



## Corporate Tax Policy

Approved by the Board of Directors on December 15,  
2022

Translation originally issued in Spanish and prepared in accordance with the regulatory applicable to the Group. In the event of a discrepancy, the Spanish-language version prevails.

## Table of Contents

1. Introduction .....	2
1.1. Applicable Legislation .....	2
1.2. Purpose .....	2
2. Scope and Target Groups .....	2
3. Tax Policy.....	3
3.1. General Overview.....	3
4. Implementation guidelines .....	5
5. Dissemination and communication .....	6

# **CORPORATE TAX POLICY**

## **1. Introduction**

### **1.1. Applicable Legislation**

The Spanish Corporate Enterprises Act (Ley de Sociedades de Capital) establishes certain non-delegable powers of the Board of Directors of listed companies. These powers are set out in section 529 *ter* Corporate Enterprises Act and include, *inter alia*, the determination of the tax strategy.

In compliance with the above and in accordance with the Regulations governing its governing and authority, the Board of Directors of ACS Actividades de Construcción y Servicios, S.A., (“ACS” or “the Company”) is responsible for establishing the Company’s risk control and management policy and periodic monitoring of internal information and control systems, thus including the control and management of tax risks in accordance with the Corporate Enterprises Act.

The Board Regulations empower the Board to approve the creation and acquisition of special purpose entities or entities with their registered office in territories or countries considered to be tax havens, along with any other operation or transaction that may reduce the transparency of the Company or the Group.

In accordance with the above and the Corporate Enterprises Act, during its meeting on 28 July 2022 the Board of Directors approved this document containing the tax policy/strategy for the Company.

### **1.2. Purpose**

The purpose of this Tax Policy is to establish the fundamental guidelines governing the decisions and actions of ACS and the companies forming part of its Group in tax matters, worldwide and in accordance with the regulations applicable in the various territories and countries in which it operates.

## **2. Scope and Target Groups**

This Tax Policy will apply to the Company. However, to the extent that ACS is the parent company of a business group that includes various business areas, with a large number of subsidiaries resident in a large number of countries, it will always endeavour, to the extent that its corporate authority allows, to apply this same tax policy to its subsidiaries.

In this respect, if such subsidiaries are not listed on regulated markets and their management is directly or indirectly controlled by ACS, the Company will be responsible for ensuring that all of them are aware of the corporation tax policy and their management teams are aware of the requirement to comply with its terms. In particular, the company bodies of subsidiaries directly and wholly owned by ACS which are heads of a business area assume, as part of their independent management according to the Group’s general policy, responsibility for the same tax matters that this corporate policy assigns to the Board of Directors with regard to ACS, including in particular control and management of tax risks, for which they must establish and supervise appropriate procedures in accordance with the guidelines established by ACS.

Finally, in the case of companies of the consolidated accounting group of ACS which do not form part of its Tax Group and ACS does not exercise control over their management, or subsidiaries listed on organised markets and subject to their own corporate governance regulation, or dependent subsidiaries of the same, the Company will within the scope of its powers promote the adoption of procedures for control and assignment of functions for determination and supervision of the tax policy similar to those contained in this corporation tax policy. In particular, ACS will through its representatives in the bodies of those companies ensure that their Audit Committees comply as a minimum with the levels of information established by the Audit Committee of ACS.

The content of this Policy is applicable to all members of the organisation, regardless of their position and the territory in which they are located, to the extent that they have the obligation to contribute to the correct compliance with this Policy.

### **3. Tax Policy**

#### **3.1. General Overview**

ACS has a Tax Compliance Management System, integrated into the global Compliance Management System, following the guidelines established in the UNE 19602 Standard.

In accordance with the Group's decentralised management model, the Company promotes the adoption of similar systems in its business areas. In those areas comprising listed entities, this recommendation should be considered based on each specific situation.

This Policy must be interpreted in the context of the Policies and procedures that make up ACS's global Compliance Management System and which are published on the corporate website<sup>1</sup>.

#### **3.2. Principals of action in tax matters**

The ACS Group's actions with respect to the management of tax matters will be governed by the following principles:

1. The tax policy of ACS is based on due compliance by the Company with the applicable tax regulations and accordingly compliance by all persons involved not only in tax management but also execution of transactions with a tax impact. This constitutes an essential aspect of the principle of integrity contained in the Company's Code of Conduct, according to which all employees and management staff must comply with the general regulations in force in countries where it carries out its activity and act ethically at all times.
2. The management of tax matters is based on a reasonable interpretation of the tax regulations, taking into account both their literal terms and their spirit and purpose
3. Practices aimed at preventing and reducing significant tax risks should be encouraged, ensuring that the taxation of profits generated bears an appropriate relationship to the structure and place of the activities, the human and material means and the business risks where they are located.
4. Any business decision that may have tax implications must be adopted with full knowledge of such implications. In particular, in the case of transactions that must be submitted for

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<sup>1</sup> <https://www.grupoacs.com/compliance/politicas-y-procedimientos-de-compliance/>

approval by the Board of Directors, the Board must be informed of the tax consequences of the transaction when this may constitute a relevant factor to make the decision. In any event, any transactions which due to their amount or special characteristics or due to the possibility of different interpretations of the applicable law may in due course give rise to a relevant tax dispute must be submitted for approval by the Board.

5. The relevant tax implications of any Company transaction, including those relating to restructuring or structuring of investments or divestments, must be notified to the management bodies or levels that must give their approval. For these purposes, the tax implications will be considered relevant when: (1) they affect the choice of the specific arrangement of the transaction or (2) they give rise to significant tax effects that would not have arisen without the transaction or (3) they may give rise to a relevant tax dispute due to possible different interpretations of the regulations. In particular, no restructuring transaction will be performed with the sole purpose of achieving a tax advantage, although it will be possible to adopt a company procedure from among those suited to the relevant economic purpose which results in more favourable tax regulation.

6. Tax planning practices may be applied which result in a reduction of tax costs, provided that they are not carried out by means of simulated acts or patently artificial or improper dealings to achieve the result obtained. For these purposes, (1) the Company may choose the most favourable option from a tax perspective from among all the usual or typical means of executing an act or dealing to achieve the economic or legal purpose desired and (2) acts or dealings may be entered into principally for tax reasons provided that they produce real legal or economic effects and the desired tax consequences are not contrary to the spirit of the law.

7. No companies will be constituted or acquired that have their registered office in territories the Spanish government considers to be tax havens unless they are necessary for the development of business activity in that territory. The Company will also refrain from creating artificial company structures not related to the Company's business activity with the sole purpose of reducing its tax liability, nor will it enter into transactions between its subsidiaries without any economic purpose other than base erosion and artificial profit shifting to low or no-tax locations. If upon acquiring a parent company of a company group the Company obtains indirect control over an entity with the above characteristics, its suitability will be assessed in relation to the corporation tax policy and if it is considered to be incompatible it will be liquidated or if there are economic or contractual reasons for not doing so measures will be adopted to ensure strict compliance with the tax regulations of Spain and the countries that have dealings with that company.

8. ACS will not constitute company structures for the purpose of concealment or which may reduce the transparency of the Group, i.e. which tend to prevent or hinder an understanding of the ownership of assets and liabilities or business dealings. Even if a company structure may result in a legitimate tax advantage, this may never be the basis for its implementation if it could lead to loss of transparency in the Group's accounting information.

Where the companies referred to in this and the preceding paragraph are acquired or incorporated by the management units, the management bodies of the subsidiaries mentioned in the previous paragraph must refer the constitution or acquisition of companies in tax havens or special purpose entities for approval by the Board of Directors of ACS when the mere possibility exists that it may reduce the transparency of the Group.

9. ACS must ensure a cooperative relationship with tax authorities based on mutual confidence and transparency. Efforts must be made to reduce litigation deriving from different

interpretations of the applicable regulations using the dispute resolution procedures established for this purpose by the law, without preventing the Company from bringing claims to defend its legitimate interests where this is not possible.

The Company confirms its intention to apply these principles through its voluntary endorsement of the Spanish Code of Best Tax Practices, as reflected in the Board resolution dated 16 December 2010.

#### **4. Reporting of conduct and disciplinary system**

##### **4.1.- Ethics Channel**

In accordance with the provisions of ACS's Ethics Channel Operating Policy, any person may immediately report to the Compliance Committee any information or documentation of which they are aware that relates to irregularities or non-compliance with the provisions of ACS's Code of Conduct, this Policy or any of the regulations that make up the Global Compliance Management System.

To this, ACS has an Ethics Channel which allows for the reporting of potentially irregular conduct or actions involving non-compliance with tax legislation and ACS's internal compliance regulations.

The Ethics Channel is accessible to all members of the organisation and to ACS stakeholders, through which non-compliance with this Corporate Tax Policy and other tax policies and processes, as well as those belonging to the Global Compliance Management System, may be reported.

##### **4.2.- Consequences of non-compliance**

All members of the organisation are responsible for understanding, observing and applying the provisions of this Corporate Tax Policy and the other associated policies and procedures that form part of the Tax Compliance Management System.

Therefore, any action contrary to the applicable legal provisions, the ACS Code of Conduct or the other documents of the Global Compliance Management System or any policy or regulation adopted by ACS that results in non-compliance in the tax or compliance area may be sanctioned in accordance with the provisions of the Disciplinary Compliance System. The measures adopted from a labour perspective shall be respectful of the applicable regulations, without losing forcefulness or proportionality with the seriousness of the facts from which they arise, informing the Legal Representatives of the Employees if appropriate.

#### **5. Implementation guidelines**

1. The Company will implement the control mechanisms and obtain the necessary resources for effective compliance with the applicable tax regulations and the corporation tax policy determined by the Board of Directors, ensuring that all persons involved in tax matters have the necessary technical qualifications in accordance with their degree of responsibility.

2. The Audit Committee, which is responsible for supervision of internal control and risk management systems, drafting of the annual accounts and monitoring of tax inspections and tax contingencies, will receive information from the head of the Company's tax department as

a minimum annually and at the close of the annual accounts on the relevant tax policies applied during the year. It will also inform the Company's bodies of such information as required according to their functions.

3. The Compliance Committee, a collegiate body endowed with powers of initiative and control, as well as the greatest possible independence to carry out its duties, will ensure proper compliance with this Tax Policy by establishing the necessary internal control mechanisms and rules, informing Senior Management and the Audit Committee.

## **5. Dissemination and communication**

The Company's Board is responsible for ensuring effective communication of this Tax Policy and making it available to all employees, shareholders or stakeholders, along with any amendments that may be made to its terms.

This Policy is posted on the corporate website and is accessible to all stakeholders.