladó Arburúa	Member	Proprietary director
Mr. José Nieto de la Cierva	Member	Independent director



Mr. Rodolfo Martín Villa	Member	Other non-executive directors
Mr. Alfredo Bonet Baiget	Member	Independent director
Non-Board Member Secretary: Ms. Laura Bravo Ramasco.		

On June 28, 2022 Mr. Fernando de Asúa completed his term as director of the Company. Therefore, since that date until December 31, 2022 the Commission was comprised as follows:

Director	Position	Category
Mr. Juan Lladó Arburúa	President	Executive
Mr. Pedro Luis Uriarte Santamarina	Vice-President	Independent director
Mr. Ignacio Sánchez-Asiaín Sanz	Member	Independent director
Mr. José Manuel Lladó Arburúa	Member	Proprietary director
Mr. José Nieto de la Cierva	Member	Independent director
Mr. Rodolfo Martín Villa	Member	Other non-executive directors
Mr. Alfredo Bonet Baiget	Member	Independent director
Non-Board Member Secretary: Ms. Laura Bravo Ramasco.		

- Mr. Juan Lladó Arburúa (President) is the executive director. He was re-elected as a director at the General Meeting of Shareholders held on June 25, 2020 and appointed member and President of the Commission on July 28, 2020, subsequent to the formalization of the Commission in the Company's Bylaws.

Mr. Lladó Arburúa holds a degree in Economics from Georgetown University (Washington DC) and an MBA from the University of Austin (Texas). As for his professional career, Mr. Lladó Arburúa has extensive experience in administration and management in several leading national and international private companies. He has held senior executive positions in several companies, such as Treasurer of Argentaria

(1997-1998) and Vice-President I of the Company since 1998 and President from June 25, 2020.

- Mr. Pedro Luis Uriarte Santamarina (member) is an independent director. He was re-elected as a director at the General Meeting of Shareholders held on June 25, 2020 and appointed member and Vice-President of the Commission on July 28, 2020, subsequent to the formalization of the Commission in the Company's Bylaws.

Mr. Uriarte Santamarina holds a degree in Economics and Law from the Commercial University of Deusto in Bilbao. He has a total of 54 years of experience, 9 years in the industrial sector, 23 in finance, 16 in strategic consultancy, 2 years in R&D&i and 4 in public administration. He has been a tenured university professor over 7 years at the Commercial University of Deusto, in subjects related to business transformation and advanced management; he has also collaborated with several business schools (Deusto Business School, IESE, ESADE, etc.). He was Vice-President (1997) and CEO (1994) of the Board of Directors at BBV and BBVA until 2001, Vice-President of the Board of Directors of Telefónica S.A. and Counselor of Economics and Finance (1980-1984) of the first Basque Government. He is also the Founder and Executive President of Economía, Empresa, Estrategia (2002-present) and Second Vice-President of NTT Data Europe & Latam S.L.U. Lastly, he is a Director and Advisor for several companies and cooperates with several educational and social activities.

- Ms. Petra Mateos Aparicio (member until May 11, 2022) is an independent director. She was re-elected as a director at the General Meeting of Shareholders held on June 25, 2020 and appointed member of the Commission on July 28, 2020, subsequent to the formalization of the Commission in the Company's Bylaws.

Mrs. Mateos Aparicio holds a PhD "cum laude" in Economics and Business Administration from the Complutense University of Madrid and is a Professor of Financial Economics. Vice-President of the Spain-United States Chamber of Commerce since July 2011 and director of Unicaja Banco since February 2014. She was a director of Banco CEISS from 2014 until its merger with Unicaja in September 2018. She was Executive President of Hispasat (2004-2012), Non-executive President of Hidesat (2005-2011), Director of Hispamar Satélites (Brazil) and Director of Xtar Llc (United States) between 2005 and 2012. She was an independent director of Solvay (Brussels) from 2009 to 2013 and between 1983 and July 1985 she was Director of Iberia and Banco Exterior de España, where she worked as Joint Managing Director between 1985 and 1987.

She has extensive academic experience as Tenured Professor of Financial Economics at the Department of Business Economics and Accounting of the Faculty of Economics and Business Studies of the UNED and Tenured Professor of Financial Economics at the University College of Financial Studies (CUNEF) (1982-2015). She has also been a member of the National Board of Directors of the Spanish Institute of Financial Analysts (IEAF) 2011-2017 and member of the Board of ANECA during the period 2009-2015. Notable among the distinctions she has received are the Knight of the Order of the Legion of Honor of the French Republic (2011); Business Leader of the Year (2010), awarded by the Spain-United States Chamber of Commerce; Entrepreneur of the Year (2010), awarded by the Brazil-Spain Chamber of Commerce; the Women Together Foundation Award (2009), awarded by the United Nations Economic and Social Council (ECOSOC); Female Executive of the Year (2009) of the Spanish Federation of Female Executives; and Doctor Honoris Causa by the Camilo José Cela University (2021).

- Mr. Fernando de Asúa Álvarez (member until July 27, 2022) is another non-executive director. He was re-elected as a director at the General Meeting of Shareholders held on June 27, 2018 and appointed member of the Commission on July 28, 2020, after the Commission was formalized in the Company's Bylaws.

Mr. de Asúa Álvarez holds a degree in Economics and Computer Science from the Complutense University of Madrid and a degree in Business Administration and Mathematics from the University of California (USA). His professional experience involves an extensive career at IBM and IBM Spain between 1959 and 1991, including positions as General Manager for the South America Area and later Europe, President and CEO of IBM Spain and Director at IBM World Trade Corp. He was First Vice-President of Banco Santander Group from 2004 to February 2015.

- Mr. José Manuel Lladó Arburúa (member) is a proprietary director. He was re-elected as a director at the General Meeting of Shareholders held on June 25, 2020 and appointed member of the Commission on July 28, 2020, after the Commission was formalized in the Company's Bylaws.

Mr. Lladó Arburúa holds a BSBA from Georgetown University and an MBA from the University of Chicago. He has been the manager of the Corporate International Finance Division at Citibank N.A. (1986-1990), General Manager of the Chase Manhattan Bank, head of Global Market Sales for Spain (1990-2001), Assistant General Director at Banesto, head of the International and Treasury Department (2001-2004), director at CESCE (2001-2004), Managing Director and founder of Ideon Financial

Services (2004-present), founding partner, President and director of Summa Financial Services (2013-present), founding partner and President of Borrox Financial Solutions (2017-present), founding partner of Summa Financial Solutions, S.L. (2004-present) and Managing Director of Ideon Financial Solutions, S.L. (2008-present), as well as Managing Director of Araltec, S.L., director at Ideon North America (subsequently, Choice) (2008-2019) and founding partner and President of Borrox Financial Solutions (2017-present). He is on the Boards of Aragonesas Promoción de Obras y Construcciones, S.L. (Director), Layar Castilla, S.A. (President), Summa Investment Solutions, S.A. (President), Choice Financial Solutions, S.L. (Director), Fintonic Servicios Financieros, S.L. (Director), León Valores S.A., SICAV (Director), Araltec, S.L. (Vice-President) and Aragonesas Promoción de Obras y Construcciones, S.L. (director).

- Mr. José Nieto de la Cierva (member) is an independent director. He was appointed director at the General Meeting of Shareholders held on June 27, 2018 and subsequently re-elected by the same on June 28, 2022. He was appointed member of the Commission on July 28, 2020, subsequent to the formalization of the Commission in the Company's Bylaws.

Mr. Nieto de la Cierva has a degree in Economics and Business Administration from the Complutense University. Among others, he has held the following positions: KPMG España – consulting department (1988-1989). JP Morgan (1989-2002): Director of the Chase Manhattan Bank (1998-2002), Managing Director of Corporate Banking of the Chase Manhattan Bank in Spain (1998-2002), Banesto (2002-2010): Joint Managing Director of Company Banking (2002). Managing Director of Wholesale Banking (2006). Banca March Group (2010-2017): President of Banco Inversis. CEO of Banca March. Director and member of the Audit Commission of Corporación Financiera Alba, director and member of the Executive Commission of Ebro, director of Consulnor, Director of Aegon España and Managing Director of Banco Sabadell (2018-2022). He is currently President of Kenta Capital.

- Mr. Rodolfo Martín Villa (member) is an independent director. He was appointed director at the General Meeting of Shareholders held on June 26, 2019 and appointed member of the Commission on July 28, 2020, subsequent to the formalization of the Commission in the Company's Bylaws.

Mr. Martín Villa holds a degree in Industrial Engineering from the Polytechnical University of Madrid. Professionally, he has been a Spanish State Financial Inspector, Civil Governor of Barcelona (1974-1975),



Minister of Union Relations (1975-1976), Minister of Governance and of the Interior (1976-1979), Minister of Territorial Administration (1980-1981), Vice-President of the Government (1981-1982), a Congressional Representative (1979-1983 and 1989-1997), President of the Budget Commission (1989-1996), the Justice and Interior Commission (1996-1997) and the Toledo Pact for Public Pensions Commission, President of Ibercobre (1979-1980), President of U.C.B. Spain (Unión Chimique Belge) (1990-1997), President of the Oversight Commission at Caja de Ahorros de Madrid (1993-1997), President of Endesa, S.A. (1997-2002), President of Endesa Italia (2001-2003), President of Enersis (Chile) (1997-1999), President of Sogecable, S.A. (2004-2010) as well as a Member of the Board of Trustees at the Pontifical University of Salamanca, the Colegio Libre de Eméritos Universitarios and the Ramón Menéndez Pidal Foundation. He is a member of the Spanish Royal Academy of Moral and Political Sciences.

- Mr. Alfredo Bonet Baiget (member) is an independent director. He was appointed director at the General Meeting of Shareholders held on June 27, 2018 and re-elected by the General Meeting of Shareholders on June 28, 2022. He was appointed member of the Commission on July 28, 2020, subsequent to the formalization of the Commission in the Company's Bylaws.

Mr. Bonet Baiget holds a degree in Economics and Business Administration from the Complutense University of Madrid and is a Commercial Attaché and State Economist. In the field of public economics and trade, he has been Deputy Director General of EU Trade Policy and GATT Relations (1991-1993), Economic and Commercial Counselor of Spain in Miami (1987-1991) and Milan (1993-1997), General Director of Promotion of the Spanish Institute for Foreign Trade (ICEX) (2001-2004), a member of the Boards of Directors of Instituto de Crédito Oficial (ICO) and Navantia (2004-2010), Secretary of State for Foreign Trade and President of ICEX and Invest in Spain (2010-2012) and Chief Economic and Commercial Counselor at the Spanish Delegation to the OECD (2012-2015). In the private sector, he has been General Manager of Altair Asesores (1997-2001), International Director of the Spanish Chamber of Commerce (2015-2018) and Secretary General of the Círculo de Empresarios (2018-present). He is also Vice-President of Spanish Seniors for Technical Cooperation (SECOT) and the CRE100DO Foundation.

- Mr. Ignacio Sánchez-Asiáin (member since May 6, 2022) is an independent non-executive director. He was appointed director at the

General Meeting of Shareholders held on June 26, 2020 and President of the Commission on May 6, 2022.

Mr. Sánchez-Asiáin is a graduate in Economics and Business Administration by the Commercial University of Deusto in Bilbao and MBA specialized in Financial Intermediation by the Wharton School - University of Pennsylvania.

Professionally, Mr. Sánchez-Asiáin has been a stock market analyst at Prescott Ball & Turben, project manager in Europe, member of the European Senior Advisory Board and Senior Advisor of Iberia at Oliver Wyman & Co., Director of International Business Development, Director of Private Banking, Managing Director for South America, General Director of Systems and Operations and member of the Steering Committee of the BBVA Group, general director of BBK – Bilbao Bizkaia Kutxa, corporate general director of Kutxabank and CEO of Banco Popular.

Mr. Sánchez-Asiáin is currently President of Tadesline Trading Tech Ltd. and member of the Board of Directors at Tradesline Ventures Ltd. and Weguest, S.L.

Detailed information on the members of the Commission and their professional background is available to shareholders, investors, and other interested parties on the Company's website.

In accordance with the foregoing, the Commission has been composed entirely of directors appointed by the Board of Directors, taking into account the Commission's duties and ensuring that its composition meets the various diversity criteria, among others, those related to the knowledge, skills, professional experience, competencies, personal abilities and sectoral knowledge of its members.

Likewise, during the 2022 fiscal year, four independent directors have been members of the Commission.

#### 4. COMPETENCIES OF THE COMMISSION AND ACTIVITIES CARRIED OUT DURING THE FISCAL YEAR

In accordance with Article 15.2 of the Board of Directors' Regulations and Article 5 of the Risk and Management Commission Regulations, and without prejudice to other functions that may be assigned to it by the Board of Directors, the Commission has, among other, the following responsibilities:

- a) Periodically review the impact of the operations and planning of the Company and its Group.
- b) Analyze the financial and resource efficiency of each project of the Company and its Group.
- c) Analyze the guidelines of the commercial policies and analyze the conditions of the most relevant offers of the Company and its Group.
- d) Periodically monitor the Company's projects, and in particular, those that are most relevant for economic, technical or reputational reasons.
- e) Monitor periodic analyses of the geopolitical situation of the countries in which the Company and its Group operate.
- f) Develop periodic analyses of customer and supplier solvency ratios.
- g) Develop and monitor the risk map of the Company and its Group.
- h) Analyze and report on the overall approach and strategy of the Company and its Group.
- i) As regards all the foregoing points, to promote the regulatory compliance system and activities of the Company and its Group.

During the 2022 fiscal year, the Risk and Management Commission carried out the following activities, among others:

- Monitoring of the evolution and management of the Group's various projects. This includes the analysis of all the projects, the most relevant of which are analyzed in more detail.
- Analysis of the market and the opportunities it offers, potential competitors of the Company and the status of awards and prospects, having examined the balance of awards in fiscal year 2022 in this regard.
- Study and analysis of the Group's energy transition strategy, specifically as regards the assessment of projects and agreements that are relevant for the Company to position itself strategically and appropriately in energy transition.
- Analysis of the impact of the war in Ukraine and the crisis of Algeria on the Company's activity and their indirect effect on costs.

- Monitoring of ongoing litigation and arbitration to which the Company is party, both in Spain and in other jurisdictions, with reports submitted to the Commission.
- Monitoring the Group's economic, financial and treasury planning, including the forecast of results and procedures in progress and studying the various financing alternatives/mechanisms and monitoring the working group comprised of Board Members, Directors and an External Advisor, with the corresponding reports submitted.
- Monitoring, study and analysis of the process opened to strengthen the Company's financial capacity, with support from the SEPI.
- Monitoring the strategic lines for the 2021-2024 period.
- Analysis of the Company's assets, the management of the human resources and general services structure. Specifically, during fiscal year 2022, the Commission analyzed the organizational changes made in the Company's Management.
- Monitoring and management of exchange orders and deposits on account and of ongoing procedures.
- Review and approval of the meetings calendar of the Risk and Management Commission for the 2023 fiscal year.

## 5. MEETINGS

In accordance with the provisions of Article 15 of the Board Regulations and Article 6 of the Risk and Management Commission Regulations, the Commission shall meet ordinarily at least eight times a year. It shall also meet whenever the Board of Directors or its President requests the issuance of a report or the adoption of proposals within the scope of its competencies and, in any case, whenever it is convenient for the proper performance of its duties.

In the period from January 1, 2022 to December 31, 2022, the Risk and Management Commission met 8 times, having been convened by the Secretary, by order of the President, through individual communication to each of its members.

All the members of the Commission attended all the meetings held, either in person or by electronic means.



In addition to its members, the following persons have attended the meetings of the Risk and Management Commission, at the invitation of the President of the Commission, to deal with certain items on the Agenda:

- CEO.
- Corporate General Manager.
- Chief Financial Officer.
- Chief Operating Officer.
- Commercial General Manager.
- HR and GS General Manager.
- Internal Audit Manager.

Likewise, when deemed appropriate, external advisors (in particular, Pérez Llorca Abogados) have participated in the meetings of the Risk and Management Commission to deal with specific matters within their competence, and no potential conflicts of interest have been reported by the advisors or identified by the Commission.

All the guests invited to the Commission have been invited by the President, have been present to deal with the items on the Agenda for which they have been requested and none of them have attended the deliberation and voting phases of the Commission meetings, and the minutes of the meetings have recorded the entries and exits of the various guests.

## 6. EVALUATION

During the 2022 fiscal year, the evaluation process corresponding to the 2021 fiscal year of the Board of Directors and its Commissions was carried out with the assistance of the external advisor KPMG. It was verified that the consultant is not the same one that advises the Company on the appointment of directors or senior executives or on compensation systems and whose independence has been verified by the Appointments and Remuneration Commission.

The following areas were evaluated:

- The quality and efficiency of the operation of the Board of Directors.
- The operation and composition of its Commissions.
- Diversity in the composition and competencies of the Board of Directors.

- The performance of the President of the Board of Directors and the Secretary of the Board.

Regarding the methodology used, the evaluation of the various Commissions was based on the report submitted by these Commissions to the Board of Directors, and for the evaluation of the Board of Directors, on the report submitted by the Risk and Management Commission. Moreover, the external consultant interviewed members of the Board as part of the evaluation process.

During the evaluation process, the following aspects, among others, were very positively reviewed: the high technical qualifications and professional experience of the members, the fluid and transparent communication between members of the Board, the work climate and collaboration observed among the directors, the trust observed in the management team and the immense appreciation for and trust in the executive secretary.

As concerns the actions included in the action plan provided for in Article 529 nonies of the LSC, the main areas for improvement identified were as follows: continuing to analyze the structure and composition of the Board in order to promote gender diversity in the composition thereof, including new capabilities and competencies, promoting accountability of the management team to inform about projects or matters under their responsibility, improving how documentation is sent for meetings and reinforcing the information on risks.

In particular, with respect to the Risks and Management Commission, the Board members positively evaluated its operation during the fiscal year, considering that it has performed its functions adequately. As concerns the actions included in the action plan, the main recommendation from the directors referred to continuing to improve planning of meetings and of the matters to be handled throughout the year.

## 7. CONCLUSIONS

Based on the foregoing, the Risks and Management Commission has evaluated its composition and operation during the 2022 fiscal year and considers that:

- The composition of the Commission has been adjusted to the provisions of the LSC and its internal rules, with members having the knowledge and experience appropriate to the competencies of the Commission and the sector of activity to which the Company belongs, with four of its members being independent directors, and the Executive President chairing the Commission.

- The Commission has met whenever necessary in view of the matters to be discussed at the meeting and at least as frequently as established in Article 15 of the Board Regulations and Article 6 of the Risk and Management Commission Regulations.
- All the meetings of the Commission have been attended by all its members.
- Finally, the Commission has discussed and reached agreements on matters within its competence, in an informed manner and after discussions in which there has been constructive dialogue and a critical attitude, favoring diversity of opinions. Likewise, when necessary, the Commission has been advised by external experts.

In accordance with the foregoing, the Risks and Management Commission has complied in general terms with the rules set forth in the Law and its internal rules regarding composition, frequency of meetings, attendance and informed participation of its members, and the Commission has also dealt with the matters within its competence, and its activity during fiscal year 2022 has been very positively evaluated.

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*This Report on the operation of the Risks and Management Commission during the 2022 fiscal year was prepared by the Commission on May 19, 2023, having been submitted by the Board of Directors of the Company at its meeting held on May 24, 2023.*