

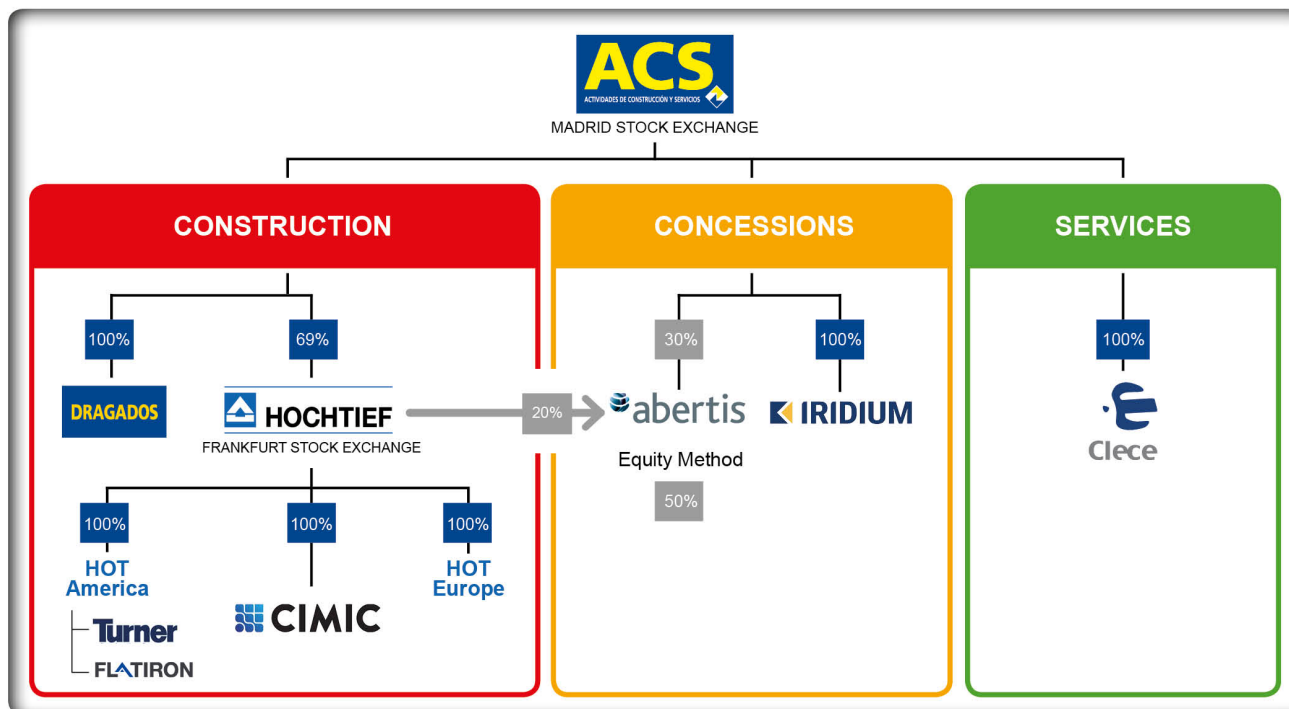
5. CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

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5.0. ACS GROUP BUSINESS MODEL



The ACS Group is a worldwide reference in the construction and services business. As a global company, it participates in developing key sectors for the world economy, while at the same time maintaining a commitment to the economic and social progress of the countries in which it operates.

The ACS Group has consolidated a business model characterised by its broad geographic and activity diversification. The main areas of the Group are divided into:

a) **Construction:** comprises the activities of Dragados and HOCHTIEF and is aimed at performing all types of infrastructure projects, both in civil engineering (bridges, roads, railways, hydraulics, etc.) and in building (hospitals, commercial buildings, industrial facilities, social and leisure buildings, etc.); it also provides services to develop and maintain infrastructure necessary for society (energy, transport, communications and technology, natural resources and water treatment). The geographical regions with

the greatest exposure are North America, Asia Pacific and Europe, operating mainly in developed and secure markets at the geopolitical, macroeconomic and legal levels.

- b) **Concessions:** includes Iridium's activity and the share in Abertis and is aimed at developing and operating transport concessions. These projects are performed either through direct construction models for institutional or private clients or through public-private partnership models, where the ACS Group covers the whole concession business value chain from project design through financing, construction and start-up to operation.
- c) **Services:** It covers the activity of Clece, which offers comprehensive maintenance services for buildings, public places or organisations, and assistance to people. This area is fundamentally based in Spain but also shows incipient growth in the European market.



For more information on the ACS Group's business model: 2. The ACS Group



5.0.1. SUSTAINABILITY STRATEGY AND TRENDS

The ACS Group's context of operational decentralisation requires it to adapt its strategy to the challenges and opportunities presented in a more complex and competitive sector. The Group's strategy is focused on the fact that all companies share common values and culture, while at the same time operating independently, individually contributing a multitude of valid and profitable management formulas that generate shared knowledge and best practices.

The ACS Group is positioned as one of the world's leaders in the construction and services industry, with a clear and defined mission: to pursue global leadership, optimise the return on resources used and promote sustainable development, while generating shared value for all of its stakeholders and promoting sustainable and profitable growth for its shareholders.

These commitments are implemented through the Group's Sustainability Policy, updated in its latest version approved by ACS' Board on 28 July 2022. This policy defines the principles of action for the ACS Group in this area, and the Group's relationship with its environment.

Also, in December 2021, the Board of the ACS Group approved the 2025 Sustainability Master Plan establishing the Group's sustainability strategy, setting out the commitments and strategic lines to continue "Driving the Global Sustainability of Infrastructure", and the sustainability targets set for 2025.

As part of the Group's commitment to information transparency, the description of the existing policies to non-financial issues, and the results of the policies, is presented throughout this Consolidated Non-Financial Statement,

including key performance indicators. To ensure maximum rigour and transparency, this document was prepared

following the requirements established by the international standards in the area of reporting, such as the GRI Standards. The related indicators have been verified by an independent third party adhering to the standard (ISAE) 3000.

The report was selected based on a preliminary materiality analysis that identified the most relevant issues for the company and its stakeholders. This analysis identifies the main risks and opportunities associated with these matters that may affect the creation of value of ACS Group businesses, and the external impacts that the development of ACS Group activity may entail on the economy, society and the environment.

The detailed conclusions of this analysis, and the material issues identified, can be consulted in section 7.2., but as a summary, the future scenario in which the ACS Group will perform its activity in the coming years will be marked by the following challenges and opportunities specified in point 2.2.1:

- Inflation and tensions in the supply chain
- Limitation of material resources and human resources
- Geopolitical instability
- Interest rate rise
- Population growth and urbanisation
- New technologies
- New sources of financing
- Obsolete assets
- Climate change and decarbonisation
- Stimulus plans and deglobalisation



For further information:
2.2. A strategy focused on creating shared value



Sustainability Master Plan 2025



7.2. Identification of relevant issues

5.0.2. RISKS

In regard to risk management, the ACS Group performs its activities in different industries, countries and socio-economic and legal environments, which entails exposure to different levels of risk inherent to the businesses in which it operates.

In 2020, the ACS Group approved the update of General Risk Control and Management Policy, and the Integrated Risk Control and Management System.

From the point of view of continuous improvement, the ACS Group has a General Risk Map that is updated on a regular basis and that is established as a fundamental tool of its Integral Risk Management and Control System. Its latest version of which was approved last December 2022.

The ACS Group's risk control system is based on a range of strategic and operational actions designed to mitigate these risks and achieve the objectives established by the Board. The Corporate Unit is responsible for determining the basic guidelines to unify the operating criteria in each of the divisions to guarantee an adequate level of internal control. The Group's companies and divisions are

responsible for developing the necessary and appropriate internal regulations so that, based on the particularities of their activity, they implement internal control to ensure its optimum level.

The Board of the Parent Company of the Group has established a framework of appropriate policies and controls to prevent corruption and other irregular practices, and to identify, assess, manage and control the risks, both financial and non-financial, and the potential impacts associated with them. This process includes full involvement of the Audit Committee, which is responsible for overseeing both the effectiveness of internal control and internal audit, and ensuring the strict application of the policies and controls established.

The responsibility of the Board notwithstanding, the Audit Committee ensures compliance with the transparency obligations of the company and, in particular, because the information included in this Non-Financial Statement (NFS), the Annual Corporate Governance Report (ACGR) and the Annual Directors Remuneration Report (DRR) is sufficient to allow the market and investors to understand the scope and importance of the corresponding facts and risks in the area of Non-Financial Information.



2.3. Efficient Risk Management



7.2. Identification of relevant issues



In relation to non-financial risks, according to the Group's risk map, the main risks related to the issues discussed in this EINF that were detected and that may have an impact on the development of the Group's activity are:

Natural catastrophes and pandemics refers to the risks related to the impact on operations arising from pandemics or other health crises and that could lead to delays in projects and labour management issues, among others.

Safety and health risks and occupational risk prevention: due to the activity of the ACS Group, the incidents or accidents that affect the safety and health of employees, whether direct employees or subcontracted workers, are a material issue for the company as it works towards achieving 'zero-accident' operations.

Labour relations: inadequate management of key aspects in human resources, such as collective bargaining, remuneration models, resource planning, absenteeism, training and employment conflicts, which could have a negative impact on meeting business objectives.

Attracting and retaining talent: lack of availability of qualified and trained human resources necessary to perform the Group's activities. This risk takes into account the entire hiring process: training, professional development and satisfaction.

Ineffective internal communication: lack of communication from management with the teams, which could negatively affect human resource management and labour relations, and could pose a risk in meeting objectives, developing people and in the work environment.

Purchasing and sub-contracting processes: the contracting of external services has associated risks arising from the unavailability of suitable companies or professionals, inadequate selection or lack of capacity to meet the obligations taken on, which could lead to delays, cost overruns or quality failures.

Impact on the economic - social environment: the risk of having a negative economic and social effect as a result of the Group's activity in local communities and responsible supply chain.

Relationship with the client: inadequate management of relationships with clients can have different negative impacts on revenue, and the reputation of the business. In addition, there are risks associated with market conditions that are beyond the control of the ACS Group.

Violation of Human Rights: the risk arising from failure to comply with the ACS Group's business commitment to the UN Global Compact on Human Rights and Labour, and the regulations in force in the countries in which the Group operates.

External communication with stakeholders: the risk of improperly communicating financial and non-financial information to the principal stakeholders of the ACS Group (investors, shareholders and voting advisers) such that information requirements for stakeholders are not met.

Information security and cyber-attacks: the existence of cyber-threats could result in the loss of tenders, prolonged halting of operations, uncontrolled access, information leakage and data.

Environment and circular economy: the inappropriate use or lack of use of the natural resources necessary for the development of activities that does not contribute to a circular economy model can trigger their scarcity and exhaustion and generate a negative impact on protected areas or high ecological value, and the performance of activities in areas already affected, may entail a limitation of resources and opposition from local communities.

Climate change and energy efficiency: the occurrence of natural disasters or other events arising from climate change, and the failure to comply with new regulations and environmental and energy efficiency regulations can impact the Group's activities and their cost.

The description of the main non-financial risks, the detection, prevention, management and mitigation measures, and the management indicators and applicable policies, are detailed in each of the corresponding chapters of this NFIS. In addition to these risks identified in the risk map, there are a number of emerging risks which, although they currently take place, it is considered that their impact on the development of the Group's activities will be significantly extended over the long term (> 5 years) and the description, impact and mitigation actions of which are detailed in annex 7.3.3. of this report.

5.0.3. EVOLUTION OF RELEVANT INDICATORS FOR NON-FINANCIAL MANAGEMENT OF THE ACS GROUP

In accordance with Law 11/2018, this Non-Financial Statement contains the information necessary to understand the evolution, results and situation of the ACS Group, and the impact of its activity with regard, at least, to environmental and social issues, respect for Human

Rights and anti-corruption and bribery, and personnel issues.

The evolution of the main indicators for the non-financial management of the ACS Group is shown below:

Evolution of relevant NFS indicators		
	2021	2022
Environmental issues		
Percentage of operations covered by ISO 14001 Certification	87.1%	89.6%
Hazardous waste (t)	400,892	138,334
Non-hazardous waste (t)	18,344,366	15,761,762
Scope 1 emissions (tCO ₂)	381,261	389,195
Scope 2 emissions (tCO ₂)	120,294	121,602
Scope 3 emissions (tCO ₂)	3,495,018	4,192,735
Total energy consumption (MWh)	1,863,998	1,852,102
Electricity consumption from renewable sources (MWh)	70,556	57,979
Social and personnel issues		
December 31 Workforce	122,502	128,721
% Men workforce	42.0%	43.3%
% Women workforce	58.0%	56.7%
% Mid-level educational degrees and above	16.2%	16.0%
% Non-qualified technicians and Administrative staff	17.1%	17.3%
% Other staff	66.7%	66.7%
% Permanent Contracts	72.3%	81.3%
% Temporary Contracts	27.7%	18.7%
Number of women in management positions	2,318	2,745
% Employees in centres covered by Equality Plans	95.9%	96.1%
% Employees in centres with Universal Accessibility	100.0%	100.0%
Employees belonging to vulnerable groups	10,320	10,981
Total teaching hours given	963,760	1,048,174
Employees participating in training activities	55,954	68,462
Investment in training per employee (of total employees trained) (euros)	264	261
Percentage of total employees covered by ISO 45001 certification (Occupational Health and Safety)	91.6%	88.6%
Percentage of total employees who have received at least one occupational health and safety course in their professional career	99.7%	100.0%
Investment in occupational health and safety per employee (euros/employee)	694.9	881.0
Frequency Rate	13.60	15.11
Severity Rate	0.38	0.46
Incidence Rate	25.60	27.13

Evolution of relevant NFS indicators

	2021	2022
Ethics, human rights, contribution to society		
Number of employees trained in Human Rights, Ethics, Integrity, Conduct in the year or other compliance policies and procedures	39,337	35,148
Number of courses given with content on Human Rights, Ethics, Integrity, Conduct or other compliance policies and procedures	455	477
Funds allocated to Social Action (millions of euros)	11.9	14.3
Other information on the company		
Companies with formal supplier/subcontractor approval systems	97.7%	99.0%
Weighted average expenses that have the sustainability-related factors (environmental, ethical and social criteria) out of the total factors used in the approval systems	35.2%	36.4%
Frequency Rate (contractors)	3.01	2.93
Severity Rate (contractors)	0.12	0.11
Percentage of turnover from activities certified under the ISO 9001 standard (%)	45.9%	43.2%
Investments and expenses of the Quality Control Department or earmarked to improve quality management processes to turnover (excluding staff costs, millions of euros turnover)	0.81	1.31
Number of quality audits per million euros of billings	0.46	0.38
Investment R & D (million euros) (1)	36.45	27.49

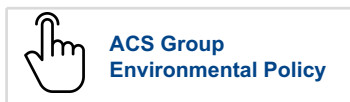
(1) Scope of data in 2021 and 2022 of 21.0% and 19.4%, respectively.

As much as possible, the information included in this Non-Financial Statement has been organised in such a manner to allow stakeholders to interpret the changes experienced by the ACS Group with respect to previous years. For the sake of comparability of the data, where possible, certain 2021 data were recalculated with the same scope as the data reported in 2022, and in those cases in which the data could not be recalculated retroactively, the historical data is provided for information purposes.

The scope of the information included in this NFS is shown specifically for each indicator in point 7.3.6. Given the Group's size and diversification (in terms of both geography and sector), there may be changes in the information reported from the previous year as a result of changes in scope (see Annex 7.3.6) or changes in the format of a report to adapt them to national and international requirements.



5.1. ENVIRONMENT



The ACS Group integrates efficient resource management and environmental protection into its business objectives, operating under the principles of precaution and conservation of the natural environment to minimise the impact of its operations. Likewise, due to the climate emergency, the ACS Group aims to contribute to the transition to a low carbon economy by promoting products and services that have a smaller impact on the environment and improving the efficiency of processes in its activities.

As a result of these commitments, the company has defined an environmental management framework comprising the Group's Environmental Policy, approved by the Board on 14 November 2018 and updated on 28 July 2022, which is articulated by the different management systems implemented in the Group companies.

For this reason, the main environmental measures implemented by the ACS Group companies are governed by the basic principles of action developed in the policy. These guidelines are flexible enough to accommodate the specific procedures and mechanisms of each of the Group companies. The commitments established in the Environmental Policy are:

1. Compliance with applicable legislation and regulations, and other commitments voluntarily accepted by each of the Offices, Delegations, Projects, Works and Services performed by the ACS Group.
2. To prevent contamination, by assessing the potential environmental risks at every stage of a project, job or service, with the aim of designing processes that

minimize as much as possible the environmental impact as much as possible

3. To continuously improve management of environmental activities, by setting and following up on environmental goals.
4. To strive for transparency in external communications, by periodically publishing information about environmental initiatives to all stakeholders, meeting their demands and expectations, either in compliance with regulations or independently.
5. To enhance skills and raise awareness, by providing training and educational activities to employees, suppliers, customers and other stakeholders.

The company's environmental policy in the Group's companies is implemented through the environmental management systems, which ensure the correct management of environmental risks and opportunities, and the ongoing improvement of the company's performance.

89.6% of the Group's turnover is generated by companies that have management systems certified under the ISO 14001 standard. The Group applies the principle of precaution through these certifications. Likewise, the environmental management systems are verified by an external third party in companies representing a 94.6% of the Group's turnover and, in 2022, 877 environmental audits.

Due to the Group's activity, the consumption of natural resources, generation of greenhouse gas emissions, production of waste and the possible impact on biodiversity have been identified as key areas in the management of the company.

Level of implementation of the environmental management systems in ACS Group companies (expressed as % of operations)	2021	2022
Implementation of ISO 14001 certification	87.1%	89.6%



5.1.1. THE FIGHT AGAINST CLIMATE CHANGE

Concern about the risks arising from climate change requires Governments and companies to be involved in contributing to a production and consumption model that is less carbon intensive, and the promotion of infrastructures and services that support the decarbonisation of the economy.

As a global company, the ACS Group is aware of the important role it can play in the fight against climate change. Therefore, the ACS Group has established as part of its Sustainability Master Plan targets the promotion of energy efficiency and the reduction emissions in its business activities, and being a leader in the transition to sustainable infrastructure.

The basic principles governing the Group's actions in this area are included in the Group's Environmental Policy and focus on:

- Considering and assessing the climate change impacts of its activities, products and services.
- Minimising energy consumption and the emission of greenhouse gases generated by its activities.
- Establishing greenhouse gas emission reduction targets aligned with the latest trends and standards.
- Establishing mechanisms to manage the use of energy and emissions, to objectively measure performance and decision-making.
- Identifying opportunities to promote environmentally-friendly products and services, adapted to the potential impacts of climate change and that contribute to the transition to a low-carbon economy.

In 2022, the Group continued to develop its reporting model to be able to communicate information on risks and opportunities related to climate change. All of this following the recommendations of the Task Force on Climate-Related Financial Dispositions (TCFD), through the identification of the main risks and opportunities arising from climate change, considering different scenarios and future projections of international organisations. The aim is to continue making progress on the quantitative and qualitative reduction targets established in the Master Plan for the short, medium and long term.

GOVERNANCE

The Board of the ACS Group, as the highest governance body, is responsible for overseeing the overall climate change strategy. Through its functions, it approves the development of the policies required to meet the climate challenges of the business, leaving the Group companies responsible for developing their own management mechanisms depending on the type of activity and geographic area.

In addition, the ACS Group's Audit Committee is responsible for monitoring aspects related to climate change, as it has been given the function of supervising

internal regulations, which includes the Sustainability Policy and the Environmental Policy, and managing financial and non-financial risks. The Committee's responsibilities include the ongoing review of the implementation and development of the Group's Environmental Policy, of the action plans, procedures and improvement programmes implemented by the Environmental Department of each one of the Group's divisions, with a special focus on climate change issues.

Within the 2025 Sustainability Master Plan, the Group's governance structure was adjusted to the higher sustainability requirements, strengthening governance. In July 2022 a modification to the Environmental Policy was approved, which established that to ensure that the commitments made in the Environmental Policy, including those related to climate change, govern the activity along its global value chain, the ACS Group agreed to follow the procedures defined in its Corporate Protocol on Due Diligence in the field of Human Rights in those aspects related to respect for and protection of the environment.

STRATEGY

To meet the challenges of the climate crisis, the ACS Group has given these issues more importance in the Group's governance and management model. In addition to the basic principles of action included in the Group's Environmental Policy, the approval of the Group's Sustainability Policy defines the fight against climate change, a principle that is also stated in the Sustainability Master Plan 2025. This Plan was approved by the Board on 16 December 2021 to establish the priorities, commitments, strategic lines and targets of the ACS Group in relation to climate change. All this in order to anticipate and manage the risks arising from climate change, and to identify new opportunities with the development of new sustainable environmentally friendly solutions, and to maintain the Group's commitment to the targets established in the Paris Agreement, that set the goal of reducing greenhouse gas emissions to limit the increase in global temperature in this century to 2°C and strive to limit this increase to only 1.5°C, that latter being the current reference framework.

Thus, within the 2025 Sustainability Master Plan, the ACS Group has set itself three basic strategic lines in relation to its commitment to "Move forward climate neutrality to 2045":

- Implementing a climate strategy to move this climate neutrality forward to 2045.
- Advancing in the measurement of the carbon footprint and reducing scope 1 and 2 emissions by 2025.
- Strengthening the management of the risks arising from climate change through the implementation of international methodologies.

Each of the ACS Group companies is working on various initiatives and measures that help the Group follow this strategy and achieve these global targets set in the 2025 Sustainability Master Plan and following the guidelines set in the Group's Environmental Policy.

The ACS Group also has a risk management system that integrates financial and non-financial risks, including the risks associated with climate change. The analyses arising from the risks to which the company is exposed are considered in both the company's decision-making and in the design of the ACS Group's strategy. For this reason, ACS has a strategy that allows it to operate in such a way as to ensure the resilience of its activity in the short, medium and long terms.

MANAGEMENT OF RISKS AND OPPORTUNITIES RELATED TO CLIMATE CHANGE

To respond to the need for global and standardised risk management, the Corporate Unit has established a model which includes the identification, assessment, classification, valuation, management and follow-up of risks at the Group and operating division levels. These identified risks are used to create a risk map that is regularly updated based on the different variables that comprise it and on the Group's areas of activity.

Thus, the ACS Group's Risk Management System identifies, evaluates and updates the various risk scenarios using the categories of financial and non-financial risk to which the Group is exposed. Likewise, the ACS Group has a General Risk Map which is regularly updated, in which risks related to climate change have been identified based on their potential relevance for the company's activity, depending on the type of activity, action areas, policies and management approaches.

Therefore, as part of its commitment to continuous improvement, during this year the Group has deepened its analysis and assessment of the most significant risks and the identification of the opportunities of the ACS Group, based on the the previous year's report in which an initial identification and assessment of the most significant risks that may have implications for the company was performed. The following is a summary of the methodology, the identification and the assessment of the main risks and opportunities identified for the ACS Group in relation to climate change. The full analysis was presented by the ACS Group's Audit Committee at its meeting held on 27 February 2023. The recommendations of the Task Force on Climate-Related Financial Disposals (TCFD) were followed to report risks and opportunities related to climate change.

Definitions

Climate change risks can be classified into physical risks and transitional risks.

- Physical risks arise from the physical effects of climate change. They are considered acute if they arise from specific weather events and chronic if they arise from more progressive changes in climate patterns.

- Transition risks are the risks arising from adapting business models to a decarbonised economy. These risks are interconnected and their identification is important for stakeholders, especially investors, since inaction against these risks may have operational and financial consequences. These risks include legal, technological, market risks and reputational risks.

Climate opportunities arise both from the transition to a low-carbon economy and from adaptation to physical risks. These opportunities can be classified into five categories: opportunities related to energy efficiency, adoption of low-carbon energy sources, development of new products, access to new markets and resilience through the supply chain.

Scenarios and time horizons

As indicated in the Task Force on Climate-Related Financial Disclosure (TCFD) recommendations, several climate scenarios and time horizons have been used to assess climate risks and opportunities.

For physical risks, the scenarios SSP2-4.5 and SSP5-8.5 used by the Intergovernmental Panel on Climate Change (IPCC) in its latest assessment report (AR6) were taken as a benchmark. The SSP2-4.5 scenario is a combination of the RCP4.5 scenario, which includes an average evolution of greenhouse gas concentrations in the atmosphere and the resulting increase in the overall average temperature of 2.1°C between 2041 and 2060, and the SSP2 scenario, in which climate change mitigation rather than adaptation is favoured. The SSP5-8.5 scenario is a combination of the RCP8.5 scenario, which includes a high evolution of greenhouse gas concentrations in the atmosphere and the resulting increase in the overall average temperature of 2.6°C between 2041 and 2060, and the SSP2 scenario, in which climate change mitigation rather than adaptation is favoured. The time horizon analysed for physical risks was updated using the time horizons determined by the IPCC:

- (2021 - 2040) corresponding to the short and medium term reported in the 2021 Integrated Report.
- (2041 - 2060) corresponding to the long term reported in the 2021 Integrated Report.
- (2080 - 2100).

For transition risks and opportunities, the Stated Policies Scenario (STEPS) and Net Zero Emissions by 2050 (NZE) scenarios of the International Energy Agency (IEA) were taken as a reference. The STEPS scenario is based on current policies and explores its consequences for climate change. The NZE scenario is based on the result of limiting global warming to 1.5°C and includes the policies necessary to meet this objective. The following time horizons have been updated for transition risks, using the transition scenarios analysed:

- (2022 - 2035) corresponding to the short and medium term reported in the 2021 Integrated Report.
- (2036 - 2050) corresponding to the long term reported in the 2021 Integrated Report.

Methodology

To identify and assess the specific risks and opportunities related to climate change, a structured methodology was applied in the following phases:

1. Comprehensive analysis of the documentation: internal and external, including the review of the risks identified in the previous year.
2. Identification of potential risks:
 - Taking the list of physical hazards in the EU Taxonomy and the recommendations of the TCFD as a reference for physical risks.
 - Taking the recommendations of the TCFD as a reference for transitional risks.
3. Semi-quantitative assessment of the potential risks identified:
 - The analysis for physical risks was based on the scenarios and time horizons considered and on the three main risk components: exposure, vulnerability and hazard:
 - "Exposure" assesses the locations that could be negatively affected by a physical hazard arising from climate change.
 - "Vulnerability" assesses the probability of being negatively affected by a physical hazard arising from climate change.
 - "Hazard" assesses the impact or extent of the damages and losses caused by a physical hazard arising from climate change

- The initial data for the exposure levels were taken directly from the CMIP6² while the risk and vulnerability analysis was performed qualitatively, based on a review of scientific literature, relevant publications and the input of the main ACS areas.
- A qualitative assessment of the probability and impact components was performed for risks and transition opportunities.
 - Probability of materialisation of the risk/opportunity based on the scenario and time horizon considered.
 - Potential financial or reputational impact or impact on operations of risk, depending on the scenario and time horizon considered.
 - The impact and probability analysis was performed qualitatively based on the review of scientific literature, relevant publications and the input of the main ACS areas.

The identification and assessment of climate risks and opportunities was performed globally for the three main ACS business divisions. The qualitative assessment of the components of each physical risk was performed with a scale of 5 levels: very low, low, medium, high and very high. Exposure was calculated based on the climate projections of climatic variables associated with each physical hazard and each scenario and time horizon.

The most significant risks classified based on their risk level are presented in the following tables. Physical risks were aggregated by type, taking into account the relative importance of each geography and business division.



² Sixth Coupled Model Intercomparison Projects (CMIP6), the latest project to intercompare coupled climate models used by IPCC (IPCC, 2021)

Assessment of the main physical risks

Risks	Description	Potential impact	Scenario analysis
Increase in the severity and frequency of weather events (acute)	Climate change is expected to affect the magnitude and frequency of extreme weather events: - Increased overall average temperature would mean higher intensity of strong precipitation. - Increase in magnitude and frequency of expected strong precipitation at the global level could lead to an increase in the frequency and magnitude of floods. - Climate change will foreseeably amplify the impact of cyclones on regions where ACS operates. - An increase in the impacts caused by storms or tornadoes in regions where ACS operates is also possible.	Extreme weather events can cause: - Direct losses due to material damage to the structure of the construction works, which may lead to an increase in maintenance and repair costs. - Disruptions and delays in construction work may lead to a loss of income. - Safety issues, including hazardous conditions for workers. This may lead to an increase in spending on safety and prevention. - The non-operability of certain infrastructures, causing a decrease in income from concessions.	2021-2040 SSP2-4.5
			2041-2060 SSP2-4.5
			2061-2100 SSP2-4.5
			2021-2040 SSP5-8.5
			2041-2060 SSP5-8.5
			2061-2100 SSP5-8.5
Extreme weather events related to temperatures (acute)	Climate change is expected to affect the magnitude and frequency of extreme climate events related to temperatures: - Climate risk of forest fires is increasing worldwide due to global heating. In the highest heating, the magnitude and frequency of forest fires are expected to increase in a alarming way. - Heat waves are expected to increase in duration, intensity and frequency in most regions in the world. - Cold waves could be more frequent and intense in certain regions where ACS operates despite the overall increase in minimum temperatures.	Extreme weather events related to temperatures can cause: - Direct losses due to material damage to the structure of the construction works, which may lead to an increase in maintenance and repair costs. - Disruptions and delays in construction work may lead to a loss of income. - Safety issues, including hazardous conditions for workers. This may lead to an increase in spending on safety and prevention. - The non-operability of certain infrastructures, resulting in a decrease in income from concessions.	2021-2040 SSP2-4.5
			2041-2060 SSP2-4.5
			2061-2100 SSP2-4.5
			2021-2040 SSP5-8.5
			2041-2060 SSP5-8.5
			2061-2100 SSP5-8.5
Disruptions in the supply chain caused by extreme weather events (acute)	Increased frequency and intensity of extreme weather events may stop the activity of material producers or cause impediments to the transport of them: - Extreme weather events affect transport infrastructure, causing problems in the movement of goods. - The negative economic impact is passed along the supply chain, transferring physical risks between sectors and borders. - Indirect effects through the supply chain and transport and electricity networks can be as important as direct effects.	Increased frequency of supply chain disruptions caused by extreme weather events would entail: - Disruptions in construction works, which may lead to delays causing profit losses. - Increase in the price of certain materials due to disruptions in the supply chain, resulting in higher costs.	2021-2040 SSP2-4.5
			2041-2060 SSP2-4.5
			2061-2100 SSP2-4.5
			2021-2040 SSP5-8.5
			2041-2060 SSP5-8.5
			2061-2100 SSP5-8.5

Code

	Very high risk		Average risk		Low risk		Very low risk
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Assessment of the main risks transition

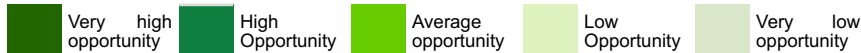
Risks	Description	Potential impact	Scenario analysis		
Reputational damage caused by climate change (reputational)	<p>The growing awareness of climate change in society can lead to poor public opinion of the company and the sector:</p> <ul style="list-style-type: none"> - As decarbonisation progresses, the focus of public opinion may shift towards the construction sector. - The construction sector still has great potential to reduce its emissions. In particular, buildings have an important role in mitigating climate change. - The financial sector could penalise carbon-intensive sectors that do not show adequate ambition for climate change or that do not meet their climate targets. 	<p>Reputational damage caused by climate change could entail:</p> <ul style="list-style-type: none"> - Reduced project concession. - Increased difficulty in attracting talent. - Reduced access to financing. 	2022-2035	NZE	
				STEPS	
			2036-2050	NZE	
				STEPS	
Increase in borrowing costs (market)	<p>The ecological transition can significantly affect the cost of financing:</p> <ul style="list-style-type: none"> - Financiers are subject to increasing pressure at the regulatory and reputational level to decarbonise their investment portfolio, moving this pressure to the companies in which they invest. - The EU Taxonomy framework may encourage changes in the notions of private investments towards activities that substantially contribute to environmental objectives. - Climate aspects have greater influence when redirecting investment flows or to obtain better credit conditions. 	<p>An increase in borrowing costs would entail:</p> <ul style="list-style-type: none"> - Increased difficulties in implementing certain projects. - A loss of overall profitability in the various activities affected. - Loss of competitiveness in the event of unfavourable relative positioning. 	2022-2035	NZE	
				STEPS	
			2036-2050	NZE	
				STEPS	
Increase in prices or decrease in insurance coverage (market)	<p>While extreme weather events increase in frequency, it is expected that they will have a greater impact on insurance companies:</p> <ul style="list-style-type: none"> - There is an increasing risk that insurance will not cover natural disasters and extreme weather events related to climate change. - Damages caused by climate events are an obstacle to the profitability of the offered policies. 	<p>Increase in prices or decrease in insurance coverage would mean:</p> <ul style="list-style-type: none"> - Increase in insurance contracting costs, which could reduce the profitability of the projects developed. - Increased exposure to the physical risks of climate change, which could entail greater economic losses in the future. 	2022-2035	NZE	
				STEPS	
			2036-2050	NZE	
				STEPS	
Increase in the price of greenhouse gas emissions (regulatory)	<p>Emissions or carbon tax trading schemes are tools increasingly used by regulators to decarbonise the economy:</p> <ul style="list-style-type: none"> - The current trading schemes could be extended to other sectors indirectly affecting ACS, as was the case with the European trade scheme with fuel suppliers in the building and transport sectors. - Emissions or carbon tax trading schemes could be applied in the construction sector that directly affect ACS transactions. - Emissions trading schemes lead to a progressive increase in carbon price. This increase is higher in a global decarbonisation scenario. 	<p>An increase in the price of greenhouse gas emissions might entail:</p> <ul style="list-style-type: none"> - Increased project cost through carbon taxes or other mandatory mechanisms. - Higher cost of offsetting carbon emissions on a voluntary basis. 	2022-2035	NZE	
				STEPS	
			2036-2050	NZE	
				STEPS	
Regulation of project specifications and services. (regulatory)	<p>The energy transition may involve changes in project specifications, arising directly from regulation or indirectly through the decarbonisation needs of end customers:</p> <ul style="list-style-type: none"> - Public procurement can integrate anti-climate change criteria, such as emission reduction and carbon footprint, into its performance catalogue. - Management may require its contractors to publicly disclose climate-related information, such as their decarbonisation targets and climate risks. 	<p>The response to the new legal requirements could entail:</p> <ul style="list-style-type: none"> - A general reduction in the profitability of the business model due to the adaptation of production processes and the value chain to the new specifications. - Loss of profit margin in construction projects. 	2022-2035	NZE	
				STEPS	
			2036-2050	NZE	
				STEPS	
Increase in the cost of raw materials (market)	<p>Effective climate change policies and investments in low-carbon technologies could increase the price of raw materials:</p> <ul style="list-style-type: none"> - In a global decarbonisation scenario, there is a greater risk that fossil fuel prices will increase. - Increased energy cost or a greater effort to decarbonise production processes could increase the prices of construction materials such as cement and steel. - The placement on the market of substitutes of low-carbon construction materials could make them more expensive. 	<p>An increase in the cost of raw materials might entail:</p> <ul style="list-style-type: none"> - A reduction in the profitability of certain projects. - Loss of competitiveness in the market. - Low supply of low-carbon raw materials that could reduce ACS' ability to respond to calls for tenders with these criteria. 	2022-2035	NZE	
				STEPS	
			2036-2050	NZE	
				STEPS	

Code

	Very high risk		Average risk		Low risk		Very low risk
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Assessment of the main opportunities					
Opportunity	Description	Potential impact	Scenario analysis		
Expansion of the market to construct climate change adaptation solutions (market)	Considering the possible impacts of climate change on the future: - The governments of most countries have designed plans to adapt to climate change, which is expected to increase the mobilisation of public and private resources to finance structures and services for adaptation. - Achieving resilience in key infrastructures such as roads, buildings, water, airports, etc. will be necessary.	The need to develop infrastructure resilient to climate change can lead to the following opportunities: - Increased need to construct/develop infrastructure and buildings that contribute to adaptation to climate change. - The need is expected to be global and not only would the number of potential projects increase, but it could also lead to an opportunity to reach new markets/countries	2022-2035	NZE	High Opportunity
				STEPS	Low Opportunity
			2036-2050	NZE	High Opportunity
				STEPS	High Opportunity
New opportunities related to the electrification of the economy (electricity transport, battery construction) and renewable energy (market)	The deployment of renewable energy and the electrification of the various sectors could involve: - Connecting these new energy sources with companies and consumers will require significant improvements to the existing energy infrastructure. More intelligent and more responsive networks are necessary to ensure that clean energy is sufficiently reliable and flexible to meet future demand. - Storage deployment will also be required and a significant increase in battery development is expected. - In Spain, the increase in renewable energy would increase the added value of the construction sector significantly (from EUR 1,920 million in 2021 to EUR 2,995 million in 2030 as a result of investments in housing refurbishment and the deployment of all the infrastructures necessary to deploy renewable energy or electric cars).	The increasing deployment of renewable energy sources and the commitment to the electrification of the economy could open up opportunities such as: - New projects/tenders to construct the infrastructures for the expected deployment of renewable energy and the electrification of other economic sectors/activities. - Partnerships for R&D development, positioning the Company in new markets and countries.	2022-2035	NZE	High Opportunity
				STEPS	Low Opportunity
			2036-2050	NZE	High Opportunity
				STEPS	High Opportunity
Other opportunities identified	Other opportunities identified that could potentially have a significant impact on the Company are: - New opportunities related to the decarbonisation of the transport sector (railways, public transport systems) - Construction/renovation of water infrastructure - Increase in demand for the refurbishment of buildings with energy efficiency criteria - Actions to improve operational efficiency (reduction in water and energy use, innovation in product cycles...)				

Code



The ACS Group bases the Risk Control System on a range of strategic and operational actions to mitigate these risks and meet the objectives set by the Board. Therefore, as regards the risks related to climate change, the main risk management and mitigation measures are determined by the commitments and basic guiding principles defined in the Group's Environmental Policy and in the strategic lines and objectives set out in the ACS Group's 2025 Sustainability Master Plan, which include:

- Implementing a climate strategy to move climate neutrality forward to 2045.
- Reduction in scope 1 and 2 emissions by 2025 and 2030, and progress in measuring scope 3 emissions.
- Strengthening the management of the risks arising from climate change through international methodologies.
- Preventing and minimising environmental impacts through the objective of zero environmental incidents with severe damage and increasing environmental management systems certified under ISO 14001.
- Adapting the Group's governance structure to the highest sustainability requirements.
- Strengthening internal/external communication.

- Taking advantage of the new forms of sustainable financing provided by the market.
- Anticipating and complying with regulatory requirements and better reporting standards.

Similarly, the analysis performed in 2022 identified the main measures to adapt to the physical risks arising from climate change that should be implemented in the ACS Group's main lines of activity.



The ACS Group's leadership position in the infrastructure sector, and the actions performed by the various ACS Group companies in the fight against climate change, means that the Group is also well positioned with a competitive edge to take advantage of the opportunities arising from climate change mitigation and adaptation activities.

In regard to the opportunities identified, the ACS Group has consolidated experience in the development of environmentally friendly products and services, adapted to the impacts of climate change and contributing to the transition to a low-carbon economy. In 2022 the projects managed by the ACS Group in Green Building and Green Infrastructure reached the 12.935 million euros in 2022 (compared to 10,763 millions of 2021) and represent 41.2% sales of ACS Group Construction.

One of the strategic lines in the ACS Group's Sustainability Master Plan is to guide the provision of sustainable solutions (design, materials, mitigation/adaptation to climate change, etc.) in the projects performed by the Group, including the goal of achieving 45% of infrastructure sales in projects with sustainable certification in 2025.

The ACS Group also participates in the development of innovative applications in the field of transport, energy storage and mobility, and in the use of more efficient construction materials and processes within the framework of the fight against climate change.

Thanks to the overall positioning of the ACS Group, its solid track record, together with the local presence in key developed markets, the ACS Group is also in a position of competitive advantage to maximise the opportunities offered by certain key and highly growing sectors such as the construction of the infrastructure necessary for the energy transition that includes the battery manufacturing capacity for large scale electric vehicles or for the electricity supply and the development of new energy projects. Examples of the implementation of this growth strategy in new generation markets are the awards achieved by the Group in the last 12 months, such as the battery power plant for Honda and LG Energy in Ohio (US), the project to construct a battery recycling factory amounting to approximately US \$1,000 million in Kentucky (US) and the installation of a high-voltage infrastructure and a battery energy storage system provided by Tesla in Queensland (Australia) together with a solar park on the same site, which will allow stored energy to be transmitted to the electricity network from early 2025, among other examples.

 **3.1. Construction**

Similarly, the data obtained by the ACS Group in an initial EU taxonomy analysis show that activities are performed in key sectors identified by the European Commission as contributing to the transition towards a low-carbon economy and society.

 **5.11 Taxonomy of the European Union**

TARGETS AND MONITORING INDICATORS

To effectively monitor the commitment taken on by the ACS Group in relation to climate change, GHG emissions are monitored at all of the Group's levels. In fact, it is increasingly common among the Group companies to have their own carbon footprints certified by an independent external party.

The methodology for calculating the carbon footprint is in the process of continuous improvement and the ACS Group, adhering to its 2025 Sustainability Master Plan, is improving the scope and quality of the data reported, especially in emissions of scope 3. In 2022 the ACS Group continued to standardise the processes and standards for their collection and reporting, which entails, where possible, restatement of previous years to show the same scope and methodology.

In 2022, the upturn in ACS Group activity led to an increase in emissions of scope 1 and 2 in absolute terms of 1.8%. However, in relative terms, this is the generation of issues as regards the sales level, the level of intensity of the emissions in scope 1 and 2 is in 15.6 EUR tCO₂eq/mn in 2022 as regards 18.6 EUR tCO₂eq/mn in 2021, which implies a reduction by 16.0%

It is very important to consider that, given the size and diversification of the ACS Group, the evolution of the Group's activity itself, the mix of projects developed in the year, and the stage of the large projects, may significantly affect the year-on-year performance of the issues in absolute terms. However, all ACS Group companies are taking initiatives to consolidate the trend of reducing the emissions generated in the various activities and to achieve, despite the changes in activity, the targets set in the Group's Sustainability Master Plan for the short, medium and long term, as demonstrated by the 28.7% reduction in scope 1 and 2 emissions compared to 2019³.

Regarding scope 3 emissions, the ACS Group companies made a significant effort in reporting to include in this category in 2021 and 2022, the emissions generated through employee travel, in the consumption of construction materials, in the treatment of waste and other emissions identified in the value chain. The increase in scope 3 emissions in 2022 is due, on the one hand, to the increase in activity, which entails greater consumption of materials, travelling again after the restrictions during the pandemic and advances in data collection.

³ For the sake of comparability, all data presented under this heading have been restated to show the same scope of consolidation and calculation methodology as in 2022

The evolution of the calculation of emissions in the last four years of the ACS Group is included below. For the sake of comparability, all data presented under this heading have

been restated to show the same scope of consolidation and calculation methodology as in 2022.

CO2 emissions (TCO2eq) (1)				
	2019	2020	2021	2022
Total ACS Group	3,255,088	2,371,245	3,996,573	4,703,532
Scope 1 (2)	532,412	391,217	381,261	389,195
Scope 2	184,456	115,173	120,294	121,602
Scope 3 (3)	2,538,219	1,864,855	3,495,018	4,192,735
Emissions intensity (tCO2eq/mn € sales)	107.9	88.6	148.2	143.9
Scope 1 (2)	17.6	14.6	14.1	11.9
Scope 2	6.1	4.3	4.5	3.7
Scope 3 (3)	84.1	69.7	129.6	128.3

Note: Data shown excluding Industrial Services, following its sale in December 2021, and Thies, following the sale of a 50% stake in December 2020 and its equity-accounted consolidation in 2021.

	2020	2021
Construction: total emissions	3,787,036	4,375,754
Scope 1 (2)	360,060	367,858
Scope 2	117,478	120,935
Scope 3	3,309,498	3,886,961
Emissions intensity (tCO2eq/mn € sales)	149.4	141.4
Concessions: total emissions	2,261	2,122
Scope 1	2,134	1,907
Scope 2	78	128
Scope 3	49	87
Emissions intensity (tCO2eq/mn € sales)	25.6	23.4
Services: total emissions	207,276	325,656
Scope 1	19,067	19,431
Scope 2 (4)	2,738	539
Scope 3	185,471	305,687
Emissions intensity (tCO2eq/mn € sales)	135.7	197.6

(1) For the calculation of Scope 1 emissions, the conversion factors provided by Defra (Department for Environment, Food & Rural Affairs) for the different types of fuels reported in the report have been taken as a general reference. For Scope 2, the conversion factors provided by Carbon Footprint for the different geographical areas are taken as a general reference. In Scope 3 within the employee travel conversion is calculated using Defra's conversion factors for each type of transport as a reference.

(2) Construction includes HOCHTIEF and Dragados. HOCHTIEF includes all companies under operational control (excluding construction JVs). In HOCHTIEF, natural gas consumption is not included in the calculation of emissions in 2019 and 2020, as 2021 was the first reporting year.

(3) Scope 3 emissions include in 2021-2022 emissions concerning supply chain, waste management, employee travel and others. In 2019-2020 only employee travel and supply chain emissions were included in HOCHTIEF.

(4) The reduction of Scope 2 emissions in Services is due to the purchase of renewable electricity with a guarantee of origin.

In addition to the emissions generated through its operating business, the ACS Group has shares in different companies, with the most significant being: Abertis (30% share through the ACS parent and 20% through HOCHTIEF) and Thies (50% share through Cimic).

Seeking to advance in the the calculation and scope of indirect emissions, the ACS Group reported for the first time the greenhouse gas emission indicators (scope 1, 2 and 3) of its main

financial investments that are consolidated in the ACS Group due to their equivalence.

The emissions data presented here correspond to Group's proportional share in terms of its percentage of contribution to operating profit. These emissions are not being included in the scope 3 operational emissions previously reported, to avoid distortions in the intensity ratios.

GHG Emissions Abertis (tCO ₂ eq)	2022	
	Total reported	% stake ACS Group
Scope 1	46,715	23,358
Scope 2	34,183	17,092
Scope 3	687,286	343,643
Total	768,184	384,092

The ACS Group has an ownership interest of 50% in Abertis at the operating level. The emissions shown here are presented in accordance with this percentage of contribution to operating profit and are calculated based on the data published by Abertis in its Consolidated Annual Report 2022 (<https://www.abertis.com/es/el-grupo/informacion-financiera/informe-anual>).

GHG Emissions Thies (tCO ₂ eq)	2022	
	Total reported	% stake ACS Group
Scope 1	2,150	1,075
Scope 2	2,810	1,405
Scope 3	2,965,800	1,482,900
Total	2,970,760	1,485,380

Cimic owns a 50% stake in Thies. The emissions shown here are presented in accordance with this percentage contribution to operating profit and are calculated based on data published by Thies in its Sustainability Report 2022 (<https://thies.com/es/sustainability>).

The ACS Group will continue to work to expand the reporting of scope 3 emissions, including improvements in measurement and relevant categories so that quantitative reduction targets can be set in 2025 at 2030.

In 2022, the various ACS Group companies worked on various initiatives adapted to their activity to achieve the other targets set by the Group in relation to climate change in the 2025 Sustainability Master Plan related to:

- Implementing a climate strategy to move climate neutrality forward to 2045
- Reduction of scope 1 emissions by 35% in 2030, with an intermediate reduction target of at least 15% by 2025.
- Reduction of scope 2 emissions by 60% in 2030, with an intermediate reduction target of at least 30% by 2025

INITIATIVES TO REDUCE EMISSIONS

Clece remains strongly committed to sustainability and energy efficiency, implementing various consumer savings measures and minimising our carbon footprint. The various actions include:

- Carbon Footprint: Certification of 21 Stamp and Subsidiaries companies adhering to ISO 14064-1: 2018 of Carbon Footprint, including categories 3.4, 5 and 6.
- Solar Energy: Installation of photovoltaic panels in several sites, with a total of 810 kW installed. This will result in estimated savings of 1,157,227 kWh and a reduction in emissions of 358 tonCO₂.
- Biomass: Installation of 2 thermal power plants with Biomass boilers. One at the San José de Bárcena nursing home, and one at the Residencia Baño Salud nursing home This will lead to a reduction in emissions of 319 tonCO₂.
- 100% of lighting in the Clece Vitam HQ offices (20) and private residences is LED lighting. Ending this year with the Integra offices in Madrid.
- 98% of electricity consumption comes from renewable energy sources.
- In the last quarter, some main offices were closed on Fridays with the aim of reducing energy consumption. In addition, the standard temperature have been adjusted and air conditioning and heating schedules timetables have been rationalised, achieving savings of 107,712 kWh in the last quarter of the year, which represents an average saving of 27% compared to 2021.
- 18 charging points for electric cars have been installed.
- Green Fleet: 30% of Clece's car fleet are ECO or CERO cars.

CAR FLEET ELECTRIFICATION AND OTHER REDUCTION INITIATIVES AT TURNER

Turner aims to convert its entire car fleet into electric vehicles. Since 2022, it has had thirteen fully electric vans, an initial milestone on the road to Scope 1 carbon neutrality. Turner also replaced 60 diesel generators with hybrid models with battery.

In a project in San Diego, California, Turner partnered with a battery supplier to test a system that optimises the size of the necessary generator, while reducing the total operating cost. A conventional 500 kW generator was replaced by a smaller 200 kW unit. The battery storage system was also replaced.

Several tower cranes were included in the pilot project, which made it possible to compare them directly with a conventional 500 kW machine.

Overall, the pilot project reduced operating time by 50%, resulting in 46% less fuel consumption and 39% less total emissions.

REDUCTION OF EMISSIONS OLYMPIA-ODOS MOTORWAY (HOCHTIEF PPP Solutions)

The Olympia-Odos highway, operated by HOCHTIEF PPP Solutions in Greece, reduced its carbon footprint by more than 25% between 2017 and the end of 2022.

The team implemented innovative programmes and continuously developed climate change mitigation and environmental protection measures. Initiatives include LED lighting, electric vehicles, hybrid tolls based on mileage and atmospheric water generation.

All the energy needs of the highway are met with renewable energy, reducing emissions by approximately 16,300 tons of carbon dioxide equivalent per year.



OFFSETTING EMISSIONS IN VIAS

In 2022, VIAS calculated the greenhouse gas (GHG) emissions associated with the exercise of its own works in 2021, had them verified by an accredited external entity and entered them in the Registry of carbon footprint, CO2 offsetting and absorption projects kept by the Ministry for the Environmental Transition and the Demographic Challenge,

VIAS achieved a 14.43% reduction in the average intensity of greenhouse gas emissions in the 2019-2021 period compared to the 2018-2020 period, for the 1+2 scope, fulfilling with its commitment to reducing GHG emissions.

In order to help mitigate climate change, VIAS offset 94.17% of the carbon footprint of its own works in scopes 1+2 (1.09% in a national reforestation project and 93.08% in an international hydropower project).

In this way, VIAS took another step to achieve carbon neutrality in the future of its direct and indirect GHG emissions from imported energy.

Some of the actions carried out by VIAS to reduce GHG emissions and the offsetting projects in which it participated are described below:

- Efficient driving courses. Techniques and habits to optimise fuel consumption.
- Purchase of green energy. Selection of marketers that produce 100% renewable energy, or obtaining guarantees of renewable origin, granted by the National Market and Competition Commission (CNMC).
- Reuse of excavated natural material and stone waste instead of recovering them outside the work site and providing material.
- Work site implementation of alternative solutions to the project solutions approved by the Customer which represent a reduction in emissions compared to the initial project solution. These actions were basically aimed at optimising construction materials and incorporating materials with low emissions throughout the product's life cycle.
- Use of electric and hybrid vehicles (gasoline-LPG, gasoline-CNG).
- Replacement in conventional lighting work with energy-efficient LED lighting.
- Pilot test in the execution of a residential building work consisting of replacing the standard power generation model (conventional generators) by a more efficient hybrid model of Battery Packs + Stage V generator with motorization. This average lead to a 51% reduction in fossil fuel consumption in the period considered.

In 2022, VIAS once again offset some of its GHG emissions through the absorption project, registered in the 'Section B' of the Carbon Footprint, Compensation and Absorption Projects Registry: Forest restocking at the CMVMC in Borela (Pontevedra).

Another measure taken by VIAS in 2022 to mitigate climate change is the offsetting of emissions through Certified Reductions of emissions (CERs), a process supervised and certified by the United Nations. This offsetting was made through the voluntary purchase of 1,530 certified emission reductions (CERs), equivalent to Tn CO2, of the "Hydropower Project in Uttarakhand" for greenhouse gas mitigation (GHG) implemented in India, a developing country within the framework of the Clean Development Mechanism (CDM). This project not only reduces greenhouse gas emissions, but also contributes to the sustainable development of the country where it is implemented, and is certified by the United Nations Framework Convention on Climate Change (UNFCCC).

In 2022, ACS Group companies performed actions to reduce GHG emissions, with an estimated emission savings of 19,906.8 of tonnes of CO2 in initiatives such as electricity supplies with a guaranteed renewable origin or vehicle replacement and substitution, as shown in this chapter.

The ACS Group has also committed to minimising emissions other than Greenhouse Effect Gases (GHG) emissions, taking into account other pollutant gases (NOx, SOx or ozone-depleting substances), noise emissions and other possible disturbances arising from the activity such as light pollution.

SUSTAINABLE CONSTRUCTION

One of the indirect impacts of the ACS Group's activity that can have the greatest impact on climate change is the operation of the infrastructure that is constructed. According to recent estimates published by A World Green Building Council, building and the construction sector represented 37% of carbon emissions from energy consumption and 34% of world energy consumption in 2021⁴. For this reason, the ACS Group promotes sustainable construction in its projects, following the main standards in this area.

Since 1999, 1,148 HOCHTIEF projects have been registered and certified according to different certifications in terms of efficient building and in 2022 183 projects under construction that applied for sustainable certification. By type of certification, in Turner's constructions, the LEED standard predominates, while CIMIC uses the Australian Green Star Methodology of the GBCA (Green Building Council of Australia) and LEED. The main certifications used by HOCHTIEF Europe are DGNB, LEED and BREEAM.

Since 2013, 60 projects have also been certified in terms of efficient infrastructure (CEEQUAL, ISCA and Greenroads) and in 2022 HOCHTIEF had 19 infrastructure projects applying for this type of certification in its portfolio. In 2017, Dragados also began to obtain certification for different construction projects certified under LEED and BREEAM, and over the last three years, the objective has been extended to infrastructure projects.

In 2022, through HOCHTIEF and its subsidiaries, the Green Building and Green Infrastructure projects managed totalled 11,806 million euros in 2022 (compared to 9,775 million euros 2021), while, in the Dragados Group, turnover of sustainable certification construction projects was 1,129 million in 2021 (compared to 988 million 2021). Thus, the consolidated sales figure for projects with sustainable certification in the Group's construction area amounted to EUR 12,935 billion in 2022, which represents an increase of 20.2% compared to 2021, amounting to 41.2% of the ACS Group's total Construction sales.

SUSTAINABLE HOCHTIEF CERTIFICATION CONSTRUCTION	2021	2022
Completed Green Buildings*	1,102	1,148
Certifiable Green Buildings		183
Completed Green Infrastructures** *	54	60
Certifiable Green Infrastructures		36

* Total number (since 1999) of Green Buildings completed by HOCHTIEF. In each case, the buildings certified at the end of the year are presented.

** Total number (since 2013) of Green Infrastructures completed by HOCHTIEF. In each case, the infrastructures certified at the end of the year are presented

Construction of sustainable buildings classified as Green Building allows emissions to be reduced, during the project execution phase (which is performed with sustainable materials, works contracts at regional level, etc.), and over the life cycle of the project. According to a study conducted by the US Department of Energy⁵, buildings with LEED certification consume 25% less energy and 11% less water than conventional buildings, while Australia's Green Building Council indicates in a study⁶ that Green Star certified buildings

greenhouse gas emissions decreased by 62% and water consumption by 51%. In addition, and as mentioned above, in the ACS Group companies, one of the fundamental pillars of the R & D area is the development of new material projects. The ultimate aim is to identify materials that promote the resilience of the infrastructure in response to increasingly extreme weather events resulting from climate change, and the reuse of materials and better use to reduce the consumption of raw materials.



⁴ Source: World Green Building Council, 2022 Global Status Report for Buildings and Construction

⁵ Source: "Re-Assessing GreenBuilding Performance," September 2011.

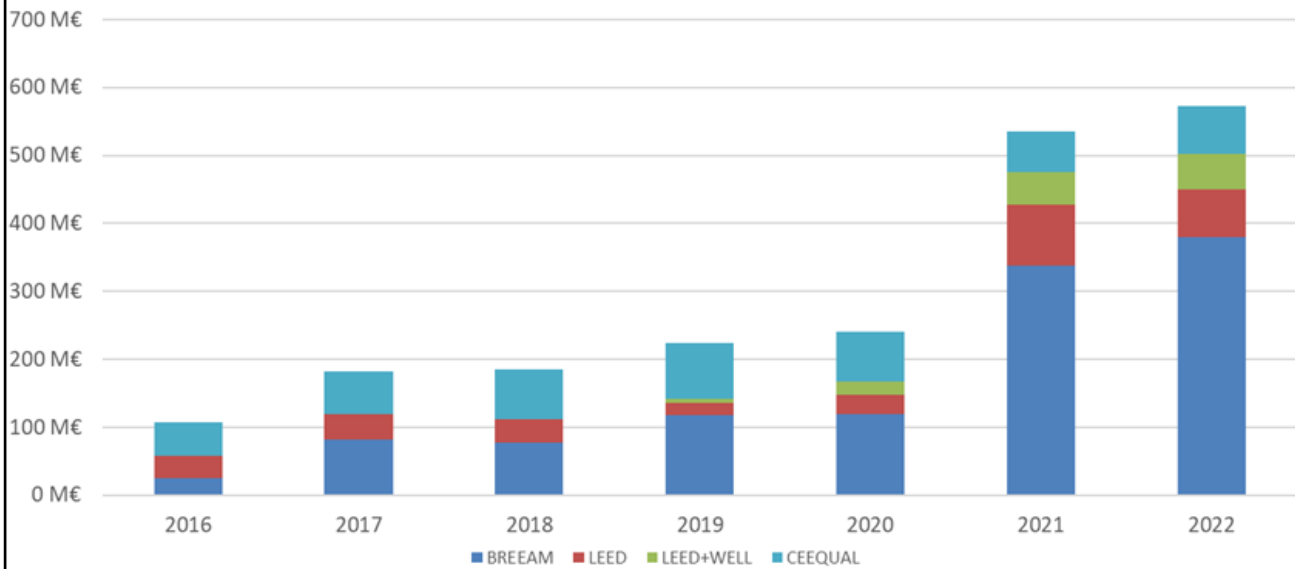
⁶ Source: "The Value of Green Star," 2013.

SUSTAINABLE CONSTRUCTION IN SPAIN AND THE UNITED KINGDOM

The number of projects, both construction and civil works, with some type of sustainable certification is growing year after year. In 2022, the Dragados Group had a total of 47 works in progress with LEED, BREEAM, WELL, ENVISION or CEEQUAL certification, the sales figure of which represented 21% of the Group's total sales.

The evolution of the sales of Dragados, S.A. in sustainable construction projects in Spain and the UK continues to grow, placing Dragados as one of the market leaders in this type of construction. It should be mentioned that construction of a hotel with an exceptional BREEAM certification began in 2022.

SUSTAINABLE CONSTRUCTION SALES IN DRAGADOS, S.A.
(SPAIN AND UNITED KINGDOM)



ENERGY CONSUMPTION

Energy is one of the main resources used by the ACS Group companies and, as part of the fight against climate change, the ACS Group is committed to energy efficiency and renewable energy. The Group's energy consumption is defined annually, to a large extent, based on the weight of the works performed during the year since, given the Group's high degree of diversification, there are activities with greater energy intensity. Energy consumption in 2022 decreased by 0.6% compared to the previous year.

Despite the increase in activity in 2022, the mix of projects and the measures performed by the various Group companies led to a reduction in energy intensity of 18.0%.

In 2022 the ACS Group companies consumed 57,978,910 kWh from renewable energy sources.

Energy Consumption (kWh)	2019	2020	2021	2022
Total ACS Group	12,669,431,610	1,663,427,356	1,863,998,130	1,852,102,031

	2021	2022
Construction	1,750,213,747	1,748,249,532
Concessions	7,300,361	6,435,803
Services	106,484,022	97,416,696
Energy Intensity ACS Group (kWh/mn Euros Sales)	69,134	56,676

Note: Since 2020, data restated for Industrial Services sale and Thiess' 50% participation

(1) In 2021 calculations of Hochtief's natural gas consumption are included for the first time



The different companies that form part of the ACS Group have developed investments and implemented measures to reduce energy consumption, with the implementation of LED lighting in the main projects, the implementation of

systems to control and optimise consumption and the replacement of equipment with less energy intensive equipment.

USE OF HYPER PILES IN EUSTON STATION (DRAGADOS)

The high-speed railway project High Speed 2 (HS2) is a development in full operation throughout England. Its first phase of which starts in London (Euston Station) and ends in Birmingham (Curzon Station). Dragados and its partners were awarded the design and construction contract for both stations.

Temporary offices will be built for the entire duration of the project for the remodelling of Euston Station. This building (Maria Fidelis Building) will consist of 6 floors and a terrace (5,500 m² housing up to 2,500 workers). An innovative foundation system called HIPER (Hollow Impressed Precast Energy Reusable) piles, "hollow piles", was used. This is the first time that they are used in a structure in use in the world. The shafts inside these piles will serve as a tool to obtain the energy to supply the building during its useful life (providing hot water for sanitary use and heating in the building).

The objectives of using this solution could be summarised as follows:

- Reduction of around 70% of the materials used with respect to conventional piles. An estimated reduction of 280 m³ of concrete and 17,500 kg of steel.
- Reducing the depth of the piles through impressions in the ground to increase shaft resistance (around 40% increase). In the specific case of Euston Station, the depth of the conventional piles envisaged was between 23 and 32 m, and the execution of HIPER Piles has involved piles between 16 and 22 m deep.
- Use of piles as a geothermal tool, the central shaft of which increases capacity by 60% if compared to conventional piles of pipes concreted on site, designed for this geothermal function.
- The possibility of drilling through this shaft in the future, being able to increase the capacity of the structure.
- Building these piles in prefabricated sections, which would give the possibility to reuse these parts when the building reaches the end of its useful life.

The last two objectives are very specific to the use that will be given in Euston Station HS2, as it is a building that will be in use for around 10 years.

Finally, for the foundation of the Maria Fidelis Building, a total of 41 on-site piles and 5 prefabricated piles were built.

Once the piles have been built, all the elements necessary for the operation of the geothermal part are installed. The first step is to fill the central shaft of the pile with water. The GSHP (Ground Source Heat Pump) system weights are then positioned at the bottom of the pile to place the ducts through which the water will be pumped, obtaining the geothermal energy necessary to heat the water of the future offices, which will also be used for heating.

This innovation was an important milestone for both the project and Dragados. Being part of the first installation in the world of this type of pile for a structure in use represents a great opportunity to continue advancing towards several objectives, such as the reduction in the use of materials, the associated cost, and a decrease in the depth of the pile through impressions on the ground. And, of course, the great environmental progress involved in reducing the use of concrete and steel, increasing geothermal capacity, and reducing consumption of other types of energy.

As regards execution in the works, the temporary building serves to identify different points for improvement, both in on-site and prefabricated piles, to improve efficiency in the works and continue to develop procedures for more sustainable construction.

USE OF POWER STORAGE SYSTEMS FOR TOWER CRANES

Turner and Aggreko partnered to build a piles system that eliminates the need to oversize the power plant of the tower cranes and reduces operating costs. The use of hybrid battery energy storage solutions (BESS) adjusts the size of the generators to perform heavy lifting and disconnects them during period with no loading. As part of the IQHQ RaDD pilot project, the conventional 500-kilowatt Tier-2 generator was replaced by a smaller Tier-4i power plant of 200 kilowatts and a 240 kilowatt/120 kilowatt hour BESS. The operating time was significantly reduced, which is equivalent to a 46% reduction in fuel consumption.

5.1.2. CIRCULAR ECONOMY: SUSTAINABLE USE OF RESOURCES AND WASTE MANAGEMENT

The promotion of a circular model that prioritises reducing and optimising the use of materials and efficient waste management is another one of the priority action areas of the ACS Group. Consequently, the ACS Group is working to:

- Minimise the impact to use of materials and waste management, taking into account the life cycle of projects and services.
- Promote the use of environmentally responsible materials adhering to the best practices outlined in the Group's Building Materials Policy.

- Give priority to operating models to reduce resource consumption and waste generation, in terms of both quantity and hazardousness.
- Contribute to extending the usefulness of resources, secondary products and waste through repair, reuse and recycling.
- Identify business opportunities to contribute to the circular economy through activities, products and services.

CONSUMPTION OF MATERIALS

The ACS Group specifically promotes the use of recycled and/or certified construction materials, offering clients these types of options when making decisions regarding the materials to be used.

To encourage the use of sustainable materials among the Group companies, the Group has a **Construction Materials Policy** that establishes guidelines and best practices.

MATERIALS POLICY

The ACS Group seeks to implement the following best practices in the process of recommending construction materials to clients in tendering processes in which it is applicable:

1. Propose a traceability analysis of 100% of products used.
2. Keep a record of suppliers who offer recycled/certified products.
3. Stress the importance of aspects such as durability and maintenance when selecting construction materials.
4. Provide information about the characteristics of products which give off gases or contain harmful substances and also about the products' life cycles.
5. When making an offer or taking part in a bid to tender, always include the option of certified timber, and offer information on the environmental benefits of its use.
6. When making an offer or taking part in a bid to tender, always include the option of cement made from recycled aggregates, and offer information on the environmental benefits of its use.
7. Provide environmental details of the proposed construction materials, such as energy used by machinery during extraction or treatment, greenhouse gas emissions, etc.
8. Report on the corporate waste management policy.
9. Provide information on waste management plans in projects, including design phases.
10. Give information on specific targets to reduce, recycle and reuse waste.
11. Report on procedures in place for the recovery and recycling of construction materials by subcontractors.
12. Give details of staff and subcontractor training processes in waste management techniques.
13. Provide details of waste separation processes in project facilities and works.
14. Actively promote the purchase and sale of recycled by-products



For further information:
[Materials Policy](#)

USE OF EARTH FRIENDLY CONCRETE (EFC) EUSTON STATION (DRAGADOS)

The Euston Station Dragados project in London, England is a prominent example of the implementation of Earth Friendly Concrete (EFC). The project in which Dragados participated has used Earth Friendly Concrete (EFC) slabs that will support the polymer silos used for future piloting work in the northern part of Euston Station. Although the foundation is temporary, it will be in use for at least two years.

Low carbon geopolymeric Earth Friendly Concrete (EFC) is a sustainable alternative to traditional concrete that is becoming increasingly popular in the construction industry.

This type of concrete reduces greenhouse gas emissions due to the low amount of carbon embedded in the concrete. The Euston station project resulted in a total saving of 80 tons of CO₂ during the manufacturing process.

The Earth Friendly Concrete (EFC) is a Wagners-patented geopolymeric concrete that contains a combination of ground granulated blast-furnace slag (GGBS), fly ash and a mixture of chemical activators that replace Portland cement. The development of a new mixture capable of providing the consistency and workability necessary to perform the transport and construction processes of the concrete has been a significant improvement in the field of commercial geopolymers. The geopolymer binder system reduces the carbon incorporated by around 70%, saving 250 kg of CO₂ per cubic meter poured.

One of the main objectives of the Euston project is to reduce carbon emissions by 50% with respect to the original design. The use of a low-carbon concrete alternative to the use of concrete with Portland cement represents a pioneering sustainable solution to reduce CO₂ emissions in the project, while offering mechanical and durability properties similar to Portland cement. Since it has greater resistance to compression, traction and greater durability, it makes it more resistant to erosion and cracking. This improves the overall resilience of the project to extreme weather events and natural disasters.

In recent years, the ACS Group made an effort to collect data and report on the consumption of the main materials used by the ACS Group, mainly due to infrastructure activity. In 2022, the reactivation of the activity increased the use of these materials. However, the Group continued to implement measures to ensure the efficient use of these materials in its activities, promoting their recycling and reuse, and the development of R & D projects focused on this objective.

Similarly, one of the commitments defined in the Sustainability Master Plan is to promote resource optimisation by promoting the durability of construction materials. To this end, the various ACS Group companies are promoting life cycle analysis in infrastructure and building projects through digitalisation and new technologies to improve efficiency in terms of the materials used and to improve their useful lives. In 2022, the ACS Group companies performed this life cycle analysis in 69 projects.

Construction Material	Total used		% Recycled/ reused	
	2021	2022	2021	2022
Wood (m3)	240,579	322,632	6.0%	4.4%
Steel (t)	659,411	854,477	48.5%	54.8%
Concrete (m3)	4,966,701	5,011,694	12.9%	16.6%
Aggregates (t)	9,165,434	11,646,977	10.0%	12.8%
Asphalt (t)	2,080,570	2,261,897	13.9%	36.5%
Cement (t)	700,736	692,397	4.2%	4.5%
Glass (t)	59,710	13,014	0.02%	0.02%

(1) During the year 2022, 10.4% of the total wood purchased was certified (1.2% PEFC certified, 8.9% CSA certified and 0.3% others)

(2) Percentage of recycled cement to reach data of 13% and 12.2% of total procurement expenditures in 2021 and 2022 respectively



USE OF RECYCLED ASPHALT PROJECT M80 IN SYDNEY AND HIGHWAY A6 IN GERMANY (HOCHTIEF)

CPB Contractors is using high-recycled asphalt in the M80 project. The improvement of the Sydney Road to Edgars Road section is the first segment of the Australian highway to use "Reconophalt", a road covering material manufactured from soft plastics, glass and toner that would otherwise be sent to landfills or stored.

After consulting with the customer, the recycled products were incorporated into all layers of the pavement. "Reconophalt", an Australian innovation, is composed of a high performance asphalt additive. Performance tests conducted on asphalt showed an improvement of up to 65% in its useful life, combined with increased resistance to deformation to support heavy vehicle traffic.

Similarly, HOCHTIEF used recycled asphalt in the A6 highway project in southern Germany. The team milled the asphalt of the old carriageway, crushed it in a mixing plant and reprocessed it. This allowed for a total of 500,000 metric tons of waste material to be reused, an outstanding example of recycling in practice.

WASTE PREVENTION AND MANAGEMENT

Waste management in the ACS Group prioritises recycling, reuse or other recovery operations over landfill disposal, to minimise as much as possible the waste generated when performing its activity. Specifically, the ACS Group is working to reintroduce the products used in the production process to enable them to be used again as raw materials, minimising the impact of the business on the environment.

The waste is managed by each of the Group companies adhering to the regulations in force in each country. The installations have the corresponding authorisations for producers of hazardous waste, which enable them to be recorded, inventoried, stored and managed. Based on the above prioritisation of waste management, the waste is handed over to authorised waste managers.

During 2022, a total of 15,900,096 tonnes of hazardous and non-hazardous waste were generated, representing an decrease of 15.2 % with respect to 2021.

The ACS Group has a strong commitment to the circular economy, prioritising the recovery and minimisation of waste not destined for landfill as the strategic line of the Sustainability Master Plan. In 2022 the rate of non-hazardous waste destined for recovery operations stood at 83.8%. This confirms the Group's efforts to prioritise recycling or reuse as opposed other waste disposal methods as a sign of its commitment to the circular economy.

Lastly, in 2022 an effort was made to report information related to waste in accordance with the most demanding standards, presenting the information broken down by method of disposal, if it is performed inside or outside the facilities, or providing for the first time a breakdown of the main waste generated by composition. It should be noted that in 2022 more than 50% of the waste generated corresponded to mineral waste (land/rock) resulting from the increase in the activity of projects with road tunnelling machines or railway projects.

	2019	2020	2021	2022
ACS Group				
Non-hazardous waste (t)	12,669,950	15,941,779	18,344,366	15,761,762
Hazardous waste (t)	130,343	358,311	400,892	138,334

*From 2020 onwards, data are shown excluding Industrial Services, following its sale in December 2021, and Thiess, following the sale of a 50% stake in December 2020 and its change to the equity method in 2021.

ACS Group Waste breakdown by activity	2021	2022
Construction		
Non-hazardous waste (t)	18,322,812	15,736,124
Hazardous waste (t)	400,744	137,558
Concessions		
Non-hazardous waste (t)	132	162
Hazardous waste (t)	10	2
Services		
Non-hazardous waste (t)	21,422	25,477
Hazardous waste (t)	138	775

ACS Group Waste breakdown by operations (t)	2021			2022		
	Onsite	Offsite	Total	Onsite	Offsite	Total
Hazardous waste (t)	107	400,785	400,892	24	138,310	138,334
Waste not for disposal per operation	19	208,751	208,771	21	23,367	23,388
Reuse	6	29,049	29,054	5	22,458	22,463
Recycling	14	179,619	179,633	15	419	434
Other recovery operations	—	83	83	1	491	492
Waste for disposal per operation	88	192,033	192,121	4	114,943	114,946
Incineration with energy recovery	—	13,738	13,738	—	57	57
Incineration without energy recovery	—	24	24	—	135	135
landfill	86	178,198	178,285	—	114,475	114,475
Other disposal operations	2	73	75	4	275	279
Non-hazardous waste (t)	1,474,744	16,869,626	18,344,366	715,378	15,046,381	15,761,762
Waste not for disposal per operation	1,352,131	14,250,059	15,602,190	496,101	12,704,561	13,200,662
Reuse	152,342	11,754,771	11,907,113	161,372	10,205,289	10,366,661
Recycling	1,180,616	2,238,099	3,418,715	290,508	2,138,176	2,428,684
Other recovery operations	19,173	257,189	276,362	44,221	361,096	405,317
Waste for disposal per operation	122,613	2,619,567	2,742,181	219,277	2,341,820	2,561,097
Incineration with energy recovery	—	56,023	56,023	—	2,295	2,295
Incineration without energy recovery	—	11	11	—	588	588
landfill	118,075	2,546,996	2,665,071	219,272	2,336,714	2,555,986
Other disposal operations	4,538	16,537	21,075	5	2,223	2,228

The ACS Group is beginning to collect the information on waste by composition. Information for 2022 is presented as there is no comparable data from 2021:

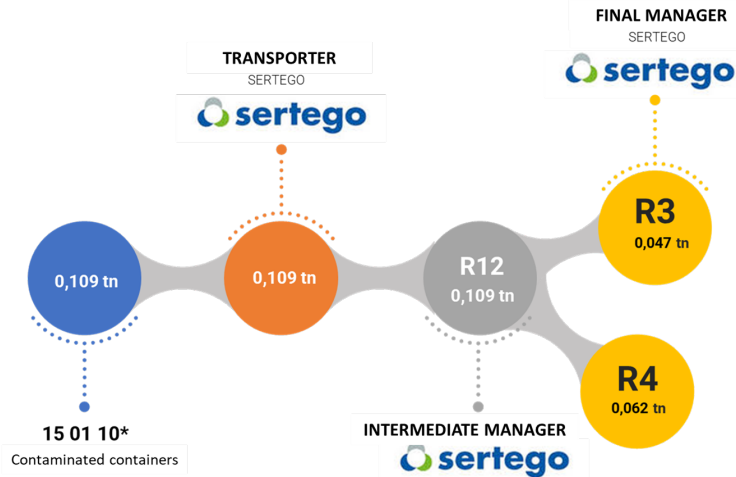
ACS Group Waste breakdown by composition (t)	2022		
	Waste non-directed to recovery	Waste directed to recovery	Waste generated
TOTAL	2,676,043	13,224,050	15,900,096
Mineral waste	1,828,123	7,539,646	9,367,768
Construction waste	298,585	757,807	1,056,392
Others	549,335	4,926,597	5,475,932

ZERO WASTE (DRACE GEOCISA)

Once the works to modernize the Sagunto Factory were completed and, taking into account the achievements and excellent results obtained in implementing the Waste Management Plan established in the verification and certification based on Zero Waste, with a verified recovery value of 98.86% of the waste generated in these works, it was agreed that the criteria and methodology implemented in these actions will be extended and developed to adapt and implement them in the normal activity of this site, which consists of the execution of various models of railway sleepers.

To this end, this process was initiated in 2021 with the update of the Waste Management Plan of the site and subsequent implementation of it, for which the waste inventory was identified and updated, as well as the various treatment operations for each of the waste generated, including the traceability to the final destination of all waste.

The following are examples with infographics of the quantities and processes used to process any of the waste generated:



In 2022, the verification audit was carried out to verify the results of the implementation of the Waste Management Plan, which recorded the milestone of a 99.77% percentage of waste recovered.



5.1.3. EFFICIENT AND RESPONSIBLE USE OF WATER RESOURCES

The ACS Group is aware of the importance of water in its activities. Through its Industrial Services business, which develops water desalination, drinking water treatment and filtering infrastructure, the ACS Group contributes to guaranteeing access to clean water and improving waste water quality.

The management and monitoring of these indicators allows the Group to identify those places where the use of water generates a greater impact on the environment, with the firm goal of performing its activity in a sustainable and environmentally friendly manner.

ACS Group Breakdown of water (withdrawal-discharge)	2021	2022
Total water withdrawn (m3)	12,649,099	12,414,396
Volume of water withdrawn from surface water (rivers, wetlands, lakes) (m3)	672,093	545,962
Volume of water withdrawn from groundwater (m3)	3,208,444	4,448,873
Volume of water withdrawn from third parties (municipal network, processing plant or public or private service) (m3)	6,032,500	6,465,060
Volume of water withdrawn from marine waters (m3)	3,061	8,314
Volume of rainwater (m3)	2,733,000	941,750
Water produced	0	4,437
Total water withdrawn in water stress areas (m3)	3,258,100	1,350,491
Volume of water withdrawn from surface water (rivers, wetlands, lakes) in water stress areas (m3)	22,243	59,408
Volume of water withdrawn from groundwater in water stress areas (m3)	714,675	372,386
Volume of water withdrawn from third parties (municipal network, processing plant, etc.) in water stress areas (m3)	2,521,182	918,581
Volume of water withdrawn from marine waters in water stress areas (m3)	0	117
Total water discharged (m3)	6,776,487	10,607,047
Volume of water discharged into surface water (rivers, wetlands, lakes) (m3)	4,456,349	7,100,636
Volume of water discharged into groundwater (m3)	747,414	823,056
Volume of water discharged into third-party waters (municipal network, processing plant or public and private services) (m3)	1,538,409	2,584,237
Volume of water discharged into marine waters (m3)	34,316	99,119
Total water discharged in water stress areas (m3)	3,177,315	1,262,976
Consumption (m3)	5,872,611	1,807,349
Ratio: m3 of water consumed/ turnover	217.8	55.3
Consumption in water stress areas (m3)	80,785	87,515

(1) Most of the water discharged to marine waters is due to the Hampton Road project in Virginia Bay. The difference between the water discharged between 2020 and 2021 is due to the project being in a different phase of development.



The activities performed by the ACS Group are associated with significant water consumption, particularly in the area of construction, and in 2022 the total amount of water consumption reached 1,807,349 m3.

Similarly to other environmental indicators, the variability in water consumption experienced by the ACS Group in recent years is explained, due to the different types of projects developed over the year, and it may distort year-on-year comparability in absolute terms.

The company acknowledges the need to reduce consumption of this natural resource, especially in areas that are subject to water stress. For this reason, beginning in 2019, the ACS Group has been monitoring water

consumption corresponding to water stress areas, accounting for 87,515 m3 of the total water consumption in these areas in 2022.

The ACS Group has adequate measurement systems (at the project, company and corporate levels), permitting detailed knowledge of the main sources of consumption. This information makes it possible to develop the most suitable efficiency measures in each case.

It should also be noted that the ACS Group also performs exhaustive control on the quality of the water discharged into the environment, to ensure that the discharges do not have significant effects on the environment and always comply with the provisions in local legislation.

SOLUTIONS FOR SUSTAINABLE WATER MANAGEMENT IN SEDGMAN (CIMIC)

Since 30% to 50% of copper, gold, iron ore and zinc production is concentrated in areas with severe water shortages, Sedgman offers solutions to reduce the impact of mines.

One of Sedgman's key services is the dehydration of the relays, which maximises water recovery. Sedgman carried out a significant number of studies and projects, taking advantage of its extensive technical experience in dehydration systems, flotation sweeping and reprocessing of relays, in basic metals and coal. Solutions include a range of relay dehydration technologies and a variety of transport methods and rejection placement.

In 2022, Sedgman delivered an engineering, acquisition and construction contract for a new relay dehydration facility at the Queensland Byerwen mine. This project transformed the existing system for the co-arrangement of wet pump-down rejections into a combined system for the dehydration of dry relays and coarse rejects by truck.

The new system aims to reduce operating risk, reduce energy consumption and improve water recovery and management of chemicals for dehydration. Compared to the use of unpurified water prior to the installation, the design of Byerwen's dry waste is expected to save around 1.2 million cubic meters of water per year, which is equivalent to 492 Olympic swimming pools.



5.1.4. PROTECTION OF BIODIVERSITY

The activities of the ACS Group are potentially capable of causing impacts on the natural environment when operating in all types of locations and environments where a multitude of ecosystems may coexist. In this context, the company always attempts to minimise the impact of its activities on biodiversity, particularly respecting protected natural areas and areas with high ecological value, and committing to no deforestation.

As a result of this commitment, the Group performs its activities according to the following basic principles in the area of biodiversity:

- Consider the initial value of the ecosystems that may be affected and assess the impact of the activities, products and services on them.
- Apply the hierarchy of mitigation of impact on ecosystems by means of prevention, reduction, restoration and compensation actions.
- Implement management plans to preserve or restore biodiversity in activities or services that have a significant impact on ecosystems.
- Establish non-action criteria to avoid performing activities or services in certain areas based on their intrinsic value or vulnerability. In 2022, the Group performed activities on 626.9⁷ hectares considered to be of high biological value, implementing specific objectives and plans to minimise the impact.
- Strengthening the measures to preserve/restore biodiversity in projects in environmentally sensitive areas.

- Prevention of deforestation resulting from the activity, and direct suppliers and indirect suppliers whose contracted activity is critical to non-deforestation, through actions focused on compensation, restoration and reforestation, and the promotion of the use of certified and recycled wood.

The ACS Group has implemented measures that ensure the conservation of plants and wildlife from the start of planning the operations to the end. These measures are based on:

- a. Physical protection, transplanting or transfer, and respect for the life cycles of the plant and animal species affected.
- b. Environmental impact studies, which identify the main effects on the natural environment of the projects and establish actions to minimise them. Public participation in procedures to approve these projects is guaranteed by the national and regional legislation in each of the countries where they are performed.
- c. Monitoring plans, ensuring compliance not only with mandatory biodiversity and forest conservation regulations and standards, but also with preventive measures and reducing the impact of projects and processes that are not subject to environmental impact assessments.
- d. Promoting the compensation of the impacts generated by activities on biodiversity and the forest mass through restoration, recovery and reforestation. Thus, in 2022 the ACS Group performed work on 81.2⁸ hectares.

PROMOTION OF MARINE BIODIVERSITY IN PRINCESS AMALIA PORT (HOCHTIEF)

HOCHTIEF is expanding Princess Amalia Port in Rotterdam (Netherlands). They plan to use underwater blocks under the wharf wall as artificial reefs to promote biodiversity.

The blocks are made of what is called "ECONcrete", which organisms such as algae and aquatic plants can colonise more easily than conventional smooth concrete. Once these organisms are established, they will have a positive effect on water quality and help to further promote biodiversity. This is because they nourish other organisms, such as mussels and birds, which further stabilises the entire ecosystem. Floating algal carpets are also reduced, which improves light conditions and, in turn, favours the germination and growth of other aquatic plants.



⁷ Scope 19.4% ACS Group sales

⁸ Scope 19.4% ACS Group sales

CARE FOR AVIAN FAUNA ISABELLA LAKE DAM (DRAGADOS)

In the Dragados *Isabella Lake Dam* Safety Modification project, special care is being taken to preserve the avian fauna and its habitat. To achieve this, a specific Biological Resource Protection Plan has been developed to implement various measures to avoid and protect biological resources.

These measures were grouped into different categories:

1. Protection of existing vegetation and biological resources
2. Fish trapping prevention
3. Nesting and breeding birds protocol

Focusing on the latter, a key measure that the Dragados environmental department has implemented is to have an avian biologist in the team, who is in charge of identifying active and inactive nests with nesting studies prior to construction and weekly studies of birds nesting during construction.

Together with studies prior to construction and monitoring during construction, Dragados has a team lead by the biologist that identifies and implements preventive measures to deter birds from using active construction areas as nesting sites. Some prevention measures include: removing the initial materials from the nest, placing networks in construction equipment and materials when they are not in use, covering the open pipes, installing deterrents such as reflective/predatory lures and installing active noise generator construction areas. In addition, waste is removed daily to remove potential sources of attractive food for birds and wildlife.

If an active nest is identified in any activity, a suitable noise buffer is installed to reduce or avoid discomfort to nesting birds. In these cases, the nest is monitored until the chicks have grown, to ensure that they do not abandon it.

All employees have received training to report any possible finding of nests to the Project's Aviar Biologist or the Environmental Manager and to avoid active nests.



5.1.5. ENVIRONMENTAL RISK MANAGEMENT

The functions attributed to the Audit Committee of the Group's Board include the review, monitoring and assessment of the Group's Sustainability Policy, and the supervision of the Group's Environmental Policy.

Secondly, the responsibility of overseeing environmental performance and performing the appropriate action plans and improvement programmes lies with the Environmental Department of each group of companies, along with adopting the necessary measures to reduce and mitigate the environmental impacts related to the Group's activities, always following the principles established in the Group's Environmental Policy.

Likewise, in accordance with the Group's risk map and the materiality analysis, both updated in 2022, the Group has

prioritised the risks based on their potential relevance for the company's activity, depending on the type of activity, action areas, policies and management approaches.

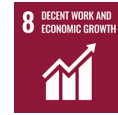
In 2022, to strengthen its environmental commitment, the ACS Group included for the first time the risks associated with the Environmental Due Diligence as a cross-cutting management element within its corporate governance model and the Global Compliance Management System, as indicated in paragraph 5.4.6 of this report.

The table below shows the results obtained from this prioritisation of potential risks to perform the activity related to the environment, and the management measures adopted by the ACS Group:

MATERIAL ISSUE	RISKS	DETECTION, PREVENTION, MANAGEMENT AND MITIGATION MEASURES	ASSOCIATED MANAGEMENT INDICATORS	APPLICABLE ACS GROUP POLICIES
Climate change: transition to a low-carbon business model	<p>Companies face the need to design appropriate strategies to address climate change. While most companies focus on the risks associated with climate change, some seek to identify and take advantage of the business opportunities associated with this global challenge. The ACS risk map identifies the specific risks related to climate change (physical and transition risks) based on the relevance they may have for the development of the company's activity.</p> <p>Related risk map Climate change and energy efficiency Risks</p> <ul style="list-style-type: none"> • Increase in cost overruns • Reputation risks • Regulatory restrictions and sanctions 	<p>The Environmental Plan and the Group's Sustainability Master Plan define the commitments and objectives for emissions reduction and use of resources. ACS' Board has overall responsibility for the climate change strategy through the Audit Committee, which is responsible for monitoring the ACS Group's sustainability policy.</p> <p>In 2021, the Company set targets linked to the variable remuneration of the Executive Directors in relation to performance on climate change.</p> <p>Each company is responsible for keeping an inventory of emissions, identifying main sources and developing initiatives to reduce them.</p> <p>The Group offers its customers construction products and services that help to promote the transition to a low carbon economy.</p>	<p>Decrease in emissions reaches 1 + scope 2 of a 28.7% with respect to the Sustainability Master Plan baseline year (2019)</p> <p>Increase in the calculation and reporting of scope 3 emissions, including in all areas emissions related to the consumption of construction materials, waste, travel and other emissions arising from the value chain.</p> <p>Development of business opportunities such as Green Building projects</p> <p>In 2022, the Group continued with the evolution of its reporting model to communicate information on risks and opportunities related to climate change following the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), and the implementation of measures and initiatives to achieve the targets set in the 2025 ACS Group's Sustainability Master Plan for climate change mitigation.</p>	<ul style="list-style-type: none"> • The ACS Group's Sustainability Policy • The ACS Group's Code of Conduct • Code of Conduct for Business Partners • Human Rights Policy • Environmental policy • Risk Control Policy
Circularity in the procurement of construction materials and in waste management	<p>The incorporation of the concept of circularity into the production model makes it possible to reduce the intensive use of natural resources and the high pressure on the environment. Likewise, the optimisation of resources increases operational and financial efficiency, in addition to reducing the waste generated</p> <p>Related risk Map of risks Environment and circular economy Risks</p> <ul style="list-style-type: none"> • Failure to comply with the ACS environment policy • Reputation risks • Statutory breach • Inefficient use of raw materials or conflict minerals • Increase in production costs 	<p>The Environmental Policy and the Group's Director Sustainability Plan establish the commitments to encourage the use of recycled construction materials, their durability and efficient waste management.</p> <p>The promotion of promote life cycle analysis in infrastructure and building projects was included within the Sustainability Master Plan. More 200 projects underwent this analysis in 2025. Maintaining a waste rate for recycling in excess of 80%, and measures to encourage the use of recycled materials were also established.</p>	<p>ACS Group companies participate in various R & D projects related to the durability and efficiency in the use of construction resources and materials.</p> <p>Waste rate (hazardous + non-hazardous) destined for recovery in 2022: 83.2%</p> <p>Number of projects in which a life cycle analysis was performed: 69</p>	<ul style="list-style-type: none"> • Environmental Policy. • Sustainability Policy. • Construction Materials Policy. • Risk Control Policy.

MATERIAL ISSUE	RISKS	DETECTION, PREVENTION, MANAGEMENT AND MITIGATION MEASURES	ASSOCIATED MANAGEMENT INDICATORS	APPLICABLE ACS GROUP POLICIES
Environmental management	<p>Companies have a dual relationship of reliance and impact on the natural environment. Therefore, the mitigation of impacts on biodiversity and natural resources is indispensable during the development of the Group's projects and operations, establishing an assessment of ecosystem services that affect the company.</p> <p>The conservation and protection of biodiversity has become one of the main environmental challenges faced by companies. The natural environment is one of the main allies in the fight against climate change, in addition to being a support for the economy, providing the natural resources on which the company's activity is based:</p> <p>Associated risks Risk Map Risks of fines and sanctions, reputational risks, and Biodiversity risk.</p> <p>Risks</p> <ul style="list-style-type: none"> • Loss of ecosystem services • Reduction in economic growth • Statutory breach • Litigation and environmental sanctions 	<ul style="list-style-type: none"> • Continuously improve the environment, implementing an environmental management system to ensure compliance with policies, setting and monitoring objectives. • Assess the potential risks to the environment in each of the phases of a project, work or service, with the aim of designing processes that make it possible to minimise the environmental impact. • Promote training and awareness of employees in environmental aspects. • Promote actions aimed at increasing awareness among clients, value chain and society in general. • Carry out all activities of the ACS Group under environmental legislation. 	<p>In 2022, 89.6% of ACS Group operations were certified under ISO 14001. The environmental management systems are verified by an external third party in companies representing a 94.62 % the Group's turnover and, in 2022, 877 environmental audits. In 2022 there was one significant infringement of environmental legislation and regulations, fined with EUR 15,000, which is understood as non-compliance that entails a fine greater than EUR 10,000. According to Note 37 on Information on the Environment of the Annual Accounts of the ACS Group, ACS Group companies incurred environmental expenses in 2020 totalling 14,840 thousand euros (6,493 thousand euros in 2021), and according to Note 20 of the Annual Accounts, the provisions for environmental actions are included in non-current provisions, which include provisions to cover the probable environmental risks that may arise, with no provision of this nature included in the accounts in 2022. The Group companies manage environmental risk coverage through different systems depending on their activity and geographic area and using their own environmental management systems.</p>	<ul style="list-style-type: none"> • Environmental Policy. • Sustainability Policy. • Risk Control Policy.
Sustainable and resilient infrastructure	<p>The risks arising from climate change, the scarcity of natural resources and the state and social context of the territory increase the demand for sustainable infrastructure. Since a significant percentage of GHG emissions come from buildings, developing more energy-efficient infrastructure contributes to climate change mitigation.</p> <p>The design and execution of resilient infrastructure, in addition to granting recognition and leadership, make it possible to provide safer services that better withstand extreme weather events and mitigate the effects of natural threats on society and its economy.</p> <p>Related risk Map of risks Loss of market competitiveness and innovation capacity</p> <p>Risks</p> <ul style="list-style-type: none"> • Loss of competitiveness • Physical risks arising from climate change • Reputational damage • Loss of profitability 	<ul style="list-style-type: none"> • The ACS Group, through its different activities, provides services that help create more efficient and sustainable infrastructure and cities - sustainable construction, construction of public transport systems, traffic management services, etc. • ACS offers customers the use of recycled and/or certified construction materials. The projects of HOCHTIEF, Turner, CIMIC and Dragados comply with different sustainable construction certification requirements, and CEEQUAL, ISCA and Greenroads, in terms of efficient infrastructure. • In the ACS Group companies, one of the fundamental pillars of the R & D area of the construction companies is the development of new projects and materials that increase the resilience of infrastructure and that make it possible to cope with the increasingly extreme weather changes resulting from climate change, in addition to the reduction of these construction materials, and their reuse and use. • Develop biodiversity policies and environmental studies to minimise impacts on the business areas. 	<ul style="list-style-type: none"> • Development of Green Building projects: 1,148 cumulative projects by HOCHTIEF and 47 underway in 2022 by Dragados • Sales of sustainability-certified projects in 2022: EUR 12,935 mn € 	<ul style="list-style-type: none"> • Environmental Policy. • Sustainability Policy. • Construction Materials Policy. • Risk Control Policy.

5.2. PEOPLE IN THE ACS GROUP



The ACS Group's business success comes from the talent and diversity of its teams. For this reason, the company is committed to the professional development of its employees while at the same time ensuring the best working, health and safety conditions.

To retain the best professionals, the ACS Group has different corporate policies for managing people that are aligned with the best practices in this area and that are described throughout this chapter. Although each company of the Group develops its own complementary human resources policies to meet its specific needs, they all follow common guidelines:

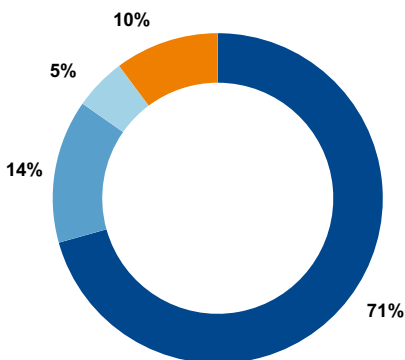


- Attract and hold onto the best talent, while at the same time aiming to improve the degree of responsibility and motivation of employees.
- Promote a culture and corporate values with which the people in the ACS Group identify.
- Promote teamwork and quality control as tools to promote the excellence of work well done.
- Ensuring equal opportunities, diversity and inclusion.
- Support and increase training and learning.
- Innovate to improve processes, products and services

At year-end 2022, the ACS Group had a workforce of 128,721 persons, of which 56.7% were women and

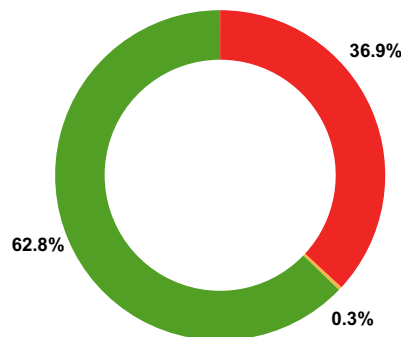
43.3% men. The ACS workforce increased by 5.1% compared to 2021.

WORKFORCE DISTRIBUTION
GEOGRAPHIC AREAS



Europe America
Asia Oceania

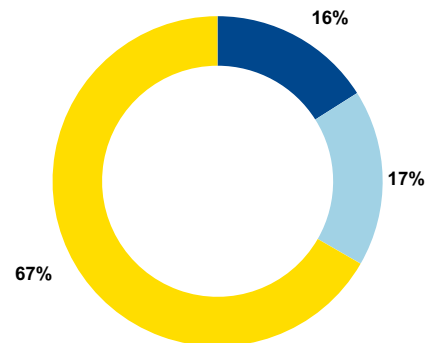
WORKFORCE DISTRIBUTION
OF BUSINESS ACTIVITIES



Construction concessions
Services

* Excluding 201 employees of the Corporation and other investments.

WORKFORCE BREAKDOWN BY
PROFESSIONAL CATEGORIES



Graduates with intermediate and university degrees
Non-qualified technicians and Administrative staff
Other staff



ACS GROUP WORKFORCE AT YEAR-END

128,721

BREAKDOWN OF STAFF BY AGE



WOMEN

56.7%

OF TOTAL ACS GROUP

6,896

GRADUATES WITH
INTERMEDIATE AND
UNIVERSITY
DEGREES

10,109

NON-QUALIFIED
TECHNICIANS AND
ADMINISTRATIVE
STAFF

12.6%

TOTAL STAFF
TURNOVER

55,989

OTHER STAFF

2,631

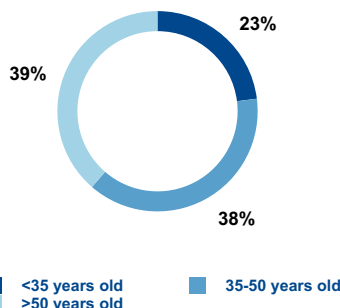
EMPLOYEES WITH A
MANAGEMENT
POSITION (WORKS/
PROJECT MANAGER
OR SIMILAR AND
SUPERIOR)

114

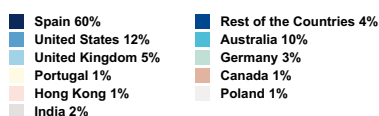
SENIOR
MANAGEMENT
POSITIONS

10.3%

VOLUNTARY
TURNOVER



DISTRIBUTION OF ACS GROUP EMPLOYEES BY COUNTRY



MEN

43.3%

OF TOTAL ACS GROUP

13,746

GRADUATES WITH
INTERMEDIATE AND
UNIVERSITY
DEGREES

12,135

NON-QUALIFIED
TECHNICIANS AND
ADMINISTRATIVE
STAFF

19.6%

TOTAL STAFF
TURNOVER

29,846

OTHER STAFF

9,011

EMPLOYEES WITH A
MANAGEMENT
POSITION (WORKS/
PROJECT MANAGER
OR SIMILAR AND
SUPERIOR)

615

SENIOR
MANAGEMENT
POSITIONS

14.9%

VOLUNTARY
TURNOVER

With regard to the distribution of employees by country, 60% work in Spain and the remaining 40% are in other countries. The Services area is a more staff intensive area and represents 62.8% of the Group's employees, of which 90.3% are located in Spain. While the Construction area represents 36.9% of the Group's employees and has a more internationalised profile due to its activity, 8.5% of the workers were only located in Spain.

The distribution of the workforce at year-end by type of contract shows the predominance of permanent contracts over temporary contracts, with 81.3% of the workforce having this type of contract. Regarding the type of workday, 61.7% of the workforce of the ACS Group work full time.

	31-Dec-22			Total
	Men	Women		
Fixed Contracts	46,906	57,777		104,683
Temporary Contracts	8,821	15,217		24,038

	31-Dec-22			Total
	Age <35	Age between 35-50	Age >50	
Fixed Contracts	21,582	39,794	43,307	104,683
Temporary Contracts	8,045	9,578	6,415	24,038

	31-Dec-22			Total
	Graduates with intermediate and university degrees	Non-qualified technicians and Administrative staff	Other staff	
Fixed Contracts	19,905	20,831	63,948	104,683
Temporary Contracts	737	1,413	21,887	24,038

31-Dec-22			
	Men	Women	Total
Full-time contracts	47,846	31,625	79,471
Part-time contracts	7,881	41,369	49,250

31-Dec-22				
	Age <35	Age between 35-50	Age >50	Total
Full-time contracts	20,884	31,481	27,106	79,471
Part-time contracts	8,743	17,891	22,616	49,250

31-Dec-22				
	Graduates with intermediate and university degrees	Non-qualified technicians and Administrative staff	Other staff	Total
Full-time contracts	18,684	16,492	44,295	79,471
Part-time contracts	1,958	5,752	41,540	49,250

In 2022, the total employee turnover in the ACS Group was 15.5% (vs. 14.7% in 2021) and voluntary employee turnover was 12.3% (vs. 11.1% in 2021).

The number of redundancies in 2022 was 2,701 people, including those resulting from the termination of projects.

	2021			2022		
	Men	Women	Total	Men	Women	Total
Redundancies	2,162	786	2,948	1,991	710	2,701

	2021				2022			
	Age <35	Age between 35-50	Age >50	Total	Age <35	Age between 35-50	Age >50	Total
Redundancies	709	1,295	944	2,948	721	1,054	926	2,701

	2021				2022			
	Graduates with intermediate and university degrees	Non-qualified technicians and Administrative staff	Other staff	Total	Graduates with intermediate and university degrees	Non-qualified technicians and Administrative staff	Other staff	Total
Redundancies	750	463	1,735	2,948	639	351	1,711.00	2,701



[7.3.2 Additional indicators](#)

5.2.1. PROFESSIONAL DEVELOPMENT

The ACS Group is positioned as one of the world's leaders in developing infrastructure and services, and this would be impossible without the best team of professionals. The Group's human resources teams seek to attract and retain specialised talent in each of the Group's activity sectors.

In 2022, 46,109 professionals, of which 42.6% were under 35 years of age, highlighting the commitment to young talent, with Dragados and the various HOCHTIEF companies standing out for the programmes implemented in this area.

YOUNG TALENT PROGRAMME (DRAGADOS)

In today's ever-changing context, companies must adapt quickly to the demands of society. Value creation, talent attraction, a sustainability project, retention and professional development are fundamental pillars for the success of an organisation.

As reflected in Human Resources policy; the professional and human quality of the team is one of the greatest competitive advantages that allows the company to stand out in the market. Based on this, the Dragados Group continues for another year by betting on the recruitment and retention of young professionals and betting on their development through the already consolidated and valued training and development program aimed especially at this group. In 2022, 130 new young people were included in the most important projects at a national and international level.

This project includes young new graduates with Qualifying Master Civil Engineering and Industrial Engineering, as well as degrees in Civil Engineering, Building and Industrial Engineering and Graduates in Business Administration and Management or equivalent qualifications depending on the country. It is an opportunity for learning and development, with a specific training plan, tutoring, evaluation and experience in construction works.

This program, which was resumed in 2014, when the first Young Talents joined Dragados Spain, has been widening its scope internationally. In 2017 it was implemented in Dragados USA and Canada and in 2020 it began to be developed in countries such as the UK, Chile, Poland and Argentina.

This programme currently has 300 participants, 198 of whom are included in national projects and 102 at the international level.

YOUNG TALENT PROGRAMME 2022 CONSTRUCTION AREA

	National	International
Master Civil Engineer	103	89
Master Industrial Engineering	39	0
Other Master (Architecture, Aeronautical Eng.)	4	0
Degrees in Civil, Building, and Industrial Eng.	16	0
Administration and Business Management	36	13
Total	198	102

HOCHTIEF TALENT ATTRACTION INITIATIVES

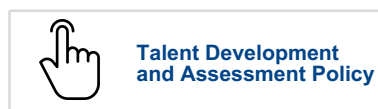
HOCHTIEF focuses on several aspects when attracting talented people to the Group. By keeping direct links with schools and universities, we offer young people a vision of the HOCHTIEF world. Once their interest has been aroused, we maintain permanent contact. In Germany, for example, HOCHTIEF created the "Students' Talent Programme" for this purpose. Similar programmes exist in almost all Group companies.

In addition to engaging experienced professionals, HOCHTIEF focuses on attracting new young employees to ensure a good positioning in the medium and long term. We hired 59 young people in Germany in 2022 (2021: 52); the figure in CIMIC was 503, and in Turner in the US. US, 519 (2021: 347). Specific incorporation programmes facilitate the start of new employees and help them to find their way in the Group. These programmes were mainly held online during the year of the report.

In addition to conventional training in cooperation with vocational schools, HOCHTIEF offers training in combination with a cooperative degree programme. A total of 88 young people followed these two training courses at HOCHTIEF in Germany in 2022 (2021: 95).

Attracting and retaining talent requires the ACS Group to offer its employees the best employment practices, encouraging their professional development within the Group. The ACS Group maintains a human resources management approach that is committed to continuously improving the skills and capacities of its teams.

Each ACS Group company manages the development of its staff independently, adapting its needs to the specific characteristics of its activity, although they all address the elements defined in the **Talent Development and Assessment Policy**.



TALENT DEVELOPMENT AND ASSESSMENT POLICY

El Grupo ACS busca desarrollar las siguientes buenas prácticas en cuanto al desarrollo y evaluación del talento:

1. Strengthen performance evaluations through the achievement of goals.
2. Multidimensional performance evaluation (180° or 360°).
3. Strengthen the individual evaluation of employees, recognising and encouraging leadership among those with high potential.
4. Apply incentives related to long-term goals for staff below senior management.
5. Associate incentives related to long-term goals with non-financial performance indicators (environment, health and safety, customer satisfaction, relationship with stakeholders, etc.).
6. Implement measures to reduce the rate of voluntary turnover.
7. Measure employee satisfaction.
8. Take measures to increase employee satisfaction.
9. Implement a global metric to quantitatively evaluate the benefits for the business of investing in human capital.

It should be noted that companies representing 100.0% of the Group's employees have variable remuneration systems, with 23.8% of the workforce having professional performance appraisal plans and 22.8% of employees being subject to measurable targets set with their superiors which influence the determination of the percentage of their variable remuneration, as part of the Group's professional development culture. Furthermore, companies representing 99.7% of the Group's employees have professional development plans for their employees.

The training programmes defined in the different Group companies all have the common aspect of encouraging individual talent to create the best teams of professionals. The Group's commitment to offering its employees specialised training in the Group's different sectors of activity is based on the quality and improvement of the products and services.

In 2022, the training provided in the various ACS Group companies continued to increase, combining current, online and hybrid training models to take advantage of all the opportunities offered by the different types of training.

After the adjustment from face-to-face training to online training undergone by the various Group companies in recent years has undoubtedly led companies to continue with this type of training through centralised platforms that provide greater efficiency and scope.

In 2022, the Dragados Virtual Classroom was consolidated as one of the ways to reach a large number of workers and continue to encourage their training.

The continued growth of online training in Clece reflects the importance of this learning methodology for the company to reach all people in the organisation through the available means, such as tablets and smartphones. Making the training necessary available to each professional at the time required. In 2022 we continued to develop new digital proprietary contents, customised based on the characteristics of each group. Fourteen training actions were performed with customised online teaching contents tailored to company needs, facilitating their dissemination

and achieving significant cost savings with respect to market costs, as a result of the ability to reach a large number of staff members. In 2022, 5,928 participants were trained in these Clece courses, with 25% cost savings, and a quality assessment of 3.6 over 4.

Since 2022, the new learning management system (LMS) has also been available to HOCHTIEF employees in Europe. The LMS offers virtual web training, in addition to running classroom and online training seminars. In Germany, 63.5% of the courses given by HOCHTIEF were held online.

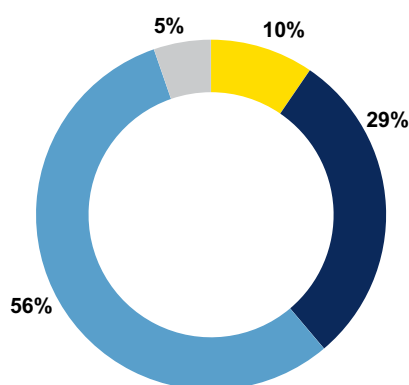
The ACS Group's ongoing training model makes it possible to identify the training needs among its employees during the year, which means that training programmes are constantly revised. To determine the effectiveness of the training programmes, the Group companies assess the courses taught at different levels:

participant satisfaction, knowledge acquired by participants, and impact on participant performance in the field of their training.

In 2022 the number of employees trained during the year increased by 22.4%. The number of teaching hours increased by 8.8% compared to 2021, reaching 1,048,174 teaching hours in the period. The ACS Group shows its ongoing commitment to the professional development of the Group's employees and their training in new skills, increasing the scope of training programmes for its employees as defined in one of the objectives of the 2025 Sustainability Master Plan.

	2021	2022
Total hours taught	963,760	1,048,174
Teaching hours per employee (over total employees)	8.0	8.3
Employees participating in training activities	55,954	68,462
Training hours per employee (over total employees trained)	17.2	15.3
Investment in training (M€)	14.8	17.9
Investment per employee in training (over total employees) (€)	122.5	140.8
Investment per employee in training (over total employees trained) (€)	264.4	261.0

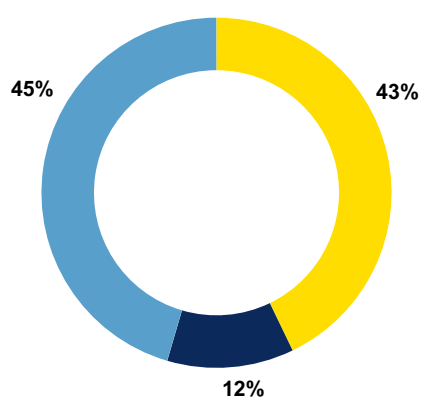
TRAINING HOURS BY CONTENT



- Ethics, integrity and compliance.
- Health and safety
- Other subjects*
- Environmental protection awareness

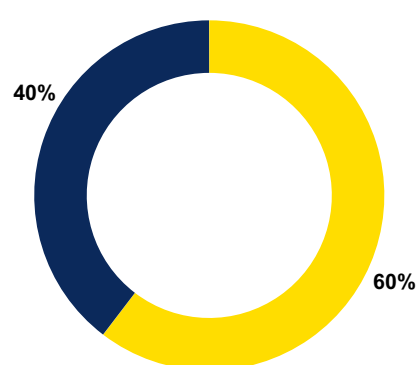
*Other subjects related to the development of skills, performance improvement and complementary knowledge of the area.

TRAINING HOURS BY PROFESSIONAL CATEGORY



- Graduates with intermediate and university degrees
- Non-qualified technicians and Administrative staff
- Other staff

TRAINING HOURS BY GENDER



- Men
- Women

SKILL DEVELOPMENT PROGRAMMES (CLECE)

The Senior Development Programme for Service Managers is a long-term training programme encompassing each of the skills that ensure efficient management of services, within the company's strategy. The Programme was developed by professionals from the organisation itself, who are responsible for the different areas and activities, and by external experts in the different subjects taught. The programme lasts 300 hours and consists of practical cases, online interactive content and practical in-person classes. This training develops technical, commercial, economic-financial, people management and leadership skills. In 2023 76 participants in the 10th programme, which started at the end of 2022 and will be completed in 2023, continued to be trained.

Two other skills development programmes related to training for specific jobs were also performed in 2022:

Care Centre and Service Management Programme, with 13 trainees in 2022, with a total of 220 cumulative participants, a programme aimed at training in the skills required for the position of Care Centre Manager.

Security Director programme, training that provides the professional skills necessary for the position of Head Surveillance Services in the private sector, with 6 trainees 2022 and 43 cumulative participants.

FUTURE LAB (HOCHTIEF)

HOCHTIEF recently created the development and loyalty programme for senior employees at the HOCHTIEF Europe division. The first group has completed this series of workshops, which will continue due to the positive response. The programme supplements already established offers, such as expert professional experience, the executive development programme for the entire Group, the training modules on construction and project management, and the programmes for young engineers and sales staff.

5.2.2. EQUAL OPPORTUNITIES, DIVERSITY AND INCLUSION

The ACS Group strives to maintain relationships of trust with its employees and considers it essential to safeguard basic principles intrinsic to its business model. In its Code of Conduct, the Group emphasises equal opportunities, non-discrimination and respect for human and labour rights, which form part of the Group's business commitment. The ACS Group rejects all types of discrimination, in particular discrimination based on age, sex, religion, race, sexual orientation, nationality or disability.

Beginning with objectivity in selection processes, the ACS Group seeks to ensure equal access to these processes in all phases, from recruitment to hiring.

In 2022, the ACS Group continued different actions in line with its Diversity Policy, the purpose of which is to manifest, implement and develop the Group's commitment to diversity and inclusion of all types of groups. The ACS Group understands diversity from many areas and is convinced that the creation of a diverse team allows it to successfully meet global challenges.

It is important to highlight that the ACS Group's extensive international presence makes it a multicultural team in which professionals from different races, ethnicities, ages, nationalities, languages, education, capacities, religions and genders converge, making this a constant aspect in the Group's day-to-day work. The company is aware of the relevance of local roots and, in line with its intention to promote the local development of the communities in which it operates, it promotes the direct hiring of local employees and executives. 98.2% of the Group's employees correspond to the local community.

The Group's commitment to equal opportunities and diversity is reflected in all areas of the company:

- Regarding gender, companies representing 100% of the Group's employees have adopted measures to promote equal treatment and opportunities for men and women, and 88.6% of the Group's employees are covered by Equality Plans.
- In companies that represent 100% of the Group employees, there are anti-sexual harassment protocols.

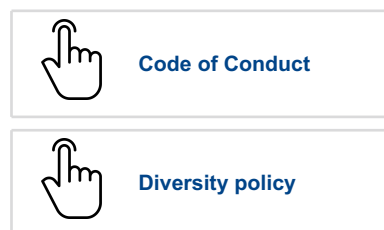
- In companies that represent 100% of the Group's employees, measures have been adopted to ensure equal opportunities and avoid discrimination in the selection process for any position.

It is important to highlight that, in recent years, the ACS Group's commitment to the presence of women in the labour force and their professional development has resulted in an increase in the proportion of women in management positions.

Thus, in 2022 women in positions of responsibility represented one 22.2% of the total, while there are 114 women in senior management positions (vs. 113 in 2021). Within management positions directly related to income generation, the distribution of women is similar to that of the total, with women holding 19.1% of all these types of positions.

The Group has also taken steps to increase women's participation in the scientific and technological fields. In 2022, the number of women with higher or middle degrees in the areas of engineering, architecture and other related areas amounted to 1,862, which represents 20.4% the senior and middle graduates of these categories in the ACS Group. Various Group companies performed initiatives to promote the inclusion of women in this profile. For example, HOCHTIEF has a percentage of at least 35% new women engineers in training out of the total for the category as a target for 2025.

Similarly, in companies representing a 26.5% of the Group's employees, specific development programmes have been implemented to promote female talents, such as the Emerging Women Leaders programme implemented by UGL.





The ACS Group is committed to the employment integration of people with disabilities and other vulnerable groups, and uses employment as an instrument for social inclusion. At year-end, the ACS Group had 8,217 disabled employees and 2,764 employees from other vulnerable groups. In this area, the Group's most prominent exponent is Clece, with

numerous collaboration agreements with institutions. In addition, companies that represent 98.7% of the Group's employees have implemented systems that guarantee universal accessibility for people with disabilities with infrastructure adapted to remove physical barriers for all people.

EMPLOYMENT INTEGRATION OF VULNERABLE GROUPS AT CLECE

The employment inclusion of disadvantaged groups is the main objective of the social project for Clece.

Clece has worked in coordination on this project since 2012, employing people with disabilities, victims of gender violence, people at risk of social exclusion and young people in high unemployment. Since the beginning of the project, the figures for workers from these groups have grown both in absolute terms and in percentage terms with respect to the entire workforce. At the end of 2022, Clece had 9,817 workers from vulnerable groups, which represented 12.2% of the total workforce and an increase of 5.6% compared to the previous year.

In 2022, Clece continued to perform various initiatives in relation to the employment inclusion of disadvantaged groups, such as the annual "Job Hunting" event held on 14 and 15 June 2022, which consisted of an online selection process in which 2,800 jobs were offered to people in vulnerable situations or at risk of social exclusion. During these two days, 44 Clece selection technicians, located in different cities in the country, interviewed more than 3,500 candidates via video conference. The candidates were presented by 139 public and social entities. The entities were responsible for entering candidates' data and booking the interview time through a specially-designed computer application. The entire event was reserved for people from vulnerable groups, people with disabilities, women victims of gender violence and people at risk of social exclusion. As a result of this event, 464 people joined Clece between June and September 2022.

In addition, in 2022, Clece obtained, for the second consecutive year, the gold category, the highest possible, in Discert, a European certification awarded to companies committed to the inclusion of disabled people in the workplace, which recognises the value contributed beyond the requirements established by law.

The key points for to this recognition are Clece's effort to maintain the level of commitment to people with disabilities. It continued to prioritise this group in its selection processes and strengthened its network of alliances with social organisations, which it has integrated into the corporate recruitment and selection system. It has consolidated its Support Unit, made up of professionals who help integrate people with disabilities joining the company. The Company has also received successful assessments under corporate social responsibility standard IQNet SR 10, extending its scope to other subsidiaries, with 11 subsidiaries currently certified under this standard in addition to Clece. This demonstrates its alignment with stakeholders as regards the maximum value given to disability in the surveys performed in relation to this standard, the certification of which has also highlighted Clece's social project within its supplier network.

Clece has been Discert certified since 2012, which confirms its conviction to continue making progress in the inclusion and integration of disabled people within its organisation.

Specifically, the Nominations Committee ensures that the selection procedures for Board members favour diversity to the above issues and, in particular, seeks to facilitate the

selection of directors in a number that allows a balanced presence between women and men. The Board's total remuneration is shown in the table below

Thousands of euro	2021 Number of Directors	2022 Number of Directors	Average remuneration for the 2021 financial year (3)	Average remuneration for the 2022 financial year (4)	Variation
EXECUTIVE DIRECTORS (1)(3)	4	4	3,386	4,663	37.7%
Fixed remuneration			1,352	1,632	20.7%
Variable remuneration(2)			1,278	2,177	70.3%
Contributions to long-term savings systems			748	834	11.5%
Other concepts			8	21	n.a.
NON-EXECUTIVE DIRECTORS	11	11	241	237	-1.4%
WOMEN	3	4	202	189	-6.5%
MEN	8	7	255	261	2.1%

(1) The Executive Directors of the ACS Group are men.

(2) Includes short-term annual variable remuneration and long-term plans

(3) Includes the remuneration in 2021 of Mr. Marcelino Fernández Verdes until his resignation as Executive Director and of Mr. Agustín Batuecas as Executive Director until the end of 2021, when he changed his status to External Director.

(4) Includes the remuneration in 2022 of Mr. Agustín Batuecas and Mr. Joan David Grimá Terré until March 25, 2022, date on which they ceased to be directors. The remuneration of Ms. María José García Beato and Mr. Juan Santamaría is included from May 6, 2023, the date on which they were appointed directors.

In 2022, the ACS Group Management Committee was made up of 6 executives since 6 May (all men) who had an average annual remuneration of EUR 3,612 thousand⁹ (compared to EUR 3,459 thousand¹⁰ in 2021), including fixed and variable remuneration, and an average annual contribution to pension plans of EUR 682 thousand (vs. EUR 768 thousand in 2021).

The Group also ensured that the remuneration and talent retention policies complied with these basic principles of equality, ensuring that the same salary is paid for work of the same value. To analyse the average remuneration, the average annual remuneration of the ACS Group employees was taken into consideration considering their basic salary and other cash incentives. The consolidated data show the weighted average broken down by gender, professional classification and age.

The salary differences detected are due to several reasons. These include the increased presence in countries with higher per capita income, which is relevant in activities such as construction, and typology, specialisation, working hours, seniority, hazard factors, and location of the various Group activities. The comparison will equate operators at heights in the United States, with high danger levels and higher per capita income, with the Services activity, whose personnel are mainly located in Spain and with activity focused on cleaning services, home help and care for the elderly, with salaries regulated by the collective agreements of each activity.

This diversification of activities and the distribution of employees in countries with different levels of income is what justifies the differences presented in the average remuneration table. Furthermore, in the evolution of wages, it is important to highlight that, given the large degree of geographic diversification of activities and types of contracts, it is very difficult to show a homogeneous evolution of wages and salaries in different years, given the variations of the weight that the different countries/activities represent of the total, with the composition of the salary mass changing significantly from year to year, and the effect of the exchange rate.

In 2022, the ACS Group analysed the salary of its employees to ensure that they are receiving a decent salary that covers basic needs in countries representing more than 60% of the Group's employees. To perform this analysis, initially performed in Spain and HOCHTIEF's European companies, generally accepted methodologies for calculating decent wages were followed (such as the "Anker methodology"). The variables taken into account to calculate the decent salary are housing expenses and associated expenses, clothing, food, health, education, and other basic expenses per family unit taken from official statistical sources, where possible in the various countries, such as the Spanish INE (National Statistics Institute), and external consultants. The calculation includes only employees' basic wages, excluding bonuses and non-ordinary items. The ACS Group will continue to expand this analysis in subsequent years.

⁹ Includes Juan Santamaría's remuneration from 6 May 2022 when he was appointed as CEO

¹⁰ Includes Marcelino Fernández Verdes' remuneration up to 7 May 2021 when he failed to put forward his candidacy for re-election as CEO.

Average annual remuneration (€)	2021 (1)			2022(1)		
	Men	Women	% Difference between average salary for men/ average salary for women	Men	Women	% Difference between average salary for men/ average salary for women
Senior management and university graduates (2)	101,899.4	76,419.4	-25.0%	111,971.5	85,774.4	-23.4%
Non-qualified technicians, similar positions and administration staff (3)	61,939.8	37,549.9	-39.4%	67,991.7	40,903.0	-39.8%
Operators and other staff						
Construction and Concessions (4)	49,373.8	45,991.5	-6.9%	41,893.2	52,579.4	25.5%
Services	15,868.7	14,992.1	-5.5%	16,699.6	16,717.8	0.1%

Average annual remuneration (€)	2021	2022
Age <35 years	34,938.2	35,850.1
Age between 35-50 years	34,871.7	35,973.4
Age >50 years (5)	29,908.9	30,001.1

(1) For the calculation of average salaries for both 2020 and 2021, the average salary data for the year including both fixed and variable salaries are taken.

(2) The differences in salaries by gender for the Executive category are related to the heterogeneity of profiles in this category and the differences in salaries between countries. Likewise, the higher percentage of male staff in this category generates a greater diversity of positions and salaries in this category for the male gender, making comparability by gender difficult.

(3) The differences in salaries by gender for the category of unqualified technicians, assimilated and administrative personnel are also related to the heterogeneity of profiles in these categories.

(4) The salary differences by gender for the Operators and other personnel category, for the Construction division, are related to the geographical distribution of the workforce and the heterogeneity of positions ranging from construction operators to office personnel. In 2022, there has been an increase in the hiring of male operators in Asian countries (Hong Kong, India, Indonesia, Philippines) with lower salaries than their counterparts in other countries, which has led to a drop in the remuneration of male personnel in this category.

(5) The 50+ age group includes a large number of employees in the Services division, who perform cleaning, home help and elderly care services, with part-time contracts being the predominant type of working day.



5.2.3. ORGANISATION OF WORK AND LABOUR RELATIONS

In recent years, the ACS Group has accelerated the trends and initiatives that ACS Group companies have been implementing in previous years as time flexibility measures or the promotion of teleworking in the jobs that allow it, so as to promote work and family reconciliation and employee well-being. Thus, 99.2% of Group companies have flexitime measures, accounting for 90.8% of Group employees, and 94.3% of Group companies promote teleworking, which is implemented in centres where 28.3% of employees work.

It should be noted that ACS Group employees have additional improvements regarding their working conditions in terms of the legal provisions, such as more holidays, more days of paternity/maternity leave, an improvement in the conditions for the reduced working day, the accumulation of breastfeeding periods, or the increase in the number of breastfeeding period days. Similarly, 97.5% of the Group's companies offer the possibility of working part-time in order to promote family reconciliation.

As a result of these measures, in 2022, 84.5% of women and 95.4% of men in 2022 have returned to work after maternity leave, although in these ratios it is important to consider possible annual mismatches (people who have taken a maternity leave in the last months of the year and the end of the year have not yet been reinstated as they are still on leave). In addition, in Group companies that represent a 26.8% of the total number of Group employees remunerated parental leaves are granted for the main and

non-main caretaker above the legal minimum. Likewise, in some ACS Group companies, such as Dragados, the remuneration in periods of parental/maternal leave is supplemented by up to 100%.

In Group companies that represent 66.7% of employees, childcare support is provided for employees' children through childcare checks, agreements with children's schools in the area, among other measures. Also in different ACS Group companies, there is the flexible salary (Salariflex) that includes flexible remuneration and the option of including in remuneration different elements such as health insurance, childcare and transport.

ACS Group companies do not currently have any formalised employment disconnection policies, but one of the targets set in the 2025 Sustainability Master Plan is the implementation of these policies.

Moreover, the implementation of health-hygiene protocols and measures has changed the work systems, particularly in the Construction and Services division to ensure the health and safety of its employees.

The promotion of remote work has also led to the development of new procedures to guarantee the best working conditions and ensure the physical and mental health and safety of employees in this new work environment.

WORK-LIFE BALANCE MEASURES (CLECE)

Work-life balance policies in Clece are part of our EFR (Family Responsible Company) certification, obtained in 2017. EFR certification is an international people management model that, as part of CSR and management of excellence, advances and provides answers regarding responsibility and respect for the reconciliation of personal, family and work life. In the case of Clece, 17 subsidiaries were certified and the scope of application of the scope only affects structure staff. The entire internal and external annual audit process lead to a series of measures that go beyond legal requirements, which materialise in a catalogue of applicable and mandatory measures.

This catalogue of measures is public and is divided into five blocks, amounting to a total of 42 different measures: Quality in employment (14 measures), temporal and spatial flexibility (8 measures), employee family support (12 measures), personal and professional development (4 measures), and equal opportunities (4 measures).

It is expected that these measures will promote work-life balance and decrease the absenteeism rate will decrease, which reached 2022 1.3% and translated into 3,348,262 hours of absenteeism.

	2019	2020	2021	2022
Total number of days missed (due to absenteeism)	694,806	459,332	425,897	481,214
Percentage of days missed due to absenteeism	1.3 %	1.2 %	1.2 %	1.3 %

Note: From 2020, data are presented excluding the Industrial Services activity due to its sale in 2021 and Thiess' 50% stake in December 2020.

	2021	2022
Total number of days missed (due to absenteeism)	2,944,812	3,348,262

The ACS Group promotes, respects and protects the freedom to unionise and freedom of association of its workers. The percentage of Group employees who were members of trade union organisations in 2022 was: 7.7%¹¹, while 77.6% are covered by collective bargaining agreements or by an independent trade union. In accordance with each company's activity, these agreements define the number of working hours and set minimum notice periods for significant operational changes.

By countries, in companies whose head offices are in Spain, the number of employees covered by collective bargaining agreements or by an independent trade union was 99.4%, 79.9% of employees in companies with head offices in Germany, 24.9% for Australia and 22.3% in the United States and Canada. In regard to collective bargaining agreements with health and safety, in 2022, 100% of the ACS Group employees is represented on formal joint health and safety committees for management and employees, and 97.8% of the health and safety issues are covered by these. Over the course of 2022, these committees met more than 1,933 times.

ACS Group companies encourage and maintain channels of communication with workers' representatives to maintain labour relationships based on communication between employees and the Company.

Specifically, in Clece, the largest company in the ACS Group due to the number of employees, there is a large number of workers' representatives, with whom the company is in constant and fluid communication in any circumstance. For example, when workers, or trade unions, in exercising their legitimate right to strike, call for strike action, there is absolute respect for the exercise of this right from Clece and its subsidiaries, always guaranteeing the constitutional right to work and protecting the rights and interests of users and customers. In strike processes, the regulations for requesting minimum services, as well as their participation in the negotiation procedures and, where appropriate, mediation, that have arisen from these calls have always been complied with, and in no case has Clece been sanctioned by the competent authorities for any type of behaviour aimed at preventing or hindering the right to strike.

Lastly, in addition to the relationship between trade unions, the ACS Group offers formal dialogue channels for the relationship with its workers, such as ethical channels or work atmosphere surveys. In any case, for more information on the communication channels in relation to employees, see Chapter 5.5.



¹¹ Scope data: 80.2% ACS Group employees

5.2.4. RISK MANAGEMENT IN HR MATTERS

The functions attributed to the Audit Committee of the Group's Board of Directors include the review, monitoring and assessment of the Group's Sustainability Policy, as well as the other related internal regulations, including the Code of Conduct, Diversity Policy, as well as the Human Rights Policy, which will be developed in accordance with the characteristics and needs of each of the Group's companies.

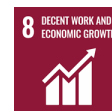
Likewise, in accordance with the Group's risk map, and the

materiality analysis, the Group has prioritised the risks based on their potential relevance for the company's activity, depending on the type of activity, action areas, policies and management approaches.

The table below shows the results obtained from this prioritisation of potential risks to perform the activity related to human resource management, as well as the management measures adopted by the ACS Group:

Issue	Potential risks	Detection, prevention, management and mitigation measures	Associated management indicators	Applicable Policies ACS Group
Fair remuneration and quality employment	<p>The creation of stable, dignified and fairly paid employment is a key aspect to be taken into account in the management of the Company's risks. It can lead to a loss of productivity, competition and business profitability by generating a negative working environment and dissatisfaction among employees. On the other hand, providing quality employment increases employee satisfaction and the sense of belonging.</p> <p>Likewise, to ensure adequate control, supervision and monitoring of these aspects, the risks associated with them were integrated into the ACS Group's Risk Map, the associated risk being: Attracting and retaining talent and Employment relationships. The main risks associated with this material issue of the group's risk management system are:</p> <ul style="list-style-type: none"> • Loss of talent and key profiles • High rate of employee turnover and absenteeism, and therefore inefficiency in human resources • Reduction of feeling of belonging 	<ul style="list-style-type: none"> • The 2025 Sustainability Master Plan includes the commitment to be a leading group in the development of specialised and diverse talent, ensuring equal opportunities and best work practices. • Personnel management measures, in accordance with the general principles established in the Group's policies, adapting to the specific characteristics of each of the Group's companies. 	<p>Indicators presented in this Chapter 5.2. Such as Remuneration, type of employment contract and distribution in the workforce. Measures for social dialogue, organisation, flexibility and work-life balance.</p>	<ul style="list-style-type: none"> • Code of Conduct • Diversity policy. • Talent Development and Assessment Policy. • Sustainability Policy • Human Rights Policy • Risk Control Policy.
Equality, diversity and non-discrimination	<p>Ensuring equal and fair treatment of employees who are part of the Group is not only due to regulatory requirements but also to an increasing demand from stakeholders. Ensuring the prevalence of these principles in people management programmes ensures a greater ability to attract and retain talent and improve their productivity.</p> <p>Likewise, to ensure adequate control, supervision and monitoring of these aspects, the risks associated with them were integrated into the ACS Group's Risk Map, the associated risk being: Attracting and retaining talent and Employment relationships. The main risks associated with this material issue of the group's risk management system are:</p> <ul style="list-style-type: none"> • Loss of key profiles for the organisation • Reduction in economic growth • Reputation risks 	<p>The 2025 Sustainability Master Plan includes the commitment of being a leading Group in the development of specialised and diverse talent, through:</p> <ul style="list-style-type: none"> • Setting up a diverse team by increasing the presence of women in positions of responsibility • Being a leader in the integration of vulnerable groups • Ensuring equal opportunities and best labour practices • Within this common framework, each company prepares its own initiatives in accordance with its specific needs, 	<p>Indicators presented throughout this chapter 5.2, such as: Remuneration, type of employment contract and distribution in the workforce. Measures for social dialogue, organisation, flexibility and work-life balance. Policies, plans and measures for diversity and equality between men, women and persons with disabilities.</p>	<ul style="list-style-type: none"> • Code of Conduct • Diversity policy. • Talent Development and Assessment Policy. • Sustainability Policy • Human Rights Policy • Risk Control Policy.
Attracting talent and professional development	<p>The complexity of the sectors in which ACS Group companies operate makes it necessary to identify key profiles and launch attraction and talent development plans that respond to the new needs of the company. Socio-economic changes and the increased complexity of projects require more training for employees. Therefore, professional skills must be defined for sound business management and supported by programmes that allow them to be developed.</p> <p>Likewise, to ensure adequate control, supervision and monitoring of these aspects, the risks associated with them were integrated into the ACS Group's Risk Map, the associated risk being: Attracting and retaining talent.</p> <p>The main risks associated with this material issue of the group's risk management system are:</p> <ul style="list-style-type: none"> • Loss of competition in the market • High employee turnover • Loss of talent 	<ul style="list-style-type: none"> • The Sustainability Master Plan 2025 includes a commitment to improving professional performance by increasing investment in training. The Code of Conduct, the Diversity Policy and the other developments in this area also define the framework for action. • Within this common framework, each company manages the development of its professionals in accordance with its specific needs, taking into account the Group's policy. They design training and professional and personal development programmes, and assess their impact on participants. 	<p>Indicators presented throughout this chapter 5.2, such as: - Strategies for attracting, developing and retaining talent - Training hours, investment in training, employees trained.</p>	<ul style="list-style-type: none"> • Code of Conduct • Diversity policy. • Talent Development and Assessment Policy. • Sustainability Policy • Human Rights Policy • Risk Control Policy.

5.3. HEALTH AND SAFETY AT WORK



Ensuring occupational health and safety in all ACS Group companies is one of the pillars of the company's strategy. Each of these companies and the Group in general maintain the commitment to reach the most demanding standards in this area and so become a reference in health and safety protection, not only for its own employees, but also for its suppliers, contractors and collaborating companies.

The ACS Group remains firmly committed to implementing a culture of occupational risk prevention that allows the

ultimate goal of zero accidents to be achieved. Occupational health and safety is one of the most important material issues for the ACS Group due to its activity, so management of this issue is being handled as a priority.

In this regard, the investment in health and safety in the work carried out by Group companies reached the 881 EUR per employee, which implies an increase in total investment of a 36.3% and of the investment per employee of 26.8%.

	2019	2020	2020 Rest.*	2022
Investment on Health & Safety (€ mn)	155	148	89	122
Spending per employee on Safety (euros)	778.1	1,115.5	694.9	881.0

Note: From 2020 onwards, data are shown excluding Industrial Services, following its sale in December 2021, and Thies, following the sale of a 50% stake in December 2020 and its change to the equity method in 2021.

Although each Group company is independently managed and has its own action plans, they abide by common principles and objectives in the management of the safety and health of workers and other stakeholders, which have been formalised in the Occupational Health and Safety Policy, approved by the ACS Group Board on 28 July 2022.



It defines the following basic principles of action for all ACS Group companies:

- Compliance with the current regulations on occupational risk prevention and adoption of other more stringent measures in accordance with the requirements voluntarily agreed upon.
- Integration of occupational risk prevention into all activities and at all levels through proper planning and implementation.
- Ongoing improvement in health and safety management systems, including the performance of the actions necessary to protect employees and third parties in the facilities of each of the companies.
- The development of awareness-raising and ongoing training initiatives for workers, contractors and suppliers in occupational health and safety aspects.
- Identify the material resources necessary to achieve the targets set for the prevention of occupational accidents.
- The promotion of communication, consultation and active involvement of staff and, where they exist, their

representatives on the safety and health aspects as an essential aspect in implementing the management systems.

- Cooperation with customers, contractors, suppliers, specialised organisations and other stakeholders in health and safety matters as a key factor for the correct identification and management of prevention risks.
- Cooperation with customers, contractors, suppliers, specialised organisations and other stakeholders in health and safety matters as a key factor for the correct identification and management of prevention risks.

To ensure effective health and safety management, 100% of the ACS Group companies have implemented occupational health and safety systems. To ensure their correct implementation and management, the health and safety systems are subject to regular reviews by the internal audit teams (covering 100% of the Group's employees). The certification of these management systems by an external party is also encouraged, mainly through ISO 45001 certification. Therefore, in 2022 the Group companies whose health and safety systems are certified by an external one cover a 100% of the Group's employees and ISO 45001 certification among the Group companies, reached 88.6% of Group employees. The level of certification in ISO 45001 decreased compared to previous years due to the improvement in the quality of the data reported, including information from countries where this type of certification is not so widespread in the 2022 scope.

The certification of management systems is one of the key objectives of the new 2025 Sustainability Master Plan of the ACS Group, where it was established as a goal to exceed 97% of the employees covered by this certification by 2025.

	2019	2020	2020 Rest.*	2022
Percentage of total employees covered by OSHAS 18001 or ISO45001 certification	90.6%	90.8%	91.6%	88.6%

Note: For the sake of comparability 2019 and 2020 are presented restated for the sale of Industrial Services and Thies's 50% interest.

In accordance with the ACS Group's occupational health and safety policy, the ACS Group companies' own occupational health and safety systems must include:

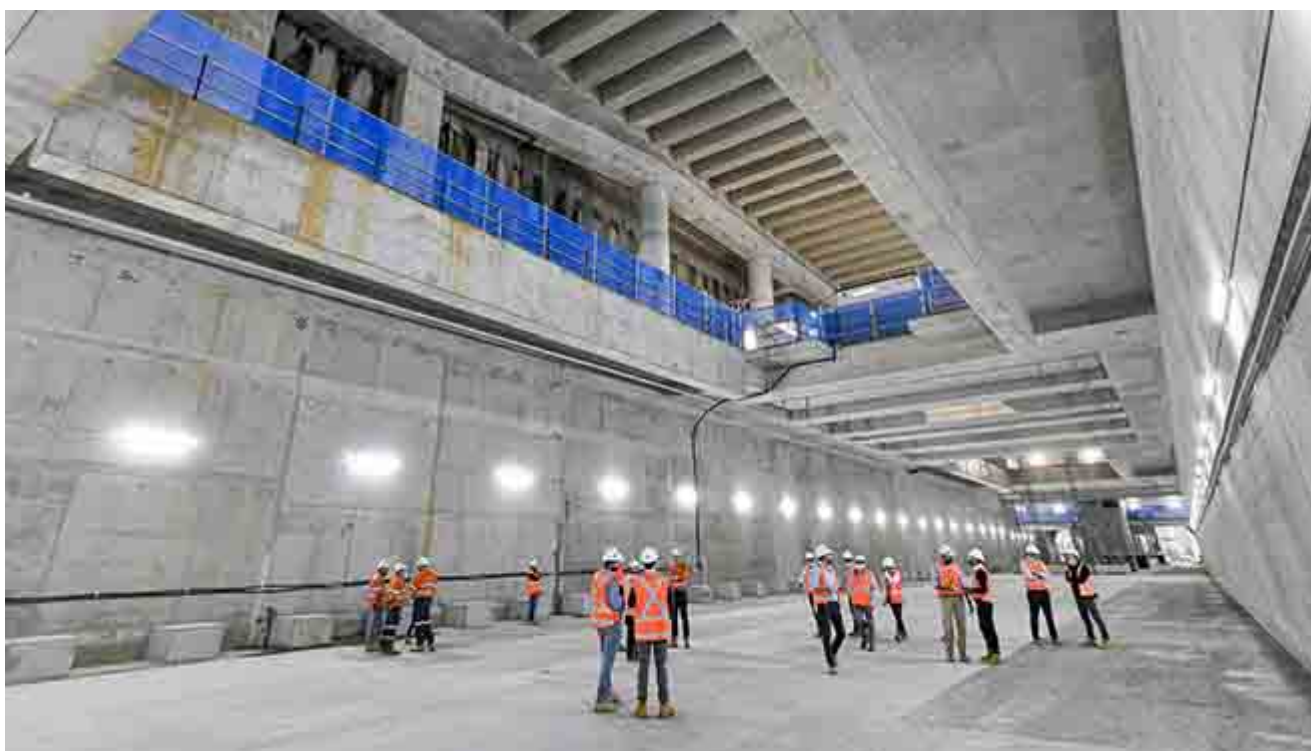
- Periodic assessment and update of the risks to which employees are exposed.
- A definition of risk prevention plans with formal objectives, both quantitative and qualitative, that make it possible to measure performance objectively and incorporate the improvements identified in the assessment processes.
- The integration of action plans to respond to risk situations.
- Procedures for identifying and recording situations that may have arisen in an incident (near-misses), as well as procedures for investigating incidents that have occurred.
- Plans to link remuneration of staff and executives to compliance with formal health and safety targets.
- Regular review programmes by the internal audit departments and subsequent implementation, if necessary, of appropriate mitigation and monitoring measures for risk reduction.

Likewise, occupational health and safety management systems include processes for workers to report occupational hazards or situations that they observe during

their activity. These channels allow ORP teams, as part of the ongoing improvement process, to assess new risks and implement the measures necessary to prevent and manage them.

This way, workers are actively encouraged to engage in occupational safety and health, through, for example, the use of the so-called "Blue Cards" in Dragados, designed for workers to report hazards, incidents, good practices, proposals for recognition or any other matter aimed at improving the safety and health of people. Or through surveys among workers who contribute most to prevention, as in Dragados USA or in Pol-Aqua. The latter is currently implementing a programme to improve the reporting of "near-misses" through recognition of those areas that best report them.

The supervision and optimisation of these occupational health and safety systems involves setting and monitoring objectives, generally on an annual basis, which are approved by senior management. The Risk Prevention Plans implemented at the Group companies include the conclusions from the periodic risk assessments made and establish guidelines for achieving the objectives set. Compliance with the zero accident target is becoming more feasible through the work of the prevention services, and the commitment of workers, suppliers, contractors and partner companies, as well as the use of new technologies that help and facilitate the prevention of possible incidents related to safety and health.



USE OF NEW TECHNOLOGIES IN DRAGADOS TO PREVENT ACCIDENTS

Heat bracelets

A control bracelet is used to prevent the heat stroke in particularly exposed workers.

This bracelet uses innovative, proven and patented technology by Biodata Bank.

This is a personal continuous detection device with a sensor that estimates the amount of accumulated heat and dissipated by the human body.

The alarm will be triggered if there is a risk of hyperthermia, increased body temperature, warning the worker with a visual and sound alarm, of the need to hydrate, rest and shadow until the alarm is deactivated (approximately 5 minutes).

Exoskeletons

Injuries related to overeffort and repetitive movements are one of the most common pathologies in construction. To prevent them, Dragados has launched a pilot programme based on the use of exoskeletons.

The exoskeleton is an element that is worn by the individual and is aligned with shoulder movements, reducing the effort made by the arms and improving posture. To adapt to the task, the level of assistance can be adjusted easily and without removing the device.

The exoskeleton assists the person wearing it through the use of pre-charged springs and does not need batteries or engines, which increases its availability. In addition, it is easy to put on and remove since it is light and not bulky.



Use of drones

Use of air drones to monitor the progress of the works and identify dangerous conditions, especially management of traffic and subcontractor activity. They can be used to supervise the workplace layout and if the works are being carried out as planned.

A licensed drone pilot flies over the work areas scheduled for inspection and observes the work activities following a schedule like a normal aircraft pilot. The video is analysed on the same day, in most cases by third parties, to avoid privacy problems.

The authorised pilot must also have knowledge of mechanics and be well trained, since the drones may malfunction or crash. The use of drone cameras to monitor the work also raises other problems, such as their use indoors and the existence of obstacles outside, e.g., as aerial structures, buildings and trees. These items restrict the flight area.

They can also be used for post-event review, since in an incident they are very valuable in placing people and assets in a given time and place, as well as anything else that can be observed, and be used as evidence if necessary. The operator must be an expert in reviewing the records, isolating the times and downloading them.

Fixed cameras are also used to a lesser extent for key asset security and as additional diligence in the event of an incident.

The projects currently running drone programmes are the following:

- Eglington Crosstown Light Rail Transit alignment
- Finch West Light Rail Transit alignment
- Gordie Howe International Bridge (Canada & USA segments)

Furthermore, in addition to the commitment to the occupational health and safety of its employees, the ACS Group promotes the health of its employees and it is increasingly common for Group companies to have access to health insurance or other non-employment-related health services. Some examples are the health insurance that Dragados Clece, Turner, and Flatiron, among others, offer their employees, in addition to the vaccination campaigns and the promotion of preventive medicine carried out in various Group companies.

In addition, in 2022, several ACS Group companies carried out initiatives aimed at promoting both the physical and mental health of their employees through initiatives such as Clece Bienestar. Clece also participated in events related to mental health promotion, such as the "R U OK?" event, to which UGL contributed this year through the production of a video that includes testimonies highlighting the importance of personal networks, among other initiatives carried out around this event.

CLECE BIENESTAR

Based on a development of the WellWo company, Clece Bienestar is an online platform that Clece has made available to its structure staff to promote their physical and mental health and welfare. In 2021 the Company launched this cross-cutting programme to care for employees' health through various proposals: healthy programmes with physical exercises with a wide range of functional modules; specific pills on mental, physical and environmental health; and specific content on nutrition, among others.

Each individual can configure their own participation model by registering for the various modules, as well as scheduling the frequency with which they receive information and registering as an active user of any of the health programmes. These are carried out outside working hours, since they are training activities in the form of video sessions. The platform can be accessed from any device, so that employees can connect from home 24 hours on seven days a week.

To answer real-time questions about the content of the health programmes, there is a direct channel to talk with health professionals, as well as free live sessions.



5.3.1. TRAINING

The ACS Group believes that one of the basic points of action in the effective management of safety and health at work is the training and awareness of the people who are part of the Group, such as the contractors working in projects within the Group.

Also in 2022, 100% of ACS Group employees received health and safety training

throughout his career in the Company. In addition, in 2022, 73.4% of ACS Group employees received health and safety training. The figure decreased compared to the previous year due to the fact that 2021 was still affected by the extraordinary courses carried out to ensure knowledge of the protocols deployed by the Group in the fight against COVID-19.

	2020 Rest.*	2022
Employees who have been trained in health and safety over the year (%)	77.6%	73.4%
Employees who have received training in health and safety throughout their career at the company (%)	99.7%	100.0%

The ACS Group has various health and safety training programmes aimed at employees. On the one hand, there are basic knowledge courses, such as first aid, occupational risk prevention or emergency and evacuation plans, among others. In addition, specific courses are available based on the type of business and the risks associated with them, including work performed at heights, safety in atmospheres with toxic or explosive gases, and handling of specific machinery. Other courses include training focused on the mental well-being of workers, such as mental health and emotional health. For example,

Dragados Canada is conducting core knowledge training courses on mental health and initial care among staff, as well as training for the Health and Safety committees to investigate, at the same level as physical injuries, potential problems or complaints from workers that may lead to mental health problems, to reduce action times.

The ACS Group collaborates with organisations specialised in health, safety and risk prevention issues and actively participates in the major conferences, congresses and forums organised domestically and internationally.



5.3.2. SAFETY STATISTICS

The occupational safety and health of its employees is one of the ACE Group's key strategic pillars in terms of sustainability. This ongoing effort made by all of the companies in the ACS Group in relation to Health and Safety has been reflected in the gradual improvement of accident rates. However, in 2022 indices were affected by the increase in accident rates in Services, which is a staff-intensive activity, representing more than 60% of the Group's employees and whose accident rates are historically higher due to the nature of the activity. In Services, accident rates have increased due to the standardisation of activity and the increase in home assistance activity that, due to its characteristics, has a higher accident rate. It should be noted that 99.9% of

accidents registered in the Services area are minor and are mainly related to musculoskeletal disorders caused by overexertion and bumping against objects. Data analysis meetings are being held in the Services department to establish measures for 2023. Comparing the rates of claims for services compared to 2019, there was a -2.1 % drop in the frequency index. The 2020 accident rate must be considered unusually low due to the decline in activity arising from the pandemic. In Concessions, which represents only 0.3% of the Group's employees, the increase is due to the higher number of employees in operational activities. In Construction, the decreasing trend continues and the frequency index decreased by -16.5% compared to 2019.

ACCIDENT RATES. OWN EMPLOYEES	2019	2020	2021	2022
Frequency (1)	14.36	11.84	13.60	15.11
Severity (2)	0.37	0.34	0.38	0.46
Incident rate (3)	26.60	21.60	25.60	27.13

Note: For the sake of comparability 2019 and 2020 are presented restated for the sale of Industrial Services and Thiess' 50% interest, as well as improvements in data calculation methodology.

ACCIDENT RATES. OWN EMPLOYEES	2019	2020	2021	2022
Frequency (1)	14.36	11.84	13.60	15.11
Construction	2.66	2.32	2.62	2.22
Concessions	0.00	0.00	3.63	16.83
Services	27.04	21.16	23.16	26.48
Severity (2)	0.37	0.34	0.38	0.46
Construction	0.10	0.08	0.09	0.08
Concessions	0.00	0.00	0.04	0.51
Services	0.67	0.59	0.64	0.80
Incident rate (3)	26.60	21.60	25.60	27.13
Construction	5.55	4.74	5.26	4.42
Concessions	0.00	0.00	6.13	32.35
Services	44.61	34.91	41.42	43.68

Note: For the sake of comparability 2019 and 2020 are presented restated for the sale of Industrial Services and Thiess' 50% interest, as well as improvements in data calculation methodology.

(1) Frequency Rate: Number of accidents occurring during the working day per million hours worked.

(2) Severity Rate: Number of working days lost due to accidents per thousand hours worked.

(3) Incidence rate: Number of accidents with sick leave per thousand workers.





As stated above, historically, the Services activity, due to the nature of business, is associated with a higher incidence and frequency rate. Given the weight of the Services activity, it impacts the Group's consolidated

indicators, especially in the gender breakdown, since this is where the highest concentration of women in the ACS Group is found.

	2021		2022	
Accident rate	Men	Women	Men	Women
Frequency	7.35	19.48	7.51	22.65
Construction	3.02	0.71	2.57	0.56
Concessions	5.28	0.00	21.68	10.20
Services	23.69	23.04	24.41	27.02
Severity	0.21	0.55	0.25	0.67
Construction	0.10	0.04	0.09	0.02
Concessions	0.05	0.02	0.29	1.07
Services	0.64	0.64	0.81	0.80
Incident rate	14.17	35.40	14.30	38.02
Construction	6.04	1.33	5.13	1.02
Concessions	9.22	0.00	37.66	20.00
Services	40.39	41.68	40.27	44.59

Each one of the Group's companies closely monitor these indices and due to the importance given to these aspects, periodic reporting, in many cases is weekly or monthly, of the accidents and incidents that have occurred is a common practice, in order to assess the effectiveness of the measures implemented.

Occupational diseases dropped in 2022 to 65 cases. None of these occupational illnesses resulted in the death of the employee. The main types of occupational illnesses are mainly due to ergonomic

injuries that vary depending on the type of activity carried out (the most common are due to repetitive movements or forced positions).

The main types of work-related injuries that occur to ACS Group employees are, for the most part, linked to bumps or bruises, cuts, sprains, fractures and/or sprains of the legs and arms, as well as eye injuries. The common cause of these injuries is often due to overexertion, ergonomics, falls and the use or handling of objects or tools.

	2021	2022
Total number of cases of occupational diseases (employees)	66	65
Total number of cases of occupational diseases (Male employees)	29	37
Total number of cases of occupational diseases (Female employees)	37	28
Occupational Disease Frequency Rate (employees)(1)	0.272	0.262
Occupational Disease Frequency Rate (Male employees)	0.247	0.300
Occupational Disease Frequency Rate (Female employees)	0.297	0.225

(1) Occupational Frequency Rate: Number of occupational diseases per million hours worked.

ACCIDENT RATES. CONTRACTORS

The dissemination of the culture of prevention between suppliers, contractors and collaborating companies is another one of the Group's basic guidelines of action in this area. The Group continuously monitors the health and safety conditions of these stakeholders and records the accident rates associated with them.

It is also important to note that the ACS Group's Occupational Health and Safety Policy is also applicable, where appropriate, to the ACS Group Business Partners, including the contracted companies acting on behalf of the Group, joint ventures, and other equivalent associations, provided that the Group is in charge of their operational control.

For the other Business Partners, the alignment between their own policies and the ACS Group policies will be assessed and, where appropriate, adherence to them will be promoted.

In 2022 there were 2 cases of occupational illness but no deaths due to this cause were recorded among subcontractors. In this regard, the main types of injuries caused by occupational accidents and illnesses are linked to the same causes as those described for employees when performing the same activity.

CONTRACTORS	2019	2020	2021	2022
Frequency	2.91	3.36	3.01	2.93
Severity	0.10	0.10	0.12	0.11

Note: From 2020 onwards, data are shown excluding Industrial Services, following its sale in December 2021, and Thies, following the sale of a 50% stake in December 2020 and its change to the equity method in 2021.

	0	2021	2022
Frequency	3.36	3.01	2.93
Construction	3.34	3.00	2.91
Concessions	12.87	7.68	47.48
Services (1)	—	—	—
Severity	0.10	0.12	0.11
Construction	0.10	0.12	0.11
Concessions	0.00	0.03	0.07
Services (1)	—	—	—

(1) Since Clece does not work with subcontractors, the indicators for the Services activity are reduced to 0.

Likewise, the ACS Group's commitment to the safety and health of its suppliers, contractors and collaborating companies takes the form of training that is provided to ensure that they are aware of all of the safety measures available that the Group makes available to them to safely carry out their activities. In 2022, 82.6% of the Group's contractors had received training in the reporting year and 100% throughout their relationship with the ACS Group.

Also, in Group companies Dragados has provided 201,442 hours of contractor training. It is important to highlight that the Group has recently begun to record indicators related associated with the training of the contractors, so there are Group companies that have begun to monitor this information so that it will be available for the coming years.

COMMITMENT TO SAFETY AND OCCUPATIONAL HEALTH OF CONTRACTORS (DRAGADOS) - CONTRACTORS LEAGUE

The Euston Station project developed a subcontractor classification programme based on health and safety performance

The official in charge of each section rates the subcontractors they supervise based on aspects such as:

- Leadership
- Supervision
- Participation in meetings for on-site inspections
- Management of observations and incidents
- Communication of risks and change management

Those who systematically obtain the best scores are eligible for the recognition programme. Improvement plans are offered to those who obtain poor scores in different areas.

The programme not only aims to improve the performance of subcontractors in terms of safety, but also to increase their commitment and motivation by involving them in the Group's safety culture.

5.3.3. MANAGEMENT OF RISKS RELATED TO HEALTH AND SAFETY

The functions attributed to the Audit Committee of the Group's Board of Directors include the review, monitoring and assessment of the Group's Sustainability Policy, as well as the other related internal regulations, including that pertaining to the Occupational Health and Safety Policy.

The ACS Group companies will develop these policies in accordance with the characteristics and needs of each one of the Group companies, but always maintaining the common management principles described in the

Occupational Health and Safety Policy and focusing on the fundamental objective on which the entire company is focused, which is the objective of zero accidents.

Likewise, in accordance with the Group's risk map, and the materiality analysis, the Group has prioritised the risks based on their potential relevance for the company's activity in regard to occupational health and safety, depending on the type of activity, areas of activity, policies and management focuses.

Issue	Potential risks	Detection, prevention, management and mitigation measures	Associated management indicators	Applicable Policies ACS Group
Occupational health and safety in employees and contractors	<p>Ensuring occupational safety and health among employees and contractors is a key aspect in the sector. Occupational accident rates in the infrastructure sector are higher than in other sectors, negatively affecting the perception of stakeholders. Therefore, the ACS Group manages the risks and promotes a safe and healthy working culture and environment through action plans, which establish prevention and monitoring measures with specific targets.</p> <p>Likewise, to ensure adequate control, supervision and monitoring of these aspects, the risks associated with them were integrated into the ACS Group's Risk Map, the associated risk being: Health and Safety and Occupational risks. The main risks associated with this material issue of the group's risk management system are:</p> <ul style="list-style-type: none"> • High accident and occupational disease rates • Loss of employee productivity • Reputation risks 	<ul style="list-style-type: none"> • In the 2025 Sustainability Master Plan, one of the strategic lines is to prioritise the safety and occupational health of employees and contractors. The Sustainability Master Plan has specific commitments focusing on extending the certification of occupational health and safety management systems to international standards, reducing the rate of accident rates for own employees Safety and Health. To achieve this global commitment, each company independently manages health and safety, planning and implementing activities and measures such as periodic risk assessments and the definition of prevention plans with annual objectives. • There is a Occupational Health and Safety Policy in the ACS Group that is common to both Group employees and contractors. This policy establishes the basic principles of common action for all ACS Group companies. • Most companies have a management system to comply with the action plans approved by senior management. • The Company set occupational health and safety targets linked to the Board's variable remuneration. • The Group collaborates with specialised organisations and participates in congresses on this matter. 	<p>Indicators presented in this point 5.3. relating to:</p> <ul style="list-style-type: none"> • Health and safety standards, also required for the supply chain. • Zero-accident policies: mitigation plans and reduction targets. • Safety and health training and awareness. • Monitoring of accident rates, frequency and severity indicators. 	<ul style="list-style-type: none"> • Occupational Health and Safety Policy • ACS Sustainability Policy • The ACS Group's Code of Conduct • Code of Conduct for Business Partners • Human Rights Policy • Risk Control Policy

5.4. REGULATORY COMPLIANCE



5.4.1. ORIGIN, EVOLUTION AND MAIN ELEMENTS OF THE COMPLIANCE MANAGEMENT SYSTEM

In April 2021, the international standard ISO 37301 on compliance management systems was published, followed in September of that year by the ISO 37000 standard on governance of organisations. Bearing the content of both these rules in mind, the ACS Board of Directors approved in December 2021 its Corporate Governance Policy in which reference was already made to the organisation's Global Compliance Management System, which aims to implement a model that respects the Group's highly decentralised management structure, allows the Audit Committee of the Board of Directors of the Spanish listed parent company to monitor and assess the effectiveness of the non-financial risk management systems related to the Company and the Group, as well as compliance with the duties of diligence of the parent with regard to subsidiaries, through a system of double risk control in the various compliance areas. This defines an ongoing process of interaction among elements of the organisation to establish Policies, Objectives and Processes so that the organisation complies with its obligations in an efficient and sustainable manner in the long term, generating evidence of the organisation's commitment to compliance and taking into account the needs and expectations of all stakeholders.

Even though ACS already had, since 2018, a global compliance management system with a comprehensive vision and cross-cutting structure from the start, not limited criminal matters, this management model was consolidated as ACS became the first unregulated listed Spanish company certified in ISO 37301 for compliance management systems in October 2022.

Thus, the Global Compliance Management System extends its scope to criminal compliance and anti-bribery; market abuse; competition law; privacy and data protection; cybersecurity; environmental due diligence and Human Rights Due Diligence; taxation; and any other areas of compliance included in the ACS Group's consolidated Non-Financial Reporting Statement, and, in general, any other scope of compliance that the Board may consider should be under the Global Compliance Management System at any given time.

Having defined the scope of the Global Compliance Management System, its main elements are identified:

- The General Compliance Policy, approved by the Board on 28 July 2022, which structured the positioning and measures that ACS has put in place regarding the prevention, detection and management of compliance risks.



- The Compliance division comprises the Compliance Department and the Compliance Committee.
- The risk and control matrices in the different compliance areas in which compliance risks are identified and listing the measures for their prevention, detection and management.
- Policies, procedures, processes and other internal regulations that make up the regulatory body of the Global Compliance Management System.
- The planning, operation, supervision and reporting actions with regard to each of the elements of the system led by the Compliance Committee in permanent connection and in relation to the other business areas of the Organisation and, where appropriate, with the Board Audit Committee and senior management.
- The ACS Ethical Channel that allows any person empowered to do so to report irregularities or breaches of the ACS Code of Conduct and the policies that develop it; and

The disciplinary system of application in cases of non-compliance or breach of regulations under the Global Compliance Management System.

5.4.2. THE DUAL RISK CONTROL MODEL: SPECIFICATION OF THE DUTIES OF DILIGENCE OF THE PARENT WITH REGARD TO SUBSIDIARIES.

To promote the adoption of a model of compliance management by subsidiaries which can be understood as robust, the ACS Group parent has developed a dual control system:

- a. The implementation and development of a homogeneous standards system for subsidiaries aimed at ensuring that all Group subsidiaries have a certified compliance management system or, at least, that it can be understood as certifiable. This system will detect those subsidiaries that have deficiencies and that do not reach the minimum level of uniformity of the group. This will include a system to control the risk posed by the subsidiaries as a whole, which in turn will identify where there is greater vulnerability to indirect risks from subsidiaries.
- b. Semi-annual monitoring to identify those cases in which breaches have been reported or where compliance risks have been established, also monitoring whether the subsidiary has adequately reacted in this specific case by detecting the system's deficiencies, taking corrective actions and the steps taken to resolve them (internal investigations and their results, amendments to rules, improvements in controls, etc.).

In accordance with the highly decentralised management model of the ACS Group, the Group's parent company promotes the adoption of its own specific compliance management model by each of the subsidiaries, aligned with common regulatory standards and policies. This is why the Global Compliance Report is used among Group companies to assess the risks that the independent compliance management system of each one represents for the parent. In this way, the parent has at least one mechanism to be informed of and understand the risks to which it is exposed so that its directors comply with their general duty of control and diligence.

With this information, it can operate with the indirect risks that come from the subsidiaries, implementing and developing a second line of own control, complementary to the specific systems of the subsidiaries.

This allows for average intensity control without daily involvement in the compliance management of the subsidiary based on a system of reporting from the subsidiary to the parent. The standardised reporting system at the group level makes it possible to substantiate the existence of due control by the parent with regard to subsidiaries, promoting the adoption of own compliance management systems by subsidiaries without prejudice to the parent's supervisory and control function.

For this purpose, a tool, designed in 2019, has been constantly corrected and improved. This is the GLOBAL COMPLIANCE REPORT, which, in its latest version as of December 2022, includes the following sections:

- I. Obligations in criminal compliance and anti-bribery.
- II. Compliance staff and responsibilities.
- III. Business partners. External diligence and risk assessment.
- IV. Compliance training and communication.
- V. Controls, targets and resources.
- VI. Auditing and monitoring.
- VII. Ethics channel.
- VIII. Internal investigation procedure.
- IX. Disciplinary system.
- X. Breaches, analyses and corrective actions.
- XI. Competences.
- XII. Cybersecurity.
- XIII. Environmental due diligence processes.
- XIV. Human Rights due diligence processes.
- XV. Tax compliance.
- XVI. Corporate Governance.

The GLOBAL COMPLIANCE REPORT, which is sent by the Group's subsidiaries every six months, is supplemented by the ACS Group's Risk and Criminal Controls and Anti-Bribery Matrix, which includes both the risks to which the listed individual company is exposed due to its own activity, and the risk to which it is indirectly exposed through the

criminal risks of the activities of its subsidiaries. The new risk and control matrix in the tax compliance area was added to the Group's portfolio of risks and controls regarding criminal matters and bribery in September 2022.

The Global Compliance Report also makes it possible to obtain an annual Risk Score Card in all areas of compliance reported.

5.4.3. UPDATE OF COMPLIANCE POLICIES AND PROCEDURES

The Group's main compliance policies and procedures are available to all stakeholders and business partners on the corporate website: www.grupoacs.com. The Board of Directors ensures the ongoing review of these policies and procedures to try to ensure that they are sufficient and that they are being applied, avoiding, in any case, situations that could affect the Company's credit and reputation.



Fulfilling the objectives set by the Committee for 2022, the regulatory body of the organisation has been reviewed and updated to align it with the following regulations:

- a. A Proposal for a Directive on corporate sustainability due diligence (CSDD), which was reflected in the changes made to the following rules of the organisation:
 - Human Rights Policy
 - Corporate Protocol on Due Diligence in regard to Human Rights
 - Sustainability Policy
 - Code of Conduct for Business Partners
 - Environmental policy
 - Occupational Health and Safety Policy
- b. The certifiable standard ISO 37301: 2021 on compliance management systems. The Company's willingness to certify and adapt to the content of the new UNE/ISO 37301: 2021 on global compliance management systems has led to the modification of the Document articulating the Global Compliance Management System and the approval of a General Compliance Policy that sets and publicises the positioning and measures taken by the Company in relation to compliance.
- c. The UNE certifiable standard 19602: 2019 on tax compliance management systems, which has led to an update to the Corporate Tax Policy and the Internal Tax Control Regulation.

5.4.4. FIGHT AGAINST CORRUPTION AND BRIBERY

In the area of criminal compliance and anti-bribery, the Code of Conduct and the Business Partner Code of Conduct are supplemented by the Criminal Compliance and Anti-Bribery Policy and the recent Policy on compliance with international sanctions imposed on third parties, approved by the Board on 27 February 2023. This entire set of regulations is aligned with national standard UNE 19601 on criminal compliance management systems and international standard ISO 37001 on anti-bribery management systems.



Criminal Compliance and Anti-Bribery Policy



AENOR certificates at www.grupoacs.com

In 2022, all the objectives set by the Committee in terms of criminal Compliance and anti-bribery were achieved, mainly through the improvement and strengthening of the risk matrix and criminal and anti-bribery controls, by updating the determination of applicability of the risks and the controls associated with each criminal type, verifying the effectiveness of the latter, as for the final reduction of the current residual risk corresponding to each crime defined in the model.

The update and review of the risk matrix and criminal and anti-bribery controls was carried out from May to September 2022, and the nature and extent of the criminal and anti-bribery risk faced by ACS were determined. It was found that the actual residual risks had been reduced, which was validated and subsequently confirmed by the external audit and certification reports. Likewise, after the entry into force of Organic Law 10/2022, of 6 September, on the comprehensive guarantee of sexual freedom, the new types of workplace harassment and sexual harassment committed by the legal person were included in

the matrix. These are in both cases cross-cutting risks that affect the entire organisation.

Similarly, due to the growing importance of sanctions in the area of contemporary international relations, applicable against States, non-State entities or individuals that pose a threat to international peace and security; together with the geographical and business diversification of the ACS Group, along with the high operational decentralisation and autonomous management that characterises Group companies, the Board of Directors, in compliance with the strategic objectives set forth in the General Compliance Policy, approved the Compliance Policy for third parties at its meeting held on 27 February 2023.



Compliance Policy for International Sanctions imposed on third parties

In relation to the opposition to acts of corruption, which included the ACS Group Code of Conduct, ACS Group companies will ensure that this obligation is fulfilled, while avoiding any transaction that may be interpreted as a gift or donation to individual politicians or political parties, whether in money or in kind. Donations or sponsorships to entities that appear not related to political parties or public officials must be prevented from fundamentally violating the provisions of this Code of Conduct.

In this regard, the approval by the Board of Directors of 27 February 2023 of the new investment policy in the Community, sponsorship, patronage and philanthropic donations of the ACS Group that complies with the certifiable standards in criminal and anti-bribery matters, anti-money laundering and countering the financing of terrorism, as well as the new national and Community regulations on corporate due diligence and reporting on sustainability (Proposal for EU Directive CSDD EU Directive CSRD) and the various requirements of our stakeholders.

	2021	2022
Value of financial and in-kind contributions made by the organization to associations (trade associations, business associations, etc.)(1)(€)	1,502,854	1,509,926

(1) Includes contributions made by ACS, Construction and Services Activities. The scope of the data in 2021 and 2022 is 20.7% and 19.8% of sales respectively.



5.4.5. HUMAN RIGHTS

The ACS Group has the mission to contribute to the development of society and future generations through its services and operations, ensuring at all times maximum respect for internationally recognised human rights (HR) in its global activity, in line with the ten principles of the UN Global Compact to which the Group is a party.

The company integrates Human Rights Due Diligence management in a cross-cutting manner across the Global Compliance Management System, which articulates, among other internal rules, those aimed at ensuring compliance with and supervision of human rights in all ACS Group Divisions, establishing the Group's Human Rights Due Diligence management system (the System), which consists of the following policies and procedures, all available on the Group's official website, which were recently reviewed by the Board on 28 July 2022:

- The ACS Group's Code of Conduct, which establishes the performance guidelines expected of all members of the Company as an essential part of its mission, values and corporate culture.
- The ACS Group's Code of Conduct for Business Partners, which must be complied with by all its business partners regardless of their geographical location or the Group company with which they maintain their contractual relationship.
- The ACS Group's Sustainability Policy, which establishes the ACS Group's environmental and social policy principles, as well as the Group's relationship with its environment.
- The ACS Group's Human Rights Policy, which establishes the responsibility to of respecting internationally recognised human rights, formalising a due diligence process to identify, prevent, mitigate and remedy adverse impacts that take place in the scope of its activity and global value chain, and to report on the effectiveness of this process.



- The ACS Group's Protocol on Human Rights Due Diligence, which serves as the backbone of the system, establishing the approach and due diligence responsibilities required by ACS for all its employees, Divisions and Business Partners, providing the means to ensure and verify compliance as specified below:



- The ACS Group's Human Rights Positioning Framework, the Human Rights Risk Analysis by potential breach and the Corporate Guide for the Protection of Human Rights, approved in 2019 by the ACS Group's parent company to facilitate the assessment of the potential and actual impacts on Human Rights and MA on all Group companies.
- Chapter XII of the ACS Group's Global Compliance Report, the standard under which the Group's Divisions continuously assess the effectiveness and application of the Protocol. It is designed to ensure the early identification of the risk of Human Rights Due Diligence associated with the potential breach of internal and external regulations applicable in the countries of operation of their various Divisions.
- The Human Rights Risk Scorecard and the Annual Compliance Monitoring Report in the Human Rights area of the ACS Group, whose conclusions on Human Risk compliance risk were transferred to the Audit Committee of the ACS Group parent company, as the body responsible for monitoring and evaluating the Protocol and its compliance, and for reporting regularly to the Board on this matter.

These standards constitute the essential pillars on which the Group continuously applies due diligence processes in its operation and global value chain, ensuring their compliance with applicable law in each jurisdiction and with relevant international reference frameworks: the International Bill of Human Rights, the core International Labour Organisation conventions, the UN Guiding Principles, the OECD Guidelines for Multinational Enterprises, and the Tripartite Declaration of Principles on Multinational Enterprises.

The System is based on the 'protect, respect and remedy' pillars of the UN Guiding Principles. Thus the identification, prevention, mitigation, monitoring and remediation of potential adverse effects on human rights related to the activity of ACS (as a result of, contribution and or direct and indirect association) is facilitated, and the processes to handle any complaints or claims that may be made by those who have been the subject of this conduct and/or their legitimate representatives are defined.

To fulfil with the targets set by the Compliance Committee for this year, in 2022 the ACS Group updated the Corporate Protocol on Human Rights Due Diligence and, together with it, the other internal rules and procedures mentioned above.

The purpose of the update was the temporary and material adequacy of the System, with its thorough review and adaptation to ensure its capacity to cover recent and future regulatory requirements, of which it was worth noting, due to its scope and degree of requirement, the Proposal for a Directive on corporate sustainability due diligence (CSDD) approved by the European Commission on 23 February 2022.

The most substantial changes implemented are aimed at strengthening the following aspects:

1. Disclosure and awareness of compliance with the Human Rights Due Diligence and the use of the complaint channels enabled for workers, suppliers and business partners.
2. Extension of compliance with the Group's internal regulations to the entire global value chain.
3. Periodic analysis of Human Rights adverse effects focusing on the risk to individuals, and assessed in terms of probability and severity.
4. Regular definition of action and mitigation plans, as well as specific remediation actions in high-risk situations, following the Protocol guidelines.
5. Strengthening the governance structure on the implementation and supervision of the Human Rights Due Diligence between the various Divisions and their functional areas.
6. Integration of procedures to escalate significant incidents in this area to senior management from any point in the organisation.
7. Strengthening the Human Rights risk management and identification systems in relationships with business partners throughout the value chain (upstream and downstream).

Also, to strengthen the integration of the Due Diligence into Human Rights in the management of the Group's value chain, in 2022 the Compliance Committee carried out the review and adaptation of the Code of Conduct for Business Partners to strengthen the following issues:

1. Strengthening compliance requirements with human rights, labour rights and ethical principles.
2. Introduction of requirements to ensure compliance with the same basic principles of action in the supply chain of suppliers subject to the Code.
3. Strengthening transparency and reporting requirements for nonconformities.
4. Strengthening the clauses and the affidavit of knowledge of and compliance with the Code.

As a result of these changes, the ACS Group updated the assessment criteria regarding the Human Rights area within the *Global Compliance Report* of 2022, Chapter XII "Human Rights Due Diligence", reinforcing the requirement for the assessment model for the ACS Group Divisions, and facilitating the identification, through the 2022 Annual Compliance Monitoring Report, of the specific action plans that each Division must implement to continuously improve its performance in implementing the Protocol, in accordance with the main standards, internal regulations and applicable regulations.

The results obtained in the Report make it possible to assess the subsequent level of compliance risk in human rights attributable to each Division specifically and to the ACS Group as a whole. It may be concluded that both ACS and the Group's Divisions are well positioned in view of the future regulatory requirements currently being developed in the area of the Human Rights Due Diligence globally, which will apply in the medium term.

However, it is important that all ACS Group divisions continuously extend and strengthen their processes in both direct transactions and the global value chain.

In 2022, 72.5% of the ACS Group's operations over the life of the project have been assessed, advancing towards the target set by the ACS Group in the 2025 Sustainability Master Plan - namely, the assessment of 100% of its own operations in terms of human rights by that date.

As a sign of the effectiveness of the system, it should be noted that no complaints were filed against ACS Group subsidiaries in 2022 for breaches of Human Rights, and in any case the Protocol's guidelines in the area of detecting and remedying adverse impacts that the Group may have contributed to within the scope of its liability have been strengthened. Therefore, in 2022, in 79.5% of the ACS Group's own operations in which the possibility of operational risks in relation to human rights has been detected, mitigation plans have been implemented, and no remediation measures have been implemented in 2022 since there have been no breaches or nonconformities in this regard.

In 2022, the various ACS Group companies worked to ensure their effectiveness and continuous improvement in the protection of human rights, both in direct operations and along the supply chain, through the provision of training courses for their employees, analysis of operational risks in the field of human rights, promotion of dialogue with Human Rights stakeholders, among other examples. Particularly noteworthy were the progress in human rights made by HOCHTIEF, the main company of the ACS Group in terms of turnover, whose initiatives can be seen on pages 216 to 221 of its 2022 Annual Report.

5.4.6. ENVIRONMENTAL DUE DILIGENCE

The ACS Group has a firm commitment to environmental protection and the proper management of the expectations of its stakeholders in this regard, in accordance with the strategic lines defined in the Group's Environmental Policy, the Sustainability Policy, the ACS Group Code of Conduct and the ACS Group Code of Conduct for Business Partners.

To strengthen this commitment, in 2022 the ACS Group included for the first time the risks associated with the Due Diligence in the Environment as a cross-cutting management element within its corporate governance model and the Global Compliance Management System.

This section includes information on non-financial risks associated with the ACS Group's due diligence compliance responsibilities. Detailed information on the Group's environmental management framework is available in section 5.1 of this report.

To fulfil the targets set by the Compliance Committee for 2022, the Environmental Policy was updated by conducting a thorough review and adaptation to ensure its capacity to meet recent and future regulatory and voluntary environmental requirements, taking into account, among other rules, Regulation (EU) 2020/853 of the European Parliament and of the Council, of 18 June 2020 on Taxonomy, and section 32 of Law 7/2021, of 20 May, on climate change and the energy transition. Accordingly, several changes were made to strengthen the following aspects:

1. Alignment with the requirements of the Proposal for a Directive on corporate sustainability due diligence (CSDD) adopted by the European Commission on 23 February 2022.
2. Alignment with the changes made to the Business Shareholder Code of Conduct.
3. Extension of the biodiversity section to include new requirements for stakeholders on biodiversity and non-deforestation.

The ACS Group's Compliance Department included chapter XI "Environmental Due Diligence" in the 2022 Global Compliance Report, including 12 issues regarding the state of performance of environmental matters, designed to influence the early identification of the environmental risk associated with the potential breach of the ACS Group's internal policies, the main international standards and the regulations applicable in the countries of operation of the various ACS Group Divisions.

In October 2022, an independent expert made the Annual Compliance Monitoring Report in the Environmental Area based on the "Risk Scorecard" method. This report aims to estimate the environmental risk of compliance to which the ACS Group Divisions are exposed and to facilitate their mitigation by defining the specific action plans that each Division must address to continuously improve its performance in this regard, assuming a new environmental compliance assessment model for the ACS Group Divisions.

The assessment was applied on the information reported by the Divisions to Chapter XI of the ACS Group's Global Compliance Report, aimed at addressing the most demanding regulatory frameworks in this regard, including:

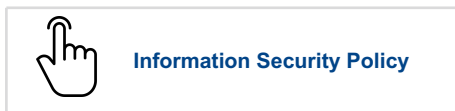
- a. The Environmental Policy for ACS, Construction Activities and S.A applicable to all Group companies
- b. The 2025 PDS - 2025 Sustainability Master Plan
- c. Regulation (EU) 2020/853 of the European Parliament and of the Council of 18 June 2020 on Taxonomy. The regulation establishes the criteria for determining whether an activity is considered environmentally sustainable in order to establish the degree of environmental sustainability of an investment.
- d. Section 32 of Law 7/2021, of 20 May, on climate change and the energy transition. It introduced disclosure obligations on the assessment of the financial impact on society of the risks associated with climate change, including the risks of the transition to a sustainable economy and the measures taken to address these risks.
- e. The Task Force on Climate-related Financial Disclosure (TCFD). Framework of recommendations to disseminate the measurement, control and management of risks related to climate change.
- f. ISO 14001 on Environmental Management Systems.

The results obtained in the Report make it possible to assess the subsequent level of compliance risk in environmental matters attributable to each Division specifically and the ACS Group as a whole, and it may be concluded that it is important that all divisions of the ACS Group extend and continuously strengthen their processes in both direct transactions and the global value chain.



5.4.7. INFORMATION SECURITY

The ACS Group's parent company, through the Information Security Policy, which is mandatory for all Group subsidiaries, and based on the CISO (Chief Information Security Officer) position, has the necessary mechanisms and tools to ensure the confidentiality, availability and integrity of its information, the main one being the Director Information Security Plan that is aligned, first, with the business objectives and, on the other, with the Information Security Policy itself.



In 2022 this Master Plan changed to respond to current risk situations, with a particular focus on implementing security

5.4.8. COMPETITION POLICY AND COMPLIANCE PROTOCOL

On 28 July 2022, the Board of Directors of the Group's parent company approved the latest version of the Competition Compliance Policy and Protocol.



In 2022 the ACS Compliance Committee strengthened and improved the monitoring of the effectiveness of competition compliance programmes in the ACS Group divisions, through the following actions:

I. Improvements in the Global Compliance Report questionnaire section on competition compliance programmes:

- a. More questions were asked, focusing on the involvement of directors and executives in the programme, training, complaints channel, compliance officer, risk map, control matrix and disciplinary system/incentive system among others.
- b. Overall scope of the assessment of competition compliance programmes, taking into account the compliance guidelines of competition authorities in Germany, Australia, Canada, Spain and the USA.

The improvements made to the questionnaire also aim to assess the effectiveness of competition compliance programmes taking into account the compliance guidelines of the competition authorities of the countries in which ACS Group subsidiaries are active.

To determine the robustness of the programmes of Spanish subsidiaries, the CNMC's Competition Compliance programme Guide and the ACS Group's Competition Compliance Policy and Protocol were taken into account.

measures necessary to protect the main information systems, network monitoring, user accesses and setting up regular security audits on all internal and external information systems to verify not only the effectiveness of the security controls implemented but also to improve and optimise them.

In addition, as a framework for security risk management, compliance monitoring and security maturity assessment, ACS will be based on the NIST (National Institute of Standards and Technology) cybersecurity framework, which consists of five simultaneous and continuous functions: Report, Protect, Detect, Respond, and Recover, divided into 150 controls, which are a guide for the effective protection of cyber-attack information systems, focusing efforts on those parties that require greater attention.

The guidelines on compliance of the national competition authorities of their own countries, in addition to the ACS Group's Competition Policy, have been considered for the most important Group subsidiaries established outside Spain. Specifically, the guidelines on compliance of the competition authorities of the following countries were taken into account for this analysis:

- Germany: Guidelines on the premature deletion of an entry from the Competition Register due to self-cleaning y Premature deletion from the Competition Register due to self-cleaning (a practical guide) from the German competition authority (Bundeskartellamt).
- Australia: Australian Competition and Consumer Commission Competition and Consumer Compliance Program.
- Canada: Competition Bureau of Canada Bulletin on Corporate Compliance Programs.
- USA: Antitrust Division of the Department of Justice's Evaluation of Corporate Compliance Programs in Criminal Antitrust Investigations.

These rules are important because they establish the requirements that a competition compliance programme must meet to be considered effective by the competition authorities. If a company has a solid programme that meets the conditions of these guides, the probability of committing a competition breach will be minimised. If committed by any worker, in breach of the programme, the Company may take remediation and corrective measures on time. If the authority initiates an investigation against the company, having an effective competition compliance programme can lead to a reduction in the amount of the potential fine. In addition, it may also serve to lift a potential ban on engaging with the public authorities as a result of the company's commission in the past of a competition breach.

II. Improvements in the risk assessment methodology of subsidiaries

The methodology for measuring the maturity level of the programmes with weightings was improved that take into account the level of potential competition risks in which each subsidiary is located, its size and activities, as well as the regulatory and application context of competition rules in the country in which it is active.

At the same time, even when the requirements of the guidelines on compliance programmes of the national competition authorities of different countries have been analysed, by individualising the analysis by countries and companies, the new metric used also allows a harmonised comparison of the degree of maturity of the compliance programmes of the ACS Group subsidiaries as a whole, regardless of the country in which they operate, by converging in the analysis of the effectiveness of the

programmes from the dual perspective of, on the one hand, the compliance guide of the corresponding national competition authority and, on the other, compliance with the ACS Group's Competition Policy and Protocol, which applies to all its subsidiaries.

III. Work plans and specific recommendations for improving the competition compliance programmes of each subsidiary

The analysis of the responses to the Global Compliance Report reflects the progress in the competition programmes of each subsidiary and makes individual recommendations, also proposing a specific work plan for each one to strengthen and improve its competition compliance programme. The proposed improvement and reinforcement actions are specific and detailed, to facilitate subsequent thorough supervision of their degree of implementation by the ACS Compliance Committee.

5.4.9. TAX COMPLIANCE

In 2022, several actions were taken to improve the Compliance Management System, its procedures and processes to adapt the organisation's model to the UNE 19602: 2019 standard on tax compliance management systems. This certification was obtained in October.

As a result of the preparation of the two phases of the certification audit, the following reports, documents and processes were approved and adopted:

- Report on compliance with the tax compliance management system.
- UNE 19602: 2019 review on tax compliance management systems 2022.

- Tax compliance training plan.
- Tax risk and control matrix.
- Tax Compliance risk monitoring 2022.
- Review of tax controls.

The adaptation of the organisation's model to the UNE standard 19602: 2019 on tax compliance management systems has also led to changes in the Corporate Tax Policy and the Internal Tax Control Regulation.



5.4.10. TRAINING

	2021	2022
Scope of the training plans regarding the company's human rights, ethics, integrity, conduct or compliance procedures (% of employees)	99.9%	100.0%
Number of courses given with content on Human Rights, Ethics, Integrity, Conduct or other compliance policies and procedures	455	477
Number of employees trained in Human Rights, Ethics, Integrity, Conduct in the year or other compliance policies and procedures	39,337	35,148
Training hours per trained employee	2.6	3.4

All ACS Group companies provide training to all members of their organisation on a regular basis from the time when they join the company and at planned intervals, determined in the training matrices, approved in each case by the Compliance division. This training must be appropriate to each staff member's role and the compliance risks to which they is exposed; they must be assessed in terms of effectiveness and regularly reviewed.

Taking into account the compliance risks identified in each case, the Group's subsidiaries must also ensure that procedures are implemented to address awareness and compliance training for third parties acting on their behalf that may pose a compliance risk for the organisation. Training records must be kept as documented information.

In 2022, under the impetus of the Compliance Committee of the Group's parent company, the training of members specially exposed to the different classes of compliance risk within the organisation, focused on the following compliance areas, developed in the training matrices: criminal compliance and anti-bribery system, information security, corporate due diligence on sustainability, governance and compliance, tax compliance management system, as well as the training of new employees of the organisation.

5.4.11. CHANGES IN THE ORGANISATION'S INTERNAL AND EXTERNAL CIRCUMSTANCES

The annual compliance monitoring report for 2022, reported to the Audit Committee at its meeting held on 27 February 2023, included the following changes in the legal or regulatory context considered to be external circumstances relevant to the organisation:

- New framework on Non-Financial Information on sustainability. Directive CSRD 2022/2464 of the European Parliament and of the Council of 14 December 2022. Since the CSRD Directive was approved in December 2022, its development at Community level and its transposition into Spanish law will be taken into account in the developments in the organisation's internal regulations in 2023 and subsequent years.
- Proposal for a Directive on corporate sustainability due diligence.

In accordance with the Work Plan resulting from the process of assessment of the Board of Directors and its Committees, the following training was given to the ACS Group Board in 2022:

- Face-to-face given to the Board of Directors on the Proposal for a Directive on corporate sustainability due diligence (CSDD) adopted by the European Commission on 23 February 2022, focusing on the due diligence of companies with regard to human rights and the environment and the consequent need to amend the Organisation's Code of Conduct for Business Partners.
- Video training on governance and compliance: directors' responsibilities and functions regarding compliance within the framework of the Company's adaptation to the new UNE/ISO 37301: 2021 and the new General Compliance Policy approved by the Company in July 2022.
- Video training on the tax compliance management system.
- Face-to-face training given to the Board of Directors on criminal and anti-bribery risks of the organisation.
- Code of Good Practice for institutional investors, asset managers and voting advisers in relation to their duties with regard to the assets assigned or services provided by the CNMV of 22 February 2023. New lines of action are opened for departments or areas of listed companies in relationships with institutional investors, asset managers and voting advisers.
- Organic Law 10/2022, of 6 September, on the comprehensive guarantee of sexual freedom, introducing new types of the risk matrix and criminal and anti-bribery controls.
- New system for the control of related transactions in listed companies introduced by Law 5/2021, of 12 April, which seeks to prevent a party with power of influence over the decision-making process of

the listed company from making a profit to the detriment of the listed company itself, its external shareholders (not affected by the transaction) or its creditors. In adapting to this new system, the Company's Board of Directors approved, at its meeting held on 15 December 2022, the "Protocol on Related Transactions of ACS, Actividades de Construcción y Servicios, S.A.", which aims to establish an internal control procedure for identifying related transactions and articulating the approval system and, where appropriate, publicising them, in order to ensure full compliance with the legal requirements regarding related transactions. Under this Protocol, the identification and analysis of related transactions prior to their approval is carried out by an Operating Committee, the main function of which is to support governing bodies in the application of the system for related transactions. This Operating Committee was appointed by the Board on 15 December 2022, and held its first meeting on 16 December 2022.

- In the last quarter of 2022, new requirements were introduced in the organisation's compliance management model with its adaptation to international standard ISO 37301: 2021 on compliance management systems, which

established in sections 4.1. and 4.2. the obligations of the organisation with regard to context and stakeholders.

The annual compliance monitoring report for 2022, together with changes in the legal and regulatory context and changes in structures, policies, processes and procedures, analysed the organisation's compliance culture, through the assessment processes led by the Compliance Committee, and finally analysed changes in stakeholders.

Since 2021, as a result of the entry into force of the Policy for Communication of economic-financial, non-financial and corporate information, and regarding Contacts and Relations with Shareholders and Other Stakeholders, as well as Contacts and Implications with Shareholders and Other stakeholders, changes have taken place in the identification of the relevant stakeholders for the purposes of the Compliance system, since the description of them has been extended. In 2022, new requirements were introduced with the adaptation of the organisation's compliance management model to international standard ISO 37301: 2021 on compliance management systems, which established in sections 4.1 and 4.2. the obligations of the organisation with regard to context and stakeholders. There were also changes in the identification of the main relevant requirements of these stakeholders in relation to the Compliance management system.

5.4.12. GOVERNANCE AND COMPLIANCE

An effective compliance management system is a fundamental pillar of the good governance of an organisation as ACS.

In accordance with the Law and the Board Regulation itself, the Board of Directors has among its functions the determination of the Company's general policies and strategies and, in particular, the determination of the risk management and control policy, including tax risks, and the supervision of internal information and control systems, including the Global Compliance Management System, to the extent that it is the mechanism for controlling compliance risks.

To perform these functions, the Board has the support of the Audit Committee, which is entrusted by both the Law and the Rules of the Board of Directors with the supervision and assessment of the effectiveness of the financial and non-financial risk management systems related to the Company and the group, including those operating, technological, legal, social, environmental, political and reputational or related to corruption and, therefore, the supervision and assessment of the effectiveness of the Global Compliance Management System.

Therefore, the Board approved, in its Plenary Meeting held on 28 July 2022, the General Compliance Policy as a formal means of adopting and implementing the Global Compliance Management System and, through the Audit Committee and the Compliance Committee, was responsible for regularly assessing its effectiveness, changing it, if necessary, when it is aware, by any channel, of the existence of serious breaches or when there are

significant changes in the circumstances that concern the organisation, in the assessment of compliance risks or in the compliance targets set by the Compliance Committee.

However, to the extent that the ISO 37301 standard on which the system is based requires the Board to lead the creation of a culture of compliance, it is necessary that, together with the general formal aspects we have outlined, the Board as a whole and its members individually develop the necessary sensitivity with regard to governance and compliance aspects that uphold the values of the organisation and, in particular, promote compliance. In this regard, the ISO 37301 standard requires the Board to demonstrate an active, visible, consistent and sustained commitment to a common standard of behaviour and conduct that is required throughout the organisation, and to this end it identifies specific measures, such as ensuring that the resources necessary to manage compliance are available, supporting the relevant roles to demonstrate their leadership in their corresponding areas of responsibility or ensuring that they are informed in a timely manner of compliance issues, including cases of non-compliance and that appropriate measures are taken.

The implementation of all of the above will not only entail compliance with the obligations and principles voluntarily taken on through the internal regulations and, in particular, through the Code of Conduct, in the Corporate Governance Policy and in the General Compliance Policy, but will also entail exercising the duty of care required by commercial law and complying with the best governance standards required by responsible management of the organisations.

Also, to the extent that the rules that are part of the regulatory body of the Compliance Management System were adapted in July 2022 to the Proposal for a Directive on corporate sustainability due diligence (CSDD), the implementation and promotion of the Global Compliance Management System by the Board will also allow it to comply with the due diligence obligations required of organisations such as ACS in the areas of human rights and the environment.

All of this will in turn reflect the content/scope of non-financial information (now referred to as "sustainability information") and foreseeably also in the IAGC.

The Compliance management system thus plays a significant role in the governance of the organisation, as an element aimed at minimising risks, making processes

objective, aligning interests and, ultimately, improving the sustainability of ACS as an organisation. However, the fact is that the success of the Global Compliance Management System that has been implemented in ACS depends, to a large extent, on the awareness and momentum that all members of the organization can provide and, in particular, on the Board's leadership as the driver of a culture of compliance.

The heading "Corporate Governance " in Section 6 of this Integrated Report, will analyse in more detail the governance model of the organisation and the function of the Board's Audit Committee in relation to monitoring compliance with corporate governance rules and internal codes of conduct and the assessment of the corporate governance system.

5.4.13. CONTROL AND MONITORING MEASURES

Established communication and complaints channels

The ACS Group's Code of Conduct reflects the essential values of the ACS Group. Failure to comply with these values can be reported to the ACS Group's Ethics Channel. The ACS Compliance Committee, which reports to the Board through its Audit Committee, is the body responsible for promoting and managing the ACS Group's Ethics Channel and ensuring that there is no retaliation against the whistleblower.



The ACS Group's Ethics Channel is available to anyone who intends to report a potential breach within a professional context with the ACS Group, as well as to all Group contacts and stakeholders. The Ethical Channel Operation Policy is binding for directors, executives and employees who have links with Group companies, regardless of the legal nature of their relationship and those who, although not employees, are aware of any breach in their professional relationship with ACS.

The ACS Ethics Channel allows complaints to be made anonymously. Through the digital platform of the Ethics Channel, the whistleblower may keep in touch with the organisation preserving its identity and monitoring its file. However, ACS encourages whistleblowers to identify when making a complaint, giving their name, position and contact details. The staff responsible for processing it may therefore contact the whistleblower for follow-up if necessary. At the same time, ACS considers that it is the best way to prove its Policy of non-retaliation in the event of a complaint.

In this sense, it should be noted that when a (non-anonymous) complaint is filed, ACS ensures that the internal complaint procedure will be carried out in a secure manner that ensures the confidentiality of the identity of the complainant and other related information.

All members of the organisation and interested parties are encouraged to submit information related to potential breaches of the Code of Conduct, as well as to request guidance related to compliance policies and procedures or to provide suggestions.

The information provided by the whistleblowers will be managed in a fully confidential and anonymous manner if they so wish. ACS will process the personal data for the processing and investigation of the complaint made through the Ethics Channel, for the purpose of detecting and avoiding potentially unlawful conduct and/or contrary to the ACS Code of Ethics and for the defence of the Company's interests and rights. Whistleblowers can exercise their data protection rights by addressing Avda. Pio XII, 102, 28036, Madrid, Spain or email pdd@grupoacs.com. More detailed information on the processing of your data is available in the data protection section of the website as well as directly in the information regarding the users of our Ethics Channel.

The ACS Group's Ethics Channel can be accessed.

By post sent to:

Canal Ético Grupo ACS
Avda. Pío XII 102, 28036 Madrid, Spain.

Through the corporate website <https://www.grupoacs.com/compliance/canal-etico/> or directly through the following link to the Ethicspoint platform operated by Navex Global: <https://secure.ethicspoint.eu/domain/media/en/gui/108376/index.html>

Through the telephone hotline 24 hours, 7 days a week, at the following numbers:

Country	Telephone number
Spain	900876841
United States	833 7781 528
Canada	833 7781 528
France	800990846
United Kingdom	0800 077 3019

Queries and complaints received in 2022

In 2022, 4 complaint files were opened in the ACS, Actividades de Construcción y Servicios, S.A. Ethics Channel, referring to ACS Group companies, of which three are in the course of processing.

The list of queries and reports received via the Ethics Channel of the Clece Group, the Dragados Group and the Iridium Group is as follows:

- Dragados Group: 50 queries/reports were received, through its different ethics channels, from different users, 28 submitted digitally, 9 by telephone and 13 through the website. The locations of origin of these inquiries/reports were: 14 from Spain, 21 from the United States, 3 from Argentina, 8 from Poland and 1 from Canada, with 43 from employees, and the rest miscellaneous. The reasons for the communications/reports received were: 10 due to alleged cases of harassment and discrimination, 11 due to irregular conduct, 5 due to conflicts of interest, 6 due to labour relations, 6 due to compliance and regulation reasons and 12 due to other reasons.

Twenty of the communications/reports were resolved in less than 15 days, twelve between 15 and 30 days, eight between 30 and 60 days, eight in more than 60 days, and two are still under investigation. Of the 50 inquiries/complaints received: 22 inquiries/complaints were filed; 5 were filed away and no measures were implemented, 3 were filed away after giving recommendations, 6 were not admitted or could not be verified, 7 were resolved with improved controls, one is being investigated by an external party, and 2 are being processed.

- Iridium: through its Ethics Channel, 10 inquiries/reports were received in Spain, all digitally, regarding questions about the internal policies which were answered in less than one month.
- Clece: received 57 inquiries and 119 complaints through his Ethics Channel. All complaints are from Spain, of which 55 came through email, 63 through the Ethics Point platform and one through regular mail. Of all the complaints, 24 were due to alleged harassment, 34 due to the quality of the service, 41 due to employment relationships, 19 due to breaches of the code of ethics and conduct, and one related to criminal risks. 62 of the complaints received were resolved over an average period of less than 15 days, 49 in less than 100 days, 2 more were closed before the end of the year and 6 are still pending resolution.

HOCHTIEF received 109 communications through its channels in 2022, all related to human resources issues. In 2022, 80% of the cases were completed and 22 of them were pending resolution at the end of 2022.

5.4.14. COMPLIANCE RISK MANAGEMENT

The General Risk Control and Management Policy, as a framework rule, affects all the ACS Group Divisions, including all issues relating to compliance. The Integrated Risk Control and Management System covers all types of risks that could jeopardise the achievement of the objectives of the Organisation and the ACS Group companies.

In December 2022, the Board approved the update of the ACS Group's General Risk Map, as explained in point 2.3 of this Integrated Report. With regard to the ACS Group's compliance risks included in the General Map, it should be noted that they are part of the Group's list of priority risks, within non-financial risks.



To reflect compliance risks in the ACS Group on the overall risk map, the key information handled relates, first,

to the information obtained from the Global Compliance Report in each of the compliance areas analysed in all ACS Group divisions worldwide, as well as the information published (Annual Corporate Governance Report, among others) and domestic regulations. Secondly, interviews were held with the interlocutors appointed by the business managers in the various divisions to see their perception of the risks within the quadrants, in terms of probability and impact, as well as to update the status of the compliance functions and the main actions carried out in the year. Significant improvements were found both at the corporate level and at the subsidiary level. Meetings were held with each and every one of the Group's business divisions. The risk name was also changed from "Regulatory Breach" to "Regulatory/Compliance Breach" to more accurately reflect its nature.

The body responsible for analysing non-conformities or breaches and proposing corrective actions in the different areas of compliance in the parent company is the Compliance Committee. Each division within the ACS Group has its own Compliance Committee and implements its own compliance management model, which is supervised through a medium control monitoring model by

the parent's Compliance Committee to respect the high level of decentralisation and autonomy in management by subsidiaries. For the promotion of the adoption of a Compliance management model which can be understood as robust, the ACS parent has a double control system as explained in point 5.4.2. of this report.

Furthermore, as specified in section 25 of the Board Regulation, the Audit Committee has been attributed the following functions relating to the supervision of risk management and control:

- a. Supervising and assessing the effectiveness of financial and non-financial risk management systems related to the Company and the group, including operational, technological, legal, social, environmental, political and reputational or corruption-related risk management systems.
- b. Reassessing, at least on an annual basis, the list of most significant financial and non-financial risks and assessing their level of tolerance, proposing, where appropriate, their adjustment to the Board. To this end, the Committee will hold at least annually a meeting with senior executives of business units explaining business trends and associated risks.
- c. Directly overseeing the performance of the internal control and risk management functions carried out by any unit or Department of the Company.

All this without prejudice to the mandatory information to be sent to the markets through the Annual Consolidated

Report, the Non-Financial Reporting State (EINF) and the Annual Corporate Governance Report (sections E and F).

During the year, the Compliance Committee carried out actions to improve the management and control of the main compliance risks, reporting to the Audit Committee on compliance with the established response and monitoring plans.



[Annual Consolidated Report](#)



[Annual Corporate Governance Report](#)

Furthermore, in the course of its activities, the ACS Group is subject to contingent liabilities of various types that arise from litigation or administrative proceedings. It is reasonable to consider that these will not have a material effect on the economic and financial situation or on the solvency of the Group, and provisions have been made insofar as they may have a material adverse effect. All information about them can be found in Note 36.02 to the consolidated financial statements.



5.5. MANAGEMENT OF RELATIONS WITH STAKEHOLDERS

The ACS Group defines stakeholders as groups with the ability to influence the achievement of the organisation's objectives or that may be affected by its activities. The basic principles of action that the ACS Group follows in relations with its stakeholders and the environment are based on compliance with current national and international

law, as well as the sustainability commitments entered into voluntarily by the ACS Group and included in the Group's Sustainability Policy.

The figure below indicates the main stakeholders with which the the ACS Group has relationships:



Likewise, in order to know and respond to the expectations of the stakeholders, and for the ultimate purpose of establishing relationships of trust with them, each one of the Group companies makes different channels of communication available to them.

These channels promote transparency, participation and active listening of all stakeholders. Responsible communication practices to prevent the manipulation of information and safeguard integrity and honour. For this reason, the communications are based on criteria of impartiality, clarity, precision, consistency and responsibility, notwithstanding the need for confidentiality in the execution of the activity.

These general communication principles are defined by the ACS Group in its Policy on Reporting Economic-Financial, Non-Financial and Corporate Information, and on Contacts and Implications with Shareholders and other stakeholders

aimed at, among other matters, establishing a general framework that promotes communication between ACS, its shareholders and other stakeholders.

The purpose of this Policy is also to define the general and specific channels established by ACS to implement and develop a strategy that facilitates communication, ensuring fair treatment of interlocutors and also establishing direct and indirect means of disseminating relevant economic, financial and non-financial and corporate information that, on both mandatory and voluntary basis, ACS provides to shareholders and markets in general.



Policy for Communication of economic-financial, non-financial and corporate information, and regarding Contacts and Relations with Shareholders and Other Stakeholders

STAKEHOLDER	COMMUNICATION CHANNEL	MAIN COMMITMENTS OF THE ACS GROUP
<p>CUSTOMERS</p> <p>Any entity or person that contracts or acquires the services or products marketed by the different ACS Group companies.</p> <p>The commitment to clients is addressed from a clear strategy, as included in the Group's Sustainability Policy.</p>	<ul style="list-style-type: none"> - Group websites and Public reports. - Ethics Channel. - Corporate mailboxes. - Channels for submitting complaints/claims. - Satisfaction surveys. - Social networks. - Dossiers and press releases. - Meetings with clients. - Trade fairs and forums. Publication of relevant facts. 	<ul style="list-style-type: none"> - Effective resolution of problems and incidents. - Ensuring the best technical and economic solutions. - Building stable, honest and trusted relationships. - Anticipating and tracking client needs. - Periodic measurement of satisfaction. - Ensure protection and confidentiality of information.
<p>SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS</p> <p>Natural persons, legal entities and entities with capital interests or shareholdings in the ACS Group.</p> <p>The Group has a Contact and Implication Communication with Shareholders, Institutional Investors, Asset Managers, Financial Intermediaries and Voting Advisors, and the shareholders' right of information is included in various provisions of the General Meeting By-Laws.</p>	<ul style="list-style-type: none"> - Group websites and relevant public reports and facts. - Ethics Channel - General Shareholders' Meeting. - Shareholder and investors section on the website, electronic forum and shareholder service office. - Investor Agenda and Investor Day. - Dossiers and press releases. 	<ul style="list-style-type: none"> - Maximising shareholder profitability. - Information transparency. - Promotion of informed participation of shareholders in the ACS Group.
<p>EMPLOYEES</p> <p>Any person who works for any company that forms part of the ACS Group.</p> <p>The ACS Group's General Code of Conduct constitutes a guide for the professional performance of all of the employees and executives of the Group. The group also has a number of policies that apply to employees that are specifically covered in Chapter 5.2 of this report.</p>	<ul style="list-style-type: none"> - Group websites and Public reports. - Ethics Channel. - Intranet. - Workplace climate surveys. - Corporate communications. - Meetings. - Health and Safety Committees. 	<ul style="list-style-type: none"> - Promoting integrity, professionalism and respect. - Promoting professional and personal development. - Ensuring equal opportunities, diversity and inclusion. - Promoting a culture and corporate values with which the people in the ACS Group identify. - Ensuring the highest levels of occupational safety and health. - Respect for Human Rights.
<p>SUPPLIERS AND CONTRACTORS</p> <p>Persons or companies that provide their services or products to the ACS Group and are part of its supply chain.</p> <p>The ACS Group's Code of Conduct for Business Partners establishes the principles which all market operators must comply and expressly accept in order to establish commercial relationships with the Group.</p>	<ul style="list-style-type: none"> - Group websites and Public reports. - Ethics Channel. - Periodic meetings. 	<ul style="list-style-type: none"> - To ensure objective and impartial treatment in the selection of suppliers and contractors. - Responsible and sustainable management of the supply chain. - Compliance with supplier and subcontractor management rules and systems. - Analyse the level of compliance with these systems.
<p>SOCIETY</p> <p>All those individuals, local communities, NGOs, industry associations, media, etc., that are part of the environment in which the ACS Group operates.</p> <p>To demonstrate its commitment to the economic and social development of the communities in which the Group operates, it relies on its Social Action Policy linked to its business strategy.</p>	<ul style="list-style-type: none"> - Group websites and Public reports. - Ethics Channel. Participation in organisations and institutions. - Public relations department and press articles. Social networks. - Organisation of events, participation in forums, collaboration and volunteering. 	<ul style="list-style-type: none"> - To promote the economic and social development of the countries in which the Group carries out its activities. - To drive forward the business and its sustainability To improve the Company's prestige and reputation
<p>ADMINISTRATIONS AND REGULATORY AUTHORITIES (1)</p> <p>All representatives of local, regional and international governmental institutions and public entities with which the ACS Group is in constant communication.</p> <p>The commitments established by the Group in regard to the regulatory authorities and administrations are included in the Group's Sustainability Policy.</p>	<ul style="list-style-type: none"> - Participation in organisations and institutions. - Participation in forums and events. - Official communication channels of the Administrations 	<ul style="list-style-type: none"> - Continuous cooperation acting always in good faith. - Ensuring integrity and transparency in relationships by encouraging fair competition and the appropriate use of public resources.

(1) In 2022, the ACS Group did not make any financial or in-kind contributions to political parties, as stipulated in the ACS Group Code of Conduct. The subsidies received by the ACS Group in 2022, as shown in the Group's Consolidated Balance Sheet, included in the Economic Financial Report published along with this report, totalled 2.04 million euros. For more information, see section 5.9 of this report.

ACS Group companies participate in different sector associations and other organisations aimed at promoting social, technological or environmental initiatives. The amount allocated to these associations in the year can be consulted in point 5.4. of this report. Some sectoral associations and organisations in which ACS Group companies participate are Aspel, Asade, Aseata, Asociación Empresas Constructoras de Madrid, Association des constructeurs de routes et grands travaux du Québec, Canadian Council for Public-Private Partnerships, Construction Industries of Massachusetts, Cámara de Comercio de España, CEOE, ECTP AISBL, Ecoembes, Florida Transportation Builders' Association, National Association Woman in Construction, National Safety Council, Pacto Mundial, Polish Association of Construction Employers, Seopan, 'Wirtschaft macht Klimaschutz, among others. More information on the participation of associations by HOCHTIEF, the Group's main company by volume of sales, can be found at the following link: <https://www.hochtief.com/contracts/>;

It should be noted that within the framework of the definition of material issues of this report, the ACS Group consults with its stakeholders to identify those areas of the company's management considered to be most significant. The results of the survey are provided in point 7.2. Identification of relevant issues.

COMMITMENT TO INFORMATION TRANSPARENCY

One requirement for the ACS Group to be able to fulfil its mission of generating return for its shareholders and the society in which it operates is information transparency. The objective of this strategy is to ensure that its activity is as open as possible and that the interests of the company's clients and other stakeholders are respected.

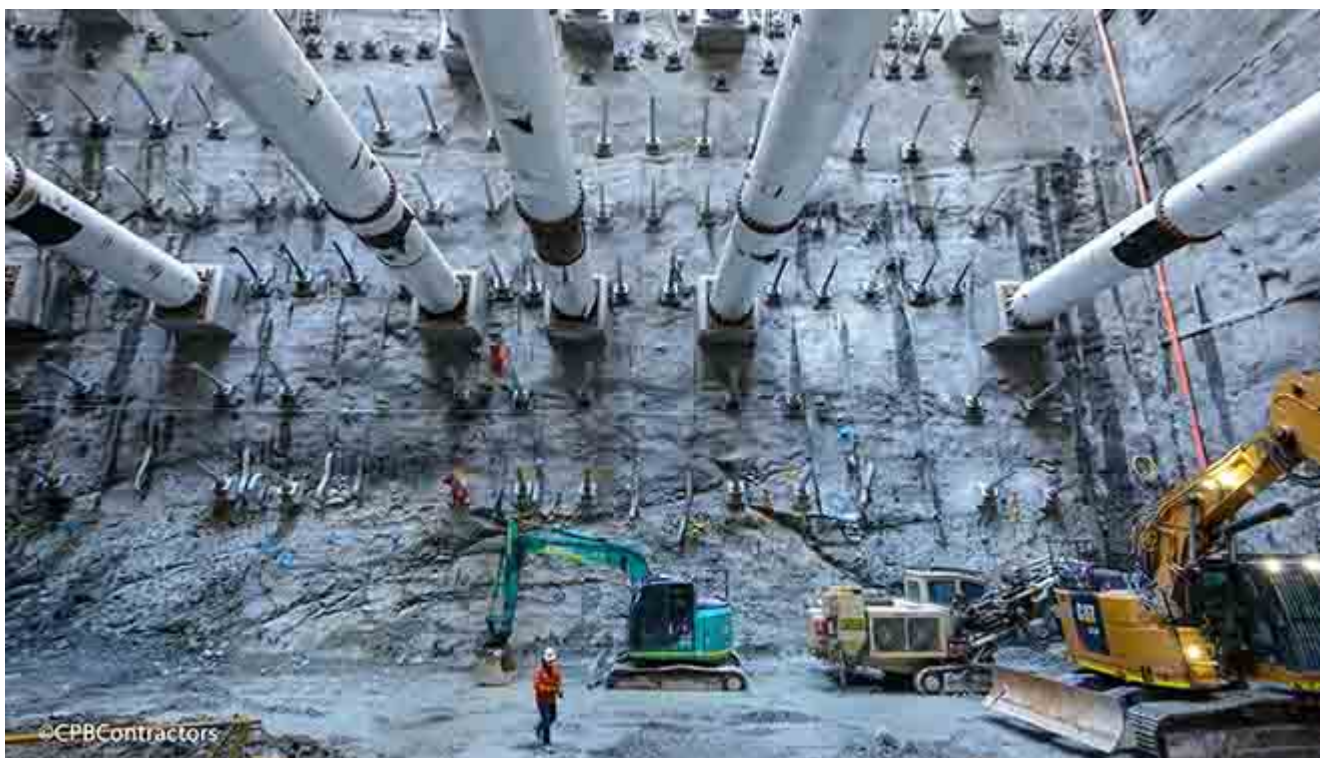
This general objective of transparency is stated by means of the following guidelines:

- Conveying the Company's overall corporate strategies, as well as those specific to each of the Company's business divisions, to the outside world.
- Conveying the facts of the Group's business so that the Group's different stakeholders recognise it as being sound and well-managed in Spain and abroad.
- Contributing to the make-up of a positive corporate image which helps to achieve business objectives and commercial activity.
- Maintaining a fluid relationship with the different stakeholders related to the Group.

Therefore, it is a basic principle of good governance for the Company to ensure transparency and maximum information quality, so that the public information of the Company and the Group is presented in a clear, complete, simple, orderly and understandable manner for all Company stakeholders. The ACS Group manages its commitment to transparency towards its stakeholders through the "Policy for Communication of economic-financial, non-financial and corporate information, and regarding Contacts and Relations with Shareholders and Other Stakeholders" aimed at, among other matters, establishing a general framework that promotes communication between ACS, its shareholders and other stakeholders, taking into account the particular role with regard to financial intermediaries, institutional investors, asset managers, voting advisers, credit assessment agencies and other market actors, in order to facilitate the transfer of information by the Company and, in particular, the exercise of their rights by shareholders, mainly those of attendance and voting at the General Shareholders' Meeting.

The purpose of this Policy is also to define the general and specific channels established by ACS to implement and develop a strategy that facilitates communication, ensuring fair treatment of interlocutors and also establishing direct and indirect means of disseminating relevant economic, financial and non-financial and corporate information.

Transparency Indicators	2021	2022
Website		
Visits to the website	223,061	203,089
Pages viewed	665,918	565,405
% of new visitors	86.4%	77.1%
Shareholders & Investors		
Meetings organized by Investor Relations	172	184
Calls/emails from shareholders answered	980	1,196



5.6. CONTRIBUTION TO SOCIETY



The ACS Group seeks to carry out its activities by creating shared value in the environments in which it operates, acting as an engine for economic and social development.

To maximise value creation, the ACS Group prioritises the use of local resources, favouring the exchange of knowledge, the transfer of technology and growth of an industrial fabric that contributes to economic growth and social well-being. The ACS Group's commitment to society has two facets:

1. Contributing to the development of society through value creation, local development and compliance with the Sustainable Development Goals.
2. Through its social action, which is understood as a voluntary commitment, which goes beyond its business activities, in order to contribute to the well-being of the society, allocating resources to community investment initiatives, sponsorship, patronage and philanthropic donations (non-profit, both through Group companies and through the Foundation, which has autonomously managed.

To articulate this commitment to society, the Group is supported by a Policy Governing Community Investments, Sponsorship, Patronage, and Charitable Giving which is directly linked to the company's business strategy, the ACS Group Sustainability Master Plan and the UN Sustainable Development Goals, to which ACS and its Group contribute.



ACS Group companies have the power to select the initiatives carried out, in accordance with the strategic priorities of their business and the needs of the communities in which they operate, but always in accordance with the common principles of action defined in this Policy:

- To generate shared value in communities where ACS and its Group operate by means of Initiatives in line with the ACS Group Sustainability Master Plan and its contribution to the SDGs, in harmony with the Group's main areas of impact and influence.
- Improving the recognition and reputation of ACS and its Group, strengthening the trust placed in it

by its employees and stakeholders, promoting Initiatives based on social dialogue and corporate volunteering programmes.

- Striving to generate a significant and lasting social impact, seeking to develop initiatives in collaboration with specialised institutions and organisations.
- Ensuring the ethical and transparent management of Initiatives by monitoring and disseminating the social impact generated.



Each ACS Group company may appoint a department or persons responsible for this matter whose functions will include those of:

- Selecting and managing the Initiatives, taking into account the associated risks and opportunities.
- Defining and monitoring the impact measurement indicators of the Initiatives.
- Promoting corporate volunteering programmes that enable employees to actively participate in the Initiatives.
- Acting as coordinator and point of contact between employees and the company for the implementation of these programmes.

Furthermore, the ACS Foundation is an autonomous and independent nonprofit entity from the ACS Group, which, under the leadership of its Board of Trustees, fulfils its founding purposes, returning to society some of the benefits obtained by the ACS Group, through patronage activities and cultural, institutional, sports or environmental sponsorships, awards and scholarships, training and research, charity and similar activities at both the national and international levels. The ACS Group's parent company may channel and manage part of the resources allocated to implementing this the Policy Governing Community Investments, Sponsorship, Patronage, and Charitable Giving, both nationally and internationally, through the ACS Foundation.

Thus, in 2022 the initiatives carried out by both Group companies and the ACS Group Foundation involved a total investment of EUR 14.3 million for Social Action.



5.6.1. SOCIAL ACTION OF THE ACS GROUP COMPANIES

In 2022, the ACS Group continued to demonstrate its commitment to society through the initiatives carried out by the various ACS Group companies.

Within the ACS Group's decentralisation plan, each Group company has the power to choose the social action activities with which it identifies itself most and in which it wishes to participate, through initiatives consistent with the Group's main areas of impact and influence, such as:

- Contributing to community development, facilitating access to basic, safe, sustainable and inclusive infrastructures and services.
- Strengthening community resilience and adaptability in the face of climate risks and natural disasters.
- Encouraging environmental protection by creating social awareness and promoting initiatives aimed at reducing pollution, preserving biodiversity and water resources, and the circular economy.
- Strengthening the business fabric and job creation in local communities where the Group operates.

- Fostering the development and professional training of adults and young people, increasing their employability and nurturing specialised talent.
- Contributing to equal opportunities and the occupational inclusion of vulnerable groups.
- Contributing to science, research, and technological dissemination.
- Promoting gender equality, supporting women's access to training and professions related to science and engineering.

In this way, the initiatives carried out by the Group seek to align with the strategic priorities of the Sustainability Master Plan as well as the priority SDGs defined by the Group.

The targets set in the 2025 Sustainability Master Plan also include promoting investment in the community by progressively increasing the funds allocated, as well as improving the monitoring and measurement of the impact on society.

Main Indicators of Social Action of Group Companies	2021	2022
Cash funds allocated to Social Action (€ mn) (1)	4.9	7.2
Monetary estimate of in-kind contributions to Social Action (€ mn) (2)	1.4	1.3
Estimated number of people benefited by social action	113,774	78,312
Number of citizen awareness courses or activities carried out (road safety, environment, efficiency, social integration,...) (3)	266	112
Number of volunteers (employees) who have participated in these awareness-raising activities (3)	649	148
Number of foundations or NGOs that received grants/support during the year (3)	371	365
Number of events (conferences, exhibitions, sporting events, etc.) sponsored during the year. (3)	16	17
Time employees have spent this year volunteering during the workday (h) (3)	9,714	15,499

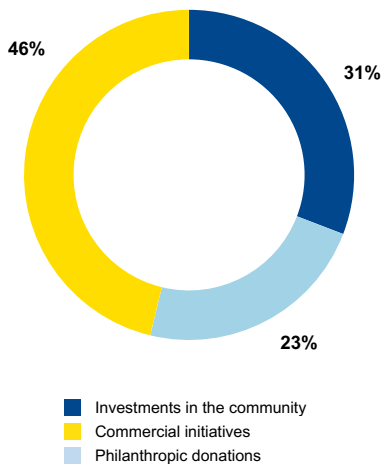
(1) The year 2022 includes the contribution of 1 million euros made by ACS to Cáritas Madrid Futuro-Ukraine.

(2) Includes administration expenses in 2021 and 2022 for €0.9 mn and €0.9 mn respectively, as well as the monetary estimate of time used by employees for volunteer activities in working hours in 2021 and 2022 for €0.2 mn and €0.3 mn respectively.

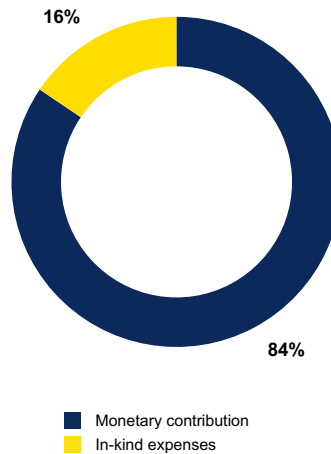
(3) Scope of data of 24.11% and 21.18% of sales in 2021 and 2022.



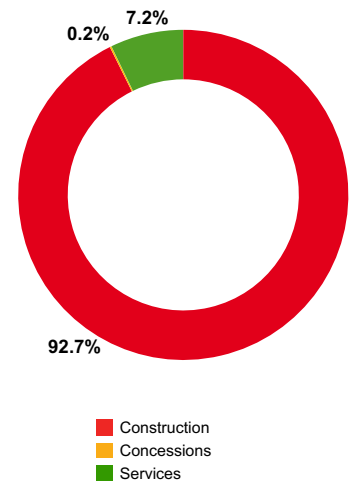
INVESTMENT BY TYPE OF ACTION



INVESTMENT BY TYPE OF CONTRIBUTION



INVESTMENT BY BUSINESS AREAS*



*€ 0.9 mn of administrative expenses are excluded, including them by business area, the distribution would be as follows: 81% Construction and 19% Services.

Some examples of initiatives carried out by ACS Group companies in 2022 are shown below. These initiatives are mainly aligned with SDG 8 on decent work and economic growth, SDG 10 on reducing inequalities in and between countries, as well as SDG 11 on sustainable cities and communities, which in turn are strongly linked to the strategic priorities of the Group for the development of

specialised and diverse talent, economic and social development at the service of the local community and transition to sustainable infrastructure. In addition to these basic initiatives for the Group and in line with its strategy, initiatives were carried out in 2022 to respond to specific emergency situations in the various local communities.

HOCHTIEF'S BRIDGES TO PROSPERITY (B2P)



Since 2010, HOCHTIEF has been a partner of the US non-governmental organisation Bridges to Prosperity. Together with B2P, HOCHTIEF pursues the goal of giving people in remote rural regions better access to key infrastructure such as schools, hospitals and markets. To this end, pedestrian bridges are built that provide safe passage, especially in the rainy season. In this partnership, HOCHTIEF intends to specifically support the population of regions in which the Group itself does not operate.

HOCHTIEF also normally supports the construction of bridges by sending employee teams to carry out construction work together with local communities. Due to the pandemic, this has not been possible since 2020. However, HOCHTIEF financed a bridge project that was completed by a B2P team in the year of the report. The Gitovu bridge in North Kigali allows about 2,100 people to pass when the Gitari River rises during the rainy season. Bridges to Prosperity analyses show that pedestrian bridges have a significant impact on communities. After the construction of the bridge, 59% more women find work, agricultural productivity increases by 75%, and income increases by 30%.

HOCHTIEF will continue these activities in 2023. HOCHTIEF plans to send its own teams again in the coming years. To date, more than 270 employees from across the Group have participated in B2P projects, and all have described the experience as very rewarding. The projects thus contribute to employee loyalty and motivation.

AID AGAINST FLOODS IN QUEENSLAND



CIMIC mobilised after the disastrous floods that damaged more than 50,000 homes in Queensland and New South Wales (Australia). The Company and its staff donated a total of AUS 300,000 (approximately EUR 194,000) to the Red Cross, the Lifeline crisis aid line and the BizRebuild reconstruction programme. Practical support was also provided, such as when CPB Contractors helped with two mobile labour offices after the floods affected Lifeline's office in Lismore.

CORAZÓN Y MANOS (HEART AND HANDS) PROJECT (CLECE)



Corazón y Manos is a non-profit association that was created out of the social commitment of a group of workers in Clece.

The main objective of the Corazón y Manos Foundation is to put into practice the social commitment of its partners and contribute to improving the quality of life of people and their social development, paying special attention to the most disadvantaged groups in society.

Its activities include providing assistance to the personal cases emerge in the "Clece community": employees, family members of employees and users of the services managed by the company.

In 2022, in addition to activities and collaborations with other entities, 4 essential lines of action were developed:

- **Employment project:** a social and work integration project in which, in addition to promoting the employment of people belonging to groups with a high risk of social exclusion, we seek improvements in the employment (increase in number of working hours and job stability) of people with special needs.
- **Social emergency:** aid to people or families suffering from extreme situations. We work on these projects individually and seek solutions for each of them.
- **Decent housing:** access to housing is one of the most pressing problems of Spanish society. From the association we manage aid to prevent people from falling into situations of homelessness or inadequate housing.
- **Legal advice:** The project helps people who have significant difficulties in carrying out essential procedures such as the processing of documentation, claims, wills and inheritance, fines, taxation, tax divorces, debts... The service is carried out through partnerships with various universities.

EMPLOYMENT ROUTES (CLECE)



"Employment routes" are a Clece initiative to bring job vacancies closer to the population in an innovative and effective manner. Several selection technicians travelled to cities and towns all over Spain in a bus refurbished as a mobile office to carry out job interviews with the aim of prioritising the recruitment of people from locations and regions where the chances of finding a job are increasingly remote. In addition to promoting employment in rural settings, special attention was paid to the work integration of vulnerable groups and people who have not been able to adapt to digitalisation and find it particularly difficult to find employment.

Candidates could register for these interviews through a website created for this purpose or request it through a free telephone line that the company provided in each province. The range of offers covered areas such as nursing, help in the home, carer, cleaning, security and gardening.

In this first year in which Clece has carried out this initiative, more than 20 selection technicians travelled on different routes and interviewed more than 5,600 candidates, offering 1,350 jobs.

CLECE WITH UKRAINE



The situation in Ukraine as a result of the Russian invasion caused Clece to take a number of measures:

- The Company carried out a census of workers from Ukraine. All of them were contacted and asked about their needs. Of the 71 Ukrainian workers on staff, 10 wish to bring family or friends to Spain.
- This need caused the company to organise a convoy to bring 45 refugees, relatives and friends of Ukrainian employees to Spain. We organised the convoy by partnering with GIRAS (Rescue Aid and Rescue Intervention Group).
- 6 vans were sent. 4 vans are owned by Clece and 2 by GIRAS. The vehicles travelled to the Ukrainian border with Poland loaded with humanitarian aid material. The material transported is sanitary (gas, bandages, compresses, diapers and adult diapers).
- A total of 39 people were collected in Krakow. Volunteers from Spain worked to find reception facilities for refugees who have no contacts in Spain. 100% of the refugees had a destination ready for them on their arrival in Spain. Clece and the Corazón y Manos Employees Association organised various aid and assistance actions.

VULNERABLE GROUP WORKSHOPS (DRAGADOS)



All companies that form the Dragados Group promote a culture of inclusion, diversity and equal opportunities that guarantee respect for and protection of human rights in their scope of action. These basic principles are included in the Code of Conduct.

The Group's relationship with its employees, their relationship with each other and with society is based on the fulfilment, among others, of commitments such as equal opportunities and non-discrimination.

In this regard, Dragados Spain collaborated with various foundations and associations to comply with these voluntary commitments. Specifically, a project was carried out with the Integra Foundation School for Strengthening.

This year, like the previous year, employees from the Human Resources Department at Dragados Spain collaborated in giving several job search workshops aimed at groups at risk of social exclusion. These were 9 workshops through which, attempts were made to generate an impact on society, improving the employability of people at risk of severe social exclusion.

The objective is to equip participants with the tools and knowledge necessary to facilitate their inclusion in the labour market. Practical actions, role-play, CV reviews and job interviews were carried out.

On the other hand, the participants have worked to acquire social skills, generating a positive impact on others and improving their motivation, confidence and self-esteem to face the challenges of the labour market.



CLECE'S COMMITMENT TO WOMEN VICTIMS OF GENDER-BASED VIOLENCE



In 2022, Clece was awarded the Catalejo Prize by the Spanish Human Rights Observatory. This award recognises the model of workplace inclusion of women victims of gender violence, a commitment that arises from the Clece commitment to strongly supporting people from vulnerable groups.

In this regard, Cristóbal Valderas, president of Clece, highlighted the main pillars of the project for workplace inclusion of women in this group:

- Collaboration with more than 120 entities that mediate between these people and Clece, in order to offer them work opportunities.
- The work carried out by Corazón y Manos with the women of this group. Many cases managed by this association pertain to Clece workers who require global interventions such as addressing housing issues or legal counselling due to gender-based violence.
- The performance of actions to make society aware of the need to eradicate violence against women: online and face-to-face campaigns on the International Day for the Elimination of Violence against Women, the organisation of forums and debates on this topic, the Commitment Awards to recognise projects involved with this cause, etc. Moreover, the Company Network has been part since 2013 of the Business Network programme for a Society Free of Gender Violence, promoted by the Ministry of Health, Consumer Affairs and Social Welfare, which aims to raise awareness of this scourge and promote the social inclusion of victims.

In 2022, Clece ran the eighth campaign "A Life without Violence, A Life with Respect", which once again mobilised employees, clients and users of the services provided by Clece. They all came together in this initiative to show their support for the victims and a complete rejection of gender-based violence. The highlights of this year's campaign were: The highlights of this year's campaign were:

- Like last year, a commemorative sticker was used as mass awareness-raising material. The sticker, designed to be worn on clothes, was produced with a white background and with a purple background so that it would stand out against all types of clothing. Over that week 306,000 units were produced and distributed to more than 30,000 Company workers so that they could distribute it to people in their sphere of influence (relatives and people using Clece's services).
- The offices and work spaces were decorated with vinyl stickers commemorating the event. Numerous customers who provided spaces on their premises to place billboards and communication material that called for a large demonstration against gender violence and in solidarity with its victims on social media.
- On 25 November, a large digital event was held on social media under the hashtag #UnaVidaSinViolencia. The event was held on 25 November at 11.30 a.m. and followed up extensively. Twitter with 4,605 publications and with more than 4 million prints, Facebook with 154 publications, LinkedIn with 113 publications and Instagram with 35 publications.

Similarly, on 15 November 2022, Clece held the Technical Day on Gender Violence at the Valencia Chamber of Commerce. This event addressed the current personal, employment and social reality in which these women are present, both in cities and in rural areas, as well as the general scenario of gender violence, describing, among other aspects, the new forms of abuse of women and girls, especially in the digital arena.

5.6.2. SOCIAL ACTION OF THE ACS FOUNDATION

The Foundation is a non-profit foundation, independent and separate from the ACS Group, whose founding purposes are as follows:

- a. Promotion and development of all kinds of cultural and artistic activities, in their broadest sense.
- b. Promotion and development of programmes and activities relating to science, training, education, teaching, research and the spread of technology, as well as any other activity that serves to improve people's quality of life.
- c. Promotion, preservation and restoration of elements of Spain's historic artistic heritage collaborating increase awareness.
- d. Promotion of activities related to environmental protection.

Under the management of its Board of Directors, the ACS Foundation reversed to the Company some of the profits obtained by the ACS Group, developing its own foundational purposes. The ACS Foundation thus carries out different programmes that contribute to achieving the Sustainable Development Goals, as shown below:

1. General interest programmes. Sponsorship of prestigious foundations and institutions that, despite their very different purposes, can all be classified as of general interest for the company.
2. Programmes aimed at helping people with disabilities: Improved quality of life for people with physical or sensory disabilities, or in dependency situations, through three subprogrammes, which all contribute to SDG 10 and specifically to goal 10.2.

Promotion of social, economic and political inclusion, in addition to contributing to the ACS Group's priority SDGs:

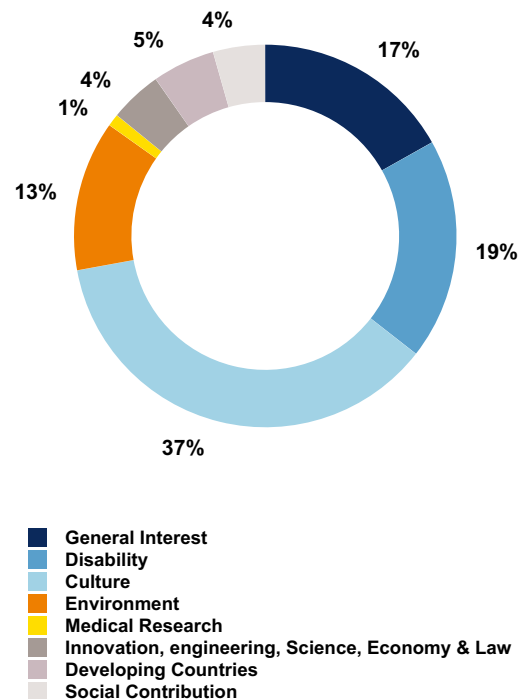
- a. Universal Accessibility
- b. Work and social training and integration
- c. Integration through sport

3. Cultural programmes: Support for culture through ACS Foundation grants to museums, universities and other institutions whose main objective is the preservation, exhibition and dissemination of Spain's artistic heritage; as well as aid to promote music and theatre in the form of sponsorship of seasons, galas, plays and concerts.

4. Support programmes, mainly for medical research, including rare diseases, and healthcare organisations.
5. Defence of and support for best practices in regard to the environment.
6. Collaboration programmes with institutions in the areas of innovation, engineering, science, economics and law.
7. Programmes in developing countries. The financial aid allocated by the ACS Foundation for the development of the countries most in need is included in this programme.
8. Social collaboration programme. This programme includes all of the financial donations that the ACS Foundation allocates to solidarity with society's neediest groups and that are not included in the 7 programmes mentioned above.

In 2022, the ACS Foundation allocated 5.8 million to its statutory activities:

BREAKDOWN OF THE BUDGET ALLOCATED BY THE FOUNDATION ACCORDING TO PROJECT CATEGORY (IN €M)



ARANJUEZ ROYAL PALACE

The ACS Foundation signed a Final Collaboration Agreement with the Real Trust for isability and the National Heritage, with the title: "For the execution of works to improve accessibility in buildings and gardens of the Aranjuez Royal Site. This Agreement entered into force 27 February 2021, when it was published in the Official State Gazette.

Throughout 2021 and 2022, various interventions aimed at improving accessibility were carried out on the routes open to the public visit both at the Aranjuez Royal Palace and in other buildings in the Royal Site: the Island Gardens, the Prince's Gardens, and Isabella II's Gardens, as well as Plaza de Parejas and Plaza de San Antonio. A tactile map for visually impaired people and informative panels to help people with cognitive disabilities were placed outside.

In December 2022, the works were fully completed and are being visited by large audiences, with a high degree of satisfaction from people with disabilities.



5.7. SUPPLIERS AND CONTRACTORS



Supply chain management is one of the main material issues for the ACS Group. The Group's commitment to its supply chain is key to ensuring a responsible model, in which the quality of its services and products involves compliance with high standards of action and the promotion of sustainable practices.

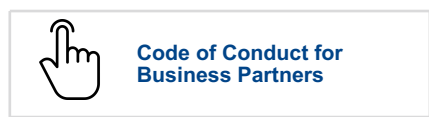
The model relationship with suppliers, contractors and business partners established by the ACS Group seeks to ensure a responsible, equitable and ethical process that is adapted to each company's operational needs. The integration of environmental, social and good governance aspects (ESG) into the management of its supply chain forms part of the responsibility of the ACS Group and its commitment to sustainable development.

The Board of Directors of the ACS Group approved the Code of Conduct for Business Partners, last updated on 27 February 2023, which outlines the basic principles that must govern the relationship between the Business Partners and the ACS Group.

This code of conduct is based on the ethical principles that guide ACS Group's conduct at all times. The Group requires all of its business partners to expressly accept (by signing and commitment to comply) the content included in this Code. Only in cases in which the Business Partners

can demonstrate the existence of a Code of Conduct or other internal rules with content similar to the requirements of the ACS Group may explicit signing of this Code be waived (which must ultimately be confirmed by the Organisation). Of the 77,851 suppliers and contractors with which the ACS Group worked during 2022, 80.1% accepted by signing or have a procedure similar to the Code of Conduct for Business Partners of the ACS Group. This percentage is lower than that reported in the previous year in comparable terms since some Group companies published their own adjustment to the Code of Conduct for Business Partners in 2022 and are still making the transition. In addition, in 2022, 15.6% of suppliers received training on the Code of Conduct for Business Partners in the reporting year.

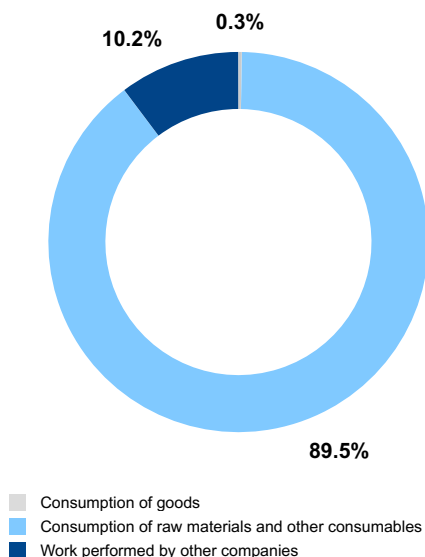
In ACS Group companies, the procurement departments are responsible for managing the relationship with suppliers and contractors by means of specific systems for managing, classifying, approving and controlling the supplier risks. As a characteristic feature that differentiates the Group from its competitors, it is important to highlight the strong decentralisation of procurement and supplier management departments in this area. This gives Group companies a competitive advantage as a result of the agility, flexibility and independence granted by this model.



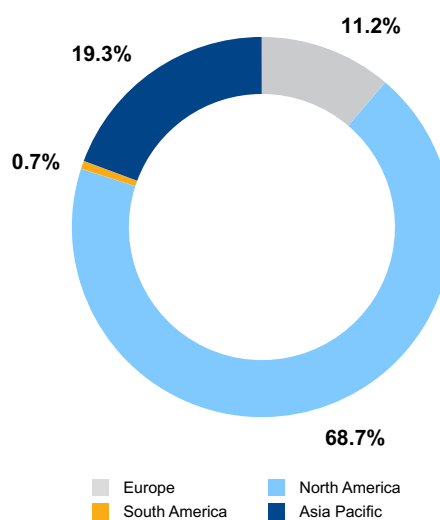
5.7.1. SUPPLY CHAIN OF THE ACS GROUP

	2022
No. of suppliers and contractors	77,851
Total procurements (mn €)	23,375
% Local suppliers	82.0 %
% Expenditure with local suppliers	71.0 %

PROCUREMENT BY ITEMS



PROCUREMENT BY GEOGRAPHICAL AREAS



The company's diverse activities translate into a very complex supply chain, made up of a large number of business partners. In this regard, the total number of suppliers in the Group's supply chain in 2022 reached the 77,851 suppliers.

The ACS Group is committed to the economic and social progress of the countries in which it operates and it is therefore committed to contracting local suppliers. In 2022, 82.0% of the suppliers with which the group worked were local. This ACS Group's commitment to encourage local development has a positive effect in several different areas:

- The local economy is strengthened while at the same time reducing the costs of the operations.
- The proximity of the suppliers makes it possible to ensure the supply to the different business units worldwide and to shorten the delivery times.
- Reduces the ACS Group's environmental footprint and minimises the impact on the environment.

There are two different types of suppliers in the ACS Group's supply chain management based on the contracting process:

- Suppliers determined by the client. In this case, it is the customer who contractually determines the type of supplier, as well as the amount and characteristics of the materials to be used. Despite the fact that in these cases the Group's companies adapt to these requirements, the Group's procurement departments and suppliers have established a control procedure to confirm the efficiency

of the designated supplier, which may cause setbacks and promote corrective measures for other work.

- Suppliers directly contracted by the ACS Group. For suppliers of services and materials contracted by the ACS Group, whether through a central purchasing department or in a decentralised manner by works managers, detailed management and control processes are defined, which share the following points in common in all Group companies:

- There are specific standards and a system for managing, classifying, proofing and controlling the risk of suppliers and subcontractors.
- Analysis of the level of compliance of these systems.
- Promotion of collaboration with suppliers and transparency in contractual relationships.

There is also a comparative policy favouring the participation of various suppliers in selection processes. In order to objectively take decisions and facilitate access for new suppliers in different parts of the world, a study on customary suppliers has been launched. Visible procurement portals for all services are being developed, offering a wide range of products from different suppliers. This is a real aid to cost saving (because the most competitive prices are identified) and to controlling material consumption by employees or construction managers. In Spain this website helps local suppliers to sell their products domestically, promoting their development and growth.

5.7.2. SUPPLIER APPROVAL AND ASSESSMENT SYSTEMS

The responsible management model for the ACS Group supply chain begins with the approval of suppliers and subcontractors, in which compliance with the fundamental criteria established by the ACS Group to become a part of the Group's supply chain is assessed. Thus, in companies that represent the 99.0% ACS Group's procurement costs present a formal system for the approval of suppliers and subcontractors. The main aspects considered during the approval process are:

- Average payment and collection periods.
- Technical capacity and suitability to perform the planned task .
- History of fulfilment of contractual clauses in their prior relationship with ACS.
- ESG aspects related to compliance with the Code of Conduct for Business Partners.

The weight of ESG factors in the approval process varies according to the companies' activities and action areas, but the weighted average weight of these factors exceeds 36.4% in 2022. Specific aspects assessed include certifications in environmental aspects (ISO14001, EMAS

or similar), certifications in quality aspects (ISO 9001 and similar standards), adherence to international Human Rights and labour rights standards and analysis of the labour standards and practices of suppliers and subcontractors, among others. In 2022, 59.5% the suppliers with which the Group has worked have adhered to ethical, social and environmental commitment standards or have certificates in this area.

For the contracted suppliers, the ACS Group's supplier approval system envisages a subsequent analysis phase, which goes back to the ACS Group's ongoing management and improvement system. This process, which seeks to guarantee compliance with contractual clauses and agreements and includes the identification of economic, environmental and social risks, is based fundamentally on the detection of non-compliance and on corrective or management measures to be applied. In 2022, 61,169 suppliers had been assessed at least once in the last three years, representing 78.6% of the total suppliers.

If breaches or risks are detected, the appropriate corrective measures are applied, adapted to the circumstances of each case. When the breaches detected are considered serious, they can immediately terminate the contracts.

SAFE, RESPONSIBLE AND SUSTAINABLE PURCHASES (CLECE)

In line with the Company's sustainability strategy, in 2022, Clece certified the purchasing function in ISO 20400: 2017 for sustainable purchases.

The purpose of this standard is to ensure that companies, through the purchasing function, can extend their good practices in environmental, social and good governance (ESG) issues to their supply chain. To this end, the sustainability principles and objectives set forth in the ISO26000: 2010 Social Responsibility Guide, as well as some of the United Nations Sustainable Development Goals (SDGs), are implemented.

ISO 20400 provides the main lines to integrate sustainability into the Company's procurement strategy, which implies that purchases are beneficial for the organisation while having a positive impact on society and the environment, leading to a more sustainable supply chain.

Certification in this standard also implies the establishment of a series of ESG targets, including increasing the acquisition of eco-label products and/or environmental labelling, reducing paper consumption, reducing CO2 emissions associated with the vehicle fleet and raising awareness of the supply chain in governance aspects and the inclusion of disadvantaged groups.



5.7.3. ANALYSIS OF CRITICAL SUPPLIERS

The ACS Group's companies carry out an analysis to identify critical suppliers in their supply chains. The Group considers a supplier to be critical when the percentage of procurement or subcontracting expenses are significantly greater than the average for the company's other suppliers, as well as suppliers of critical components and/or non-replaceable suppliers.

Therefore, companies that represent 97.6% of the Group's procurement expenses have designed processes to identify critical suppliers. As a result of these processes, the main data from the analysis of critical suppliers is as follows:

- Of the total suppliers of the ACS Group, 7.6% are suppliers considered critical. These suppliers represent 72.3% of the total costs for Group companies with critical suppliers.
- Almost all these suppliers consider the ACS Group to be a key client to their business.

Given the importance of the supply chain analysis for risk management for the Company,

ACS Group companies identified their direct critical suppliers (tier-1 critical suppliers). In 2022, the ACS Group evaluated the 5,152 tier-1 critical suppliers in terms of sustainability of 5,888 identified tier-1 critical suppliers, representing 87.5% of the total. Of these 5,152 critical tier-1 suppliers assessed, 0.1% of them at risk in terms of sustainability, and the lack of certificates, breaches or other risks detected is understood as such. Depending on the risks detected the reasons for the negative assessment are analysed and initiatives are proposed to strengthen the identified areas of improvement that include, among other things, training and collaboration activities, or whether it is a serious breach can lead to the immediate termination of contracts or agreements relating to suppliers.

Likewise, the Group companies have begun to extend the scope of this analysis of the Group's supply chain, reaching the critical suppliers of the direct suppliers (tier-2 critical suppliers). The number of these suppliers identified in 2022 reached 50,073 suppliers in this category.

AVERAGE PAYMENT PERIOD TO SUPPLIERS

The following table details the information required by additional provision two of Law 31/2014, of 3 December, which was prepared in accordance with the Spanish Accounting and Audit Institute (ICAC) Resolution of 29 January 2016 on the information to be included in the management report in regard to the average payment period to suppliers in commercial operations nationally:

	2021	2022
	Days	
Average period of payment to suppliers	58	45
Ratio of transactions paid	50	49
Ratio of transactions pending payment	78	33
	Thousands of Euros	
Total payments made	1,373,688	1,457,990
Total payments pending	526,606	406,991

5.7.4. RISK MANAGEMENT IN ISSUES RELATING TO THE SUPPLY CHAIN

Among the functions attributed to the Audit Committee of the Group's Board of Directors is the review, monitoring and assessment of the Company's Sustainability Policy and its practices, as well as the other related internal regulations, including the Code of Conduct for Business Partners.

The ACS Group companies will carry out these policies, which will be carried out in accordance with the characteristics and needs of each of the Group companies.

Likewise, according to the risk map prepared by the Group, the risks based on the relevance that they may have for the performance of the company's activity have been prioritised, in accordance with the type of activity, action areas, policies and management approaches, and throughout the report, the results obtained from this prioritisation of potential risks for the performance of the activity related to the supply chain as well as the management measures adopted by the ACS Group.

In managing the risk chain, it must be considered that the

potential improper practices of the suppliers of a company pose a potential risk that, if materialised, may hinder its ability to do business. It is necessary to assess counterparty risks, both at the level of personnel, security and health, the environment and ethics, integrity and rights to which it is exposed and to be involved in constantly improving its performance.

To do so, the Code of Conduct for Business Partners establishes the basic principles of action that the Shareholders must comply with in their relationship with the Group, as well as the management systems expected from them in certain aspects. Likewise, in addition to the own management systems defined by companies in their relationship with suppliers, the specific regulations of the Group on issues such as the Environmental Policy, the Occupational Health and Safety Policy, and the Corporate Protocol on Human Rights Due Diligence or the Criminal Compliance and Anti-Bribery Policy, extend not only to the Group's employees but to the entire value chain.

Issue	Potential risks	Detection, prevention, management and mitigation measures	Associated management indicators	Applicable Policies ACS Group
Responsible management of the supply chain.	<p>The management systems responsible for suppliers and contractors allow for the mitigation of the potential risks associated with the supply chain, improving processes and working conditions, and creating opportunities and lasting relationships of trust. Otherwise, the failure to implement a responsible management system might pose significant legal and operational risks for the Group.</p> <p>Associated risk Risk Map: Purchases/Subcontracting</p> <p>The main risks associated with this material issue of the group's risk management system are:</p> <ul style="list-style-type: none"> • Increase in costs associated with activities. • Loss of market share. • Loss of license to operate. 	<p>It is essential to ensure that the Company's suppliers and contractors meet their commitments and expectations through awareness-raising through established ethical and environmental principles. This management must be carried out through the dissemination and application of environmental, social and governance (ESG) criteria in business relationships with third parties. The ACS Group therefore has</p> <ul style="list-style-type: none"> • Supplier approval and selection systems • Code of conduct for business partners and application of other internal Group policies and regulations. • Supply chain impact management • Training of suppliers • Due diligence (financial and non-financial) in the supply chain • Inclusion of ESG criteria in supply chain management • ESG clauses to suppliers 	<p>Of the 77,851 suppliers and contractors with which the ACS Group worked during 2022, 80.1 % of suppliers accepted by signing or have a procedure similar to the Code of Conduct for Business Partners of the ACS Group.</p> <p>In the formal supplier approval systems, the weight of the factors related to sustainability (environmental, ethical and social criteria) out of the total factors used for the approval varies according to the companies' activities and areas of activity, but the weighted average weight of these factors exceeded 36.4% in 2022.</p> <p>In 2022, 61,169 suppliers had been assessed at least once in the last three years, representing 78.6% of the total suppliers.</p>	<ul style="list-style-type: none"> • Code of Conduct Business Partners • Risk Control Policy • Human Rights Policy • Corporate Protocol on Due Diligence in regard to Human Rights • Sustainability Policy • Environmental policy • Occupational Health and Safety Policy

5.8. COMMITMENT TO QUALITY WITH THE CUSTOMERS



5.8.1. QUALITY IN OUR ACTIVITIES

For the ACS Group, which works in an industry with high technical sophistication, quality represents a fundamental competitive advantage over the competition.

Quality management at the ACS Group is decentralised, whereby each company is responsible for managing quality. Although each company is granted autonomy to manage quality in accordance with its operations, they all follow common lines of action:

- Establishment of objectives and regular assessment of compliance with them.
- Development of actions aimed at improving the quality of the services provided.
- Performance of actions in collaboration with suppliers and subcontractors to improve quality.

In order to move forward in this regard, most Group companies have a quality management system. These are periodically audited to verify compliance and conformity with the reference standard, with the most common type of certification among Group companies being the ISO 9001 certificate.

The general objectives for improvement include:

- Obtain and expand the scope of the certifications, especially with regard to developing a new technique or expanding activities to a new geographical area.
- Implement tools to improve management.
- Improve specific performance indicators.
- Improve the training of supervisors, operators and works managers.

MAIN MANAGEMENT INDICATORS - QUALITY

The percentage of production certified in accordance with ISO 9001 was 43.2% in 2022.

It is important to bear in mind the weight of ACS Group

activity in the US and Canada (62% of total sales in 2022) since this type of certificate (ISO 9001) is not the predominant in quality management systems in this region.

ISO 9001 certified production	2021	2022
Construction	42.7%	40.1%
Concessions	18.8%	8.2%
Services	98.0%	98.0%
Total ACS Group	45.9%	43.2%

Other management indicators		
Number of quality audits	11,986	11,857
Number of quality audits per million euros of turnover	0.46	0.38
Investment in measures to promote and improve Quality (mn euros)	0.8	1.3
Intensity of investment in measures to promote and improve Quality (euros investment/ mn euros turnover)	105.8	153.6





5.8.2. CUSTOMER RELATIONS

The nature of the ACS Group's business means that the number of clients to which it relates is very small, with some being large corporations or worldwide public institutions. Due to this, and in a highly competitive market, it is essential to maintain a high degree of trust with clients to establish stable and lasting relationships over time. One of the Group's its priorities is therefore to ensure the highest standards of excellence and quality in the products and services offered.

The strategy of client relations is built on the following main principles:

- Excellence in service and guidance to solve problems.
- Feedback from the relationship with the client, in order to be aware of and meet the expectations of the client.
- Transparency in the information on the ACS Group's capabilities
- Identification of future needs and opportunities for collaboration

FOLLOW-UP AND COMMUNICATION

The ACS Group companies hold regular follow-up meetings with clients, through the managers of each project. In specific projects in which clients devote resources to controlling production, even more continuous contact will be maintained.

In addition, targets, follow-up systems and plans for reporting to the customer are determined for each project. These plans establish control points at the end of important phases in the production, certification meetings for payment in instalments of the construction work and partial follow-up points.

Likewise, the Group continues to progressively implement computerised customer relationship management (CRM) systems to collect information relating to clients, in order to

facilitate analysis and the carrying out of actions to improve satisfaction.

END-USER HEALTH AND SAFETY

The code continues to promote the well-being and quality of life of the users it serves. Therefore, it maintains the certification for social services for the promotion of personal autonomy UNE 158101/201/301/401 for our Residences, Day Centres, Domicile Aid Services and Home Teleassistance.

The results of the satisfaction surveys carried out among residents and their relatives showed a high overall assessment of the services provided, obtaining on average 8.36 over 10, with the items most highly rated being the Covid Protocols and the safety measures implemented (8.92), assessment of staff (8.6) and communication and information to relatives (8.56).

In order to further increase this satisfaction, in 2022 work was carried out at Clece on the development of a Humane Care Model, deepening the dignity of the care provided, based on respect, empathy, and taking into account the decisions and values of the people that Clece cares for. Work has also been carried out from the point of view of its workers, increasing their training and work well-being to have a positive impact on better care. This humane care model has been developed and documented for Domicile Aid Services (Humanisation Plan) and Residences (Clece Vitam Sustainable Residences Model)

In the area of educational services, Clece schools continue to opt for the ATX Allergy Protection Certificate as a safety guarantee for the teaching team, customers and families, contributing to the control of the menus and products suitable for Multi-allergies based on consumer demands for transparency.

In this type of social and educational services, the security of personal data and sensitive information must also be ensured. To this end, the Company has ISO 27001 certification in information security.

CUSTOMER SATISFACTION

The second key point of ACS' customer relationship management policy is measuring customer satisfaction and establishing plans for making improvements. Therefore, companies representing 98.4% the Group's sales have defined a system for measuring customer satisfaction.

Likewise, companies representing 12.3% of the Group's sales have established formalised measurement systems for customer complaints and claims (12.6% in 2021). In this respect, it is important to take into account that the company's business is not focused on end clients, but rather on the business with other companies or with the public administration, so these systems are mainly managed using personalised tracking systems. In 2022, 2,059 claims were received, of which, 93.9% were resolved in the report year.

For projects that pose greater technological challenges, the ACS Group also establishes alliances with partners (normally detailed engineering companies), which help to offer end clients the best technical and economic solutions.

Another Group value is confidentiality. The contracting and customer relationship departments of ACS Group companies promote responsible use of information, thus guaranteeing customer confidentiality.

As a result of this good relationship, proximity, transparency and customer satisfaction regarding quality expectations on the services provided, the level or recurrence of ACS Group customers is very high.

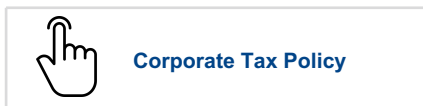


5.9. TAX INFORMATION



ACS GROUP CORPORATE TAX POLICY

The ACS Board approved the Corporate Tax Policy in 2015, the latest version of which was approved on 15 December 2022.



This Policy establishes the fundamental guidelines to govern the decisions and actions of ACS and the companies that are part of its Group in tax matters, globally and in accordance with the regulations applicable in the different territories and countries in which it operates.

The guidelines established included the Group's commitment not to establish corporate structures for purpose of opacity or that may undermine the Group's transparency.

The Group also seeks a cooperative relationship with tax authorities based on mutual trust and transparency. Along this line, attempts will be made to reduce litigation arising from different interpretations of applicable law, using the compliance procedures and agreements established by law for this purpose.

In particular, in Spain in 2010, ACS signed the Code of Best Tax Practices promoted by the Spanish tax authorities (Agencia Estatal de la Administración Tributaria) and, applying it, voluntarily provides the Agency with the Annual Fiscal Transparency Report, with special emphasis on the Group's international composition, including information related to tax havens.

The ACS Group's policy is the non-incorporation (or acquisition) of companies based in territories that the Spanish State considers tax havens, unless they are necessary for the performance of business activity in that territory. When, as a result of the acquisition of a parent company by the Company, indirect control of an institution of these characteristics is acquired, its suitability to corporate tax policy will be reviewed and, if incompatible, it will be liquidated or, when economic or contractual reasons prevent it, strict compliance with Spanish tax law will be ensured, as well as with the tax law in the countries that carry out transactions with it. In this regard, several entities which are residents of tax havens are in the process of liquidation.

In accordance with tax regulations in general, practices aimed at the prevention and reduction of significant tax risks will be promoted, ensuring that the taxation of the profits generated is adequately related to the structure and location of activities, human and material means and the location of business risks.

In 2022 several actions were taken to improve the Compliance Management System, its procedures and processes to adapt the organisation's model to the UNE 19602: 2019 standard on tax compliance management systems. It obtained this certification in October 2022.





The table below gives a breakdown, by country, of the taxes paid by the ACS Group for all items, pre-tax profit, and the subsidies received in 2021 and 2022 (amounts in thousands of euros):

Country	TAXES PAID 2022				Pre-tax profit(3)	Subsidies received
	TOTAL	Profits tax paid (1)	Other taxes paid (2)	Taxes collected		
Spain	884,226	79,371	351,081	453,774	234,373	239
United States	769,642	69,197	227,736	472,708	353,336	
Australia	203,496	39,071	-20,693	185,118	289,408	
United Kingdom	57,767	150	12,490	45,127	2,263	
New Zealand	33,244	46	12,895	20,303	-36,461	
Poland	33,108	1,137	9,789	22,182	12,961	
Mexico	15,996	196	169	15,632	17,529	
India	15,363	2,525	4,390	8,447	10,981	
Czech Republic	10,932	–	7,445	3,487	1,785	
Portugal	10,868	42	3,896	6,931	954	
Argentina	10,325	–	4,305	6,020	-5,874	
Hong Kong	8,326	7,580	458	287	14,923	
Chile	7,300	-665	717	7,248	5,530	
Peru	5,189	129	960	4,101	6,124	
Others(*)	-19,224	-25,458	-37,899	44,133	-130,538	
Tax refund in Spain (**)	-147,274	-147,274				
Unattributable consolidation adjustments & equity method results (4)					231,357	
TOTAL	1,899,284	26,047	577,739	1,295,498	1,008,651	239
Income from discontinued operations, taxes and minority interest					-340,424	
RESULT OF PARENT COMPANY					668,227	

(*) Countries with taxes paid of less than 5 million euros.

(**) Corresponds to the refund of two fiscal years

(1) Significant deviations from the nominal tax rates of each country are due to the fact that the tax rules themselves generate differences between the tax in terms of payment and accrual, such as the application of tax credits for losses or the realization or refund of payments on account. These differences are offset in the long term.

(2) The OECD methodology includes Social Security contributions as taxes paid.

(3) The breakdown by country corresponds to the profit before taxes according to the consolidated income statement excluding results under the equity method and excluding the attribution to minority interests.

(4) Accounting consolidation items not objectively attributable to specific countries are included (mainly amortization of PPA Purchase Price Allocation of acquisitions) as well as results under the equity method (which, in accordance with accounting regulations, are presented net of taxes, since no further information is available since they are not companies controlled by the group), with no impact on the payment of taxes in any of them.

TAXES PAID 2021						
Country	TOTAL	Profits tax paid (1)	Other taxes paid (2)	Taxes collected	Pre-tax profit(3)	Subsidies received
Spain	846,868	10,331	347,582	488,955	-17,792	246
United States	671,565	101,011	182,077	388,477	202,678	
Australia	343,849	-15,094	160,165	198,779	282,780	
Canada	53,798	28,452	6,557	18,790	-139,104	
United Kingdom	33,522	-132	11,962	21,692	22,540	
Poland	22,742	319	7,012	15,411	-671	
New Zealand	22,099	2	2,674	19,423	-121,651	
Chile	13,328	2,448	1,029	9,851	-10,443	
Germany	11,437	5,048	31,849	-25,460	-204,267	
Portugal	11,077	1,062	3,594	6,421	-422	
Argentina	9,435	226	3,193	6,016	2,486	
Czech Republic	8,909	623	5,400	2,887	-127	
Peru	7,239	553	987	5,699	5,152	
India	6,436	-2,324	1,663	7,097	4,706	
Luxembourg	6,275	2,124	1,259	2,892	37,901	
Singapore	6,203	4,985	1,081	137	-15,626	
Mexico	6,111	91	194	5,826	53,658	
Indonesia	6,069	1,450	473	4,147	-30,372	
Others (*)	15,778	4,331	4,531	6,912	67,561	
Unattributable consolidation adjustments & equity method results (4)					222,999	
TOTAL	2,102,740	145,506	773,282	1,183,952	361,986	246
Provisions for revaluation of operating risks						
- Spain					-133,844	
- United States					-170,640	
Profit before taxes					57,502	
Income from discontinued operations, taxes and minority interest					2,987,911	
RESULT OF PARENT COMPANY					3,045,413	

(*) Countries with taxes paid of less than 5 million euros.

(1) Significant deviations from the nominal tax rates of each country are due to the fact that the tax rules themselves generate differences between the tax in terms of payment and accrual, such as the application of tax credits for losses or the realization or refund of payments on account. These differences are offset in the long term.

(2) The OECD methodology includes Social Security contributions as taxes paid.

(3) The breakdown by country corresponds to the profit before taxes according to the consolidated income statement excluding results under the equity method and excluding the attribution to minority interests.

(4) Accounting consolidation items not objectively attributable to specific countries are included (mainly amortization of PPA Purchase Price Allocation of acquisitions) as well as results under the equity method (which, in accordance with accounting regulations, are presented net of taxes, since no further information is available since they are not companies controlled by the group), with no impact on the payment of taxes in any of them.

The ACS Group also participated in the Major Business Forum, which is the framework for collaboration between large companies and the Spanish tax administration and is

based on the principles of transparency and mutual trust, through knowledge and sharing of any problems that may arise in the application of the tax system.

TAX RISK MANAGEMENT

As established in the ACS Group Board Regulation, the non-delegable functions of the Board include the determination of the Group's tax strategy.

The Board is also responsible for approving the Group's General Risk Management and Control Policy and setting the acceptable level of risk at all times. These different areas also include the management of financial, non-financial and tax risks.

Within the Board, the Audit Committee's functions includes providing support to the Board of Directors in relation to the regular monitoring and assessment of the Group's Comprehensive Risk, Financial and Non-Financial Control and Management System, specifically:

- Ensuring that the different types of risks to which the Group is exposed are adequately identified and assessed, and that the level of risk considered acceptable is defined and set.
- Reviewing the measures established to mitigate the impact of the risks, compliance with regulatory requirements, adequate definition of the consolidation scope and proper application of accounting criteria.
- Monitoring the effectiveness of the risk management systems and directly oversees the internal risk control and management duties carried out by the responsible areas within the Group.



5.10. INNOVATION



In an increasingly competitive and demanding context, the ACS Group is aware of the importance of anticipating future trends and demands in pursuing global leadership. The Group therefore promotes innovation and research aimed at finding solutions to improve processes, incorporate technological advances and improve the quality of the services provided.

The Company's commitment to innovation is evident in the significant investment in R&D+i made by the ACS Group every year, which reached EUR 27.5 million in 2022¹². The result of this effort leads to, among others, improvements in productivity, quality, customer satisfaction, occupational safety, the use of new materials and products, and the design of more efficient production processes and systems.

THE ACS GROUP INVESTED MORE THAN 27.5 MILLION EUROS IN RESEARCH IN 2022

Management of innovation at Group companies normally has the following characteristics:

- The function is assumed by technology management, generally by the Technological Development Committee.
- R&D is managed through recognised management systems, customarily the UNE 166002:2006 standard.
- Compliance with reference standards is reviewed through independent audits.

Compliance with the requirements of the systems usually involves the development of individual strategic lines of research, collaboration with external organisations, investment that seeks to promote research and regular generation of new patents and operating techniques.

IN 2022, THE ACS GROUP HAD 137 PROJECTS IN PROGRESS AND IN THE LAST 10 YEARS THE GROUP COMPANIES REGISTERED A TOTAL OF 43 PATENTS.

The ACS Group's capabilities were strengthened and complemented through partnerships with technological centres, research institutes and universities, as well as other institutions related to R&D&I in order to successfully complete the innovation processes. In this sense, the Group has made a notable commitment to developing innovation projects related to sustainability.

IN 2022, THE ACS GROUP DEVELOPED 46 SPECIFIC INNOVATION PROJECTS RELATED TO SUSTAINABILITY.

The projects developed in the ACS Group's Innovation area are aimed at responding to the specific challenges and opportunities presented in the current construction and services environment, representing one of the Group's key lines for the creation of value. The main lines of development of the Group's Innovation activities are related to:

- Solutions relating to sustainability, efficiency and climate change:
 - Development of construction materials and techniques to improve the resilience of infrastructure
 - Improvement of resource efficiency
 - Development of solutions for Smart cities
- Automation of processes, digitalisation and data management:
 - BIM and virtual reality
 - Artificial intelligence
 - Shared learning systems
 - The Internet of Things

¹² Scope of data 19.36% 2022 sales. The scope of the number of projects carried out and patents in 2022 is 14.89% and 15.10% of 2022 sales

R&D INTERMODEL PROJECT (VÍAS)

In the R&D INTERMODEL project, of the European Horizon 2020 framework programme, it has been possible to develop a platform to support decision-making through the integration of combined digital technologies for the design of multimodal rail freight terminals. The result is a great potential tool to effectively contribute to the development of freight transport by rail of the future, and therefore to fulfil transport sustainability commitments.

The configured digital environment is based on the integration of advanced simulation modules with specific BIM technology, capable of dynamically interacting to assess the performance of the terminals and their interconnections, supporting decision-making in both the design and planning and operational phases throughout the life cycle of these infrastructures. This makes it possible to address the optimisation of operations and improve key aspects such as track maintenance, mitigating their very high degradation and, therefore, increasing their useful life.

The digital environment based on BIM and advanced simulations developed considers both static and dynamic indicators (CAPEX - capital expenses -, OPEX - operating expenses -, programming and cost of maintenance, energy efficiency, productivity and environmental impact). In accordance with these indicators, several existing intermodal rail freight terminals have been assessed, including the latest trends in the logistics sector. The result contributes to defining the 'Railway Freight Terminals of the Future.'

The line of work for optimising track maintenance, which is key to the sustainable operation of rail freight infrastructure, has been led by Vías in the project, achieving results that allow the superstructure to be digitalised in the terminal environment and in the interconnection between terminals with a degree of automation not reached to date. This is an advance towards unprecedented predictive rail maintenance.

To this end, Vías has introduced autonomous mass data capture equipment that is both compact and can be carried on any railway vehicle, based on sensor mergers, which autonomously carries out the inspection and monitoring of the status of the key elements of the road. The equipment, which was developed in-house, integrates cameras, laser sensors and another series of specific sensors that characterise geometries by digitalising the infrastructure. Efforts focused on the segmentation and automatic identification of geometries from the mass processing of the data captured, and subsequently contrasting all digital information for the detection of changes over time based on the evolution of point and image clouds in successive inspections. In this regard, several algorithms have been developed to automatically extract items from the enormous amount of data from point and image clouds, as well as overlapping results over time.

The tests were carried out on various sections of the Spanish rail network, as well as along the interconnection of the Port of Melzo with La Spezia (Italy), approximately 300 km long.

The combination of the proprietary inspection equipment for autonomous and massive data capture with the advanced processing of information through the new segmentation and comparison algorithms developed has been a milestone in the digitalisation of rail transport infrastructures and a significant progress towards their predictive maintenance.



RESEARCH INTO TEMPERATURES AND MATERIALS FOR THE LA PALMA ROAD (DRAGADOS)

As a result of the volcanic eruption in the Cabeza de Vaca area in the municipality of El Paso on La Palma Island between September and December 2021, some of the island's transport infrastructure was damaged or totally destroyed, with North - South communication being completely disrupted in this area. To restore part of these infrastructures and connect the towns of Puerto Naos and Fuencaliente with Los Llanos, Tzacorte and El Paso, the Ministry of Transport, Mobility and the Urban Agenda awarded DRAGADOS the emergency works for the construction of a road segment to be partially executed on the lava streams generated by the eruption. The section that mainly runs through the lava streams connecting the LP-213 to the LP-215 is a conventional road, 4 km long, with a project speed of 70 km/h with a single carriageway and one lane per direction, of which 2.4 km are built on lava.

The main factor that places restrictions on the construction works is the high temperatures existing in the lava streams area, which on the surface could range from 150° to more than 350° at a depth of 1 m and up to more than 450° at a depth 3 m depth, since the works were performed only six months after the end of the eruption. These temperatures affect both earthworks and road elements, especially the packing of the road surface.

In order to design and plan both the road layout and the construction work, extensive research had to be carried out to find about the behaviour of the lava streams. Some of the main research was a study of the temperatures along the axis of the route, both on the surface and at different depths, by installing thermocouples, flying an infrared camera, with the aim of obtaining a surface temperature map and a geophysical research campaign through georadar to locate areas with hollow spaces, such as glass tubes and homes over which the lava had flowed, which could result in area of collapse both during the works and during the subsequent operating phase.

Another point that has required significant research work was the selection of materials to build embankments. Since these are newly created materials from the volcano flow, numerous tests were necessary to verify their suitability and a novel design that facilitates dissipation and isolates the heat from the lower layers.

The surface layer also posed a significant challenge to ensure its performance over time and the safety of vehicles travelling on the road. To this end, an innovative design for the surface packing was carried out, with numerous tests carried out both in the laboratory and in test segments, with the aim of selecting the best options for the construction of the road, verifying both their performance from the structural point of view and the constructive process.

EXPANSION OF BIM CAPABILITIES (HOCHTIEF)

Building information modelling (BIM) is the digital tool of the future for executing projects. Customers from various countries are now demanding that BIM be used in the design and construction of projects. The methodology is based on actively connecting all people that participate in a project using 3D computer models that can be detailed with additional information.

BIM allows the progress of construction to be monitored in real time and improves the planning process. The resulting data can be used to optimise the maintenance and operation of buildings and infrastructure projects. BIM is also an important tool to reduce the risks related to construction. HOCHTIEF's subsidiary ViCon has the specialised knowledge on BIM. As a service and consulting provider, the Company provides support to internal and external customers in the use of BIM.

The Group companies regularly use BIM in their main construction projects; to date, HOCHTIEF has accumulated BIM experience in several thousand projects throughout the Group. The objective is to use BIM in a generalised way. To this end, the BIM4HOCHTIEF training campaign launched in 2018 by HOCHTIEF's ViCon subsidiary continued in 2022. The "BIM Project Circle" serves as a new internal medium to report on the current status of the initiative and exchange information; for example, on the integration of standardised BIM use cases into the management system. A total of 4,641 employees throughout the Group (2021: 2,842) received additional training on the latest iteration of this technology in the year of the report. Since 2019, a total of 55 BuildingSmart certificates have been awarded to HOCHTIEF employees in Germany. This allows customers to have their demand for certified BIM experience met. To train BIM professionals, HOCHTIEF ViCon also collaborates on programmes on this matter with Ruhr University Bochum and the Technical University of Munich, among others.

HOCHTIEF PPP Solutions and HOCHTIEF ViCon received the "BIM Champion 2022" award from Building SMART Deutschland for their successful work with BIM.

NEXPLORE (HOCHTIEF)

HOCHTIEF is working with ACS and the Group's operating companies to actively promote digitalisation in its main activities through the company Nexplora, created in 2018. Nexplora is a digital transformation incubator and accelerator that takes advantage of the existing digital innovation capacity within the ACS Group.

Nexplores combining cutting-edge research with front-line institutions and world-class technical capabilities to enhance collaboration and progress in the sector worldwide, including innovation and digital development centres. The aim is to make the most of the opportunities offered by digitalisation for the business, such as artificial intelligence, virtual reality, the Internet of Things and Industry 4.0.

Nexplora productivity

This digital tool captures the overall state of a construction process with the naked eye within a cloud platform that allows users of the tool to capture, review, compare and view all project data in a single, centralised system. The tool thus provides a clear picture of the overall status of the project, helps to identify and follow design problems, as well as to visualise, process and analyse point clouds for infrastructure projects. The tool simplifies productivity management in complex projects with clear visibility of the overall state of the project, allowing users to review the actual progress with regard to the timing and actual costs with regard to the budget.

Nexplora Minerva

The Nexplora subcontractor management tool brings transparency and control to the supply chain. A centralised tool captures, stores and processes the current status of all projects and all contractors, subcontractors, suppliers and associated consultants in real time. A digital process provides data analysis and accurate forecast of payments. Therefore, all dates, variations and forecasts of completion can be displayed on a single view. This eliminates the laborious manual verification of all deliverables.

Resilience of the Nexplora supply chain

This is a database for the continuous analysis and identification of disturbances in the supply chain. The verification includes non-confidential information on the supply chain and shares it with users. Linking with analytical data makes it possible to improve the preparation of reports with updated control tables to detect disruptions in the supply chain. Comparative reports are available to manufacturers, suppliers and product lines. The tool replaces complex internal process systems and puts an end to late notifications of delays in deliveries and the lack of visibility of disruptions in the supply chain.

Nexplora Security Camera

The Nexplora Chamber of Safety is a flexible and scalable proximity vision solution with AI technology to detect the presence of people and alert them to construction works. Developed especially for the construction sector, it mitigates the security risks around mobile facilities and reduces reliance on human supervision. A proximity visual and sound warning system helps to avoid collisions in the work. Up to eight ultra-modern HD cameras (180°) per unit guarantee coverage without blind points. The cameras operate in various light and weather conditions and are compatible with a wide range of vehicle types.

Nexplora Deliveries

Nexplora Deliveries is a unique tool for all parties involved in the logistics of a project to schedule and approve deliveries in the available time slots. The platform provides a detailed overview of all planned deliveries, materials and number of vehicles, with notifications of the status of deliveries for all those involved. The works are therefore efficiently and safely supplied, and materials can be monitored from start to end.



5.11. EUROPEAN UNION TAXONOMY

CONTEXT AND INTRODUCTION

The European Green Pact is a new growth strategy aimed at transforming the EU into an equitable and prosperous society, with a modern, resource-efficient and competitive economy, with no net greenhouse gas emissions by 2050.

To achieve these environmental and social objectives, the EU has developed a regulatory framework that contains different regulations and plans, specifically the Sustainable Finance Action Plan. Its three main objectives are:

1. Redirecting capital flows to sustainable investments to achieve sustainable and inclusive growth.
2. Managing the financial risks arising from climate change, resource depletion, environmental degradation and social problems.
3. Promoting transparency and long-term thinking in financial and economic activities.

In relation to the first objective, the need to develop a common framework was created in which it was defined that it was sustainable and that it is not as a result of this that Regulation (EU) 2020/852 of the European Parliament and of the Council (the EU Taxonomy Regulation) arose. This is a classification of economic activities that contribute to the EU's environmental objectives.

The Taxonomy is structured based on six environmental objectives that are: 1) climate change mitigation, 2) adaptation to climate change, 3) pollution prevention and control, 4) transition to a circular economy, 5) sustainability and protection of water and marine resources and 6) protection and restoration of biodiversity and ecosystems.

The Taxonomy establishes a list of activities that substantially contribute to one or more of the objectives. These are found in the documents known as the Delegate Acts, which include the technical criteria that an activity must meet. Currently, only the criteria for activities contributing to climate change mitigation and adaptation have been published.

5.11.1 ASSESSMENT OF ELEGIBILITY

Following the analysis of the ACS Group carried out by cross-sectional teams from each of the subsidiaries coordinated from the financial and sustainability area of ACS, the following Taxonomically eligible activities under the Regulation (EU) 2020/852 were identified.

The most significant eligible activities due to their weight in the ACS Group business would be as follows:

It is important to note that taxonomy distinguishes two scopes in terms of disclosure requirements:

- **Taxonomically Eligible Activities:** An economic activity eligible for the Taxonomy is an economic activity described in the Delegated Act, regardless of whether this economic activity meets any or all technical selection criteria.
- **Taxonomically Aligned Activities:** An economic activity aligned with the Taxonomy is an economic activity that meets all the requirements established in the Taxonomy Regulation:
 - a. **Contributing substantially to one of the environmental objectives:** This criterion refers to the positive impact that an activity has on one of the six environmental objectives.
 - b. **The analysis of “not causing significant harm”:** The purpose of the assessment is to ensure that Taxonomy itself does not include economic activities that undermine any of the other five environmental objectives.
 - c. **Compliance with minimum social safeguards:** At the corporate level, the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights must be complied with.

The ACS Group has identified and reported Taxonomically eligible activities aligned within its business based on information from the 2022 financial year on climate change mitigation and adaptation targets. The four remaining environmental targets will be analysed and reported in the coming years, since the European Commission has not yet published the technical criteria to define their substantial contribution.

- Infrastructure for rail transport
- Infrastructure that allows low-carbon transport by road and public transport
- Construction of new buildings

The results of the analysis also show other activities carried out by the ACS Group that are classified within the following Taxonomic macro-sectors:

- Macro-Taxonomic sectors and activities that contribute to climate change mitigation: forestry, energy, water supplies, sanitation, waste treatment and decontamination, transport, building construction activities and real estate development, professional, scientific and technical activities.

5.11.2 ALIGNMENT ASSESSMENT

Once taxonomically eligible activities were identified, the cross-sectional teams of each of the subsidiaries, coordinated by the sustainability division, analysed the requirements established in Commission Delegated Regulation (EU) 2021/2139, which establishes the technical selection criteria to determine the conditions under which an economic activity is considered to contribute substantially to the mitigation of or adaptation to climate change, and to determine whether this economic activity does not cause significant harm to any of the other environmental objectives.

This analysis to determine the activities that comply with Delegated Regulation (EU) 2021/2139, and that are therefore considered to be Taxonomically aligned, has been conducted within the ACS Group by the various subsidiaries at the project level. Based on the activities identified as eligible, the various subsidiaries assessed the alignment of their respective projects, taking into account their substantial contribution to the environmental objectives of climate change mitigation or adaptation, as well as the DNSH established in the Regulation based on contribution and activity.

To assess compliance with the technical criteria and to collect the evidence that supports them in the various projects, questionnaires have been sent to the various project managers either through internal systems or through digital online solutions, such as the tool developed at HOCHTIEF by its innovation company, Nexplore. In this tool, the criteria were entered into questionnaires for each economic activity, together with the technical description and regulatory links, and based on the data entered by the different HOCHTIEF users, the tool has determined whether the technical selection criteria are in line with the thresholds required by EU taxonomy.

The information and media received through these internal or online questionnaires are verified by the teams responsible for the various subsidiaries and consolidated at the group level. For this internal verification, the responses and evidence received were compared to the criteria defined in Delegated Regulation (EU) 2021/2139 and the Frequently Asked Questions published by the European Commission in 2022. In the case of projects carried out

- Taxonomic Macro-sectors and activities that contribute to adaptation to climate change: education, health and social services activities and creation, artistic and entertainment activities.

In those cases where the activity appears under the two environmental objectives, the criterion of classifying the activities under the objective of contributing to the mitigation of climate change has been established.

outside the European Union, it was analysed whether the requirements applicable in the European Union are met or whether any international standard or local law is comparable. This internal verification confirmed that the projects meet the technical criteria for substantial contribution, the criteria for not causing significant harm and minimum social safeguards, in accordance with the ACS Group's internal policies, including the ACS Group's Code of Conduct, the Code of Conduct for Business Partners, the Rights Policy, the Human Rights Due Diligence Protocol, the Criminal Compliance and Anti-Bribery Policy, the Corporate Tax Policy, and the Competition Compliance Policy and Protocol, among others.

It is important to consider that in order for an activity to be aligned it simply needs to for it to contribute substantially to one of the environmental objectives. Therefore, in the internal verification processes it was verified that there is no double accounting arising from this fact, assigning each project to a substantial contribution objective.

5.11.3 SCOPE OF THE REPORT

All groups of companies that are part of the consolidation scope of the ACS Group were considered in the assessment carried out to identify the activities eligible under EU Taxonomy.

The procedure for performing the classification was based on the individual analysis of the activity portfolio of each of the companies based on the common guidelines established by the ACS sustainability team.

To calculate the financial indicators, the Delegated Act of section 8 of the Taxonomy Regulation was followed in addition to the accounting policies of the ACS Group in which the consolidation criteria at Group level are included.

The collection and monitoring of financial data was supported on the SAP BPC platform tool used by the Group when consolidating the financial statements, thus avoiding double counting and ensuring that eliminations and adjustments are adequately considered.

5.11.4 CALCULATION OF INDICATORS

The indicators were calculated based on the Delegated Act stipulated in Article 8 of Regulation (EU) 2020/852.

Revenue

The proportion of revenue referred to in Article 8 (2) (a) of Regulation (EU) 2020/852 was calculated as part of the net turnover arising from products or services, including intangible ones, associated with economic activities that are eligible in the taxonomy (numerator), divided by the total net turnover (denominator).

Revenue includes revenue recognised in accordance with International Accounting Standard (IAS) 1, paragraph 82, point a), adopted by Commission Regulation (EC) No 1126/2008.

The numerator contains the turnover of the taxonomically eligible activities, both environmentally sustainable (which comply with taxonomy) based on the criteria for mitigation and adaptation to climate change, as well as the eligible but not environmentally sustainable (non-aligned) activities that have been identified in the ACS Group portfolio. and the denominator contains the total balance of the ACS Group turnover.

In the Taxonomic context, the business volume indicator aims to present a current picture of the contribution of the activities carried out by the company in relation to the targets set by the EU, in terms of eligibility.

Investments (CapEx)

The share of CapEx (investments in fixed assets) referred to in Regulation (EU) 2020/852 was calculated taking into

account additions to property, plant and equipment, intangible assets and investment property, excluding depreciation and impairment, and also includes operating leases arising from right-of-use assets as included in Note 04.02. Other intangible assets 05 Tangible assets - Property, plant and equipment and 07 Real estate investments in the ACS Group's consolidated financial statements.

In this way, the total sum at Group level of the additions mentioned above was taken into account when calculating the denominator. The numerator contains those investments (CapEx) that are related to assets or processes associated with Taxonomically eligible economic activities and both environmentally sustainable and eligible but non-aligned investments are presented.

Operating expenses (Ex)

The proportion of OpEx referred to in Regulation (EU) 2020/852 was established as follows.

The ACS Group includes the most material items for its activity and common items within its accounting processes, such as short-term lease, repair and maintenance expenses.

The concept of OpEx in the ACS Group's accounting is currently limited compared to the Taxonomic definition of this indicator, which is why materiality criteria have been taken when selecting the items included in the calculation.

This indicator in reference to Taxonomy reflects the associated costs of the ACS Group to ensure the proper functioning of a Taxonomic activity.

5.11.5 RESULTS AND CONCLUSIONS

A summary of the results obtained after the analysis in each of the indicators in terms of the proportion of aligned eligible, non-aligned eligible, and non-eligible activities is shown below. At the end of this section, a detailed analysis can be found following the templates required by the Taxonomy Regulation.

ACS Group eligible/aligned taxonomy activities Criteria: Road infrastructures as NON eligible activity	2022		
	% eligible activities/total	% aligned activities/total	% aligned activities/ total eligible activities
Revenue	71.8%	12.4%	17.3%
Capex	36.9%	11.0%	29.7%
Opex	57.8%	22.6%	39.2%

ACS Group eligible/aligned taxonomy activities Criteria: Road infrastructures as eligible activity	2022		
	% eligible activities/total	% aligned activities/total	% aligned activities/ total eligible activities
Revenue	88.8%	12.4%	14.0%
Capex	53.1%	11.0%	20.7%
Opex	84.7%	22.6%	26.7%

It is important to note that there are differences in interpretation of certain criteria for substantial contribution between the different countries to which Delegated Regulation (EU) 2021/2139 applies this first year.

In particular, there are differences in criteria regarding the eligibility of road infrastructure within the activity code 6.15 Infrastructure that allows low carbon transport by road and public transport. Therefore, to present the information in a transparent manner, two scenarios were chosen; a first scenario in which road infrastructure activity has not been considered eligible and a second scenario in which road infrastructure activity has been considered eligible. The European clarification documents (FAQs) published in 2023 are expected to clarify the uncertainties in the interpretation of the criteria and update the analysis in subsequent years.

Also, in reference to the technical criteria established in the European Union Delegated Regulation, it is important to note that the requirements or evidence requested are given within a context of European regulation. In the case of the ACS Group, 80% of whose sales are made outside the European Union, although an analysis has been carried out in these countries as to whether the requirements applicable in the European Union are met or whether there is any international standard or local law that is comparable, more difficulties have been encountered in providing evidence in accordance with the technical criteria established in the European Union.

Similarly, due to the very nature of the activity of many of the ACS Group's projects, in which it acts as a builder but is not involved in their planning or design, it is often difficult to provide certain evidence or documentary media since it exceeds the scope of competence of the projects carried out and they are the responsibility of third parties. In other cases, the phase in which the different projects are located may also make it difficult to obtain certain evidence, since the project is in very early or late phases to provide the necessary evidence.

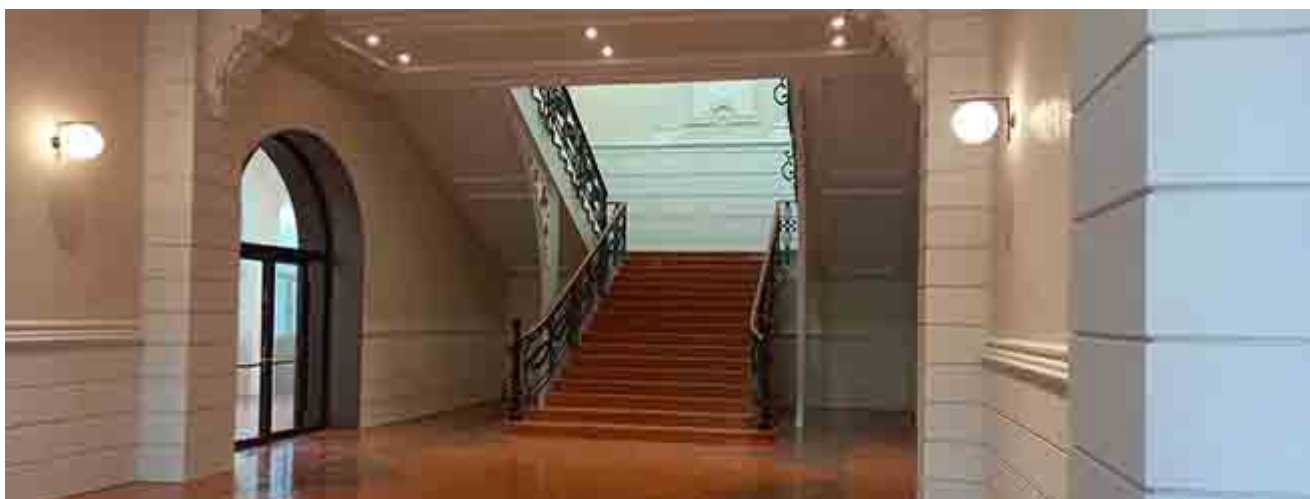
Therefore, as indicated by the European Union, an activity or project not being aligned, especially in this first year of

application of the procedures for identifying these activities and seeking documentary evidence, does not necessarily mean that it is not sustainable. A clear example of this is the projects carried out by the ACS Group are certified as sustainable (12,935 million euros in 2022, representing 41.2% of the ACS Group's total construction sales), which in many cases are not aligned, as these certifications do not strictly comply with the technical criteria established in the Regulation or documentary evidence cannot be provided.

As a conclusion, eligibility based on the environmental objectives of climate change mitigation and adaptation shows the potential of the ACS Group to contribute to achieving the decarbonisation targets set by the EU (carbon neutrality for 2050), as well as activities aligned with these technical criteria, with this first year of reporting serving to lay the foundations and initial procedures for the reporting of the alignment of activities.

In the coming years, the ACS Group expects to continue to make progress in the taxonomic analysis of the projects, thanks to the experience acquired in this first reporting year, the potential clarifications to the different interpretations of the current technical criteria and the regulatory development of the technical criteria of the four remaining environmental objectives, as well as the publication of the future social taxonomy, all in line with the ACS Group's objective of promoting the overall sustainability of infrastructures.

It should be noted that the ACS Group has a 2025 Sustainability Master Plan, setting out the strategic priorities and twelve commitments regarding sustainability. The aspects related to Taxonomy were included when drafting the Plan to adapt the Group's internal methodology and processes to Regulation requirements. This is evidenced by the objective, among others, of moving Climate Neutrality forward to 2045, which contributes directly to the climate change mitigation and adaptation objectives identified as priorities by the European Commission.



REVENUE (Criteria for non-eligible road infrastructures)

Economic Activities	Code	Absolute revenues 2022 (EUR MN)	Proportion of revenues/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of revenues 2022	Taxonomy-aligned to taxonomy-eligible proportion of revenues 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards				
A. TAXONOMY-ELIGIBLE ACTIVITIES																
A.1. Environmentally sustainable activities (taxonomy-aligned)																
Electricity generation using concentrated solar power (CSP) technology	4.2	38.6	0.1%	100%	—%	n.a.	S	S	S	n.a.	S	S	0.2%			
Electricity generation from wind power	4.3	95.0	0.3%	100%	—%	n.a.	S	S	S	n.a.	S	S	0.4%			
Electricity generation from hydropower	4.5	262.3	0.8%	100%	—%	n.a.	S	S	n.a.	n.a.	S	S	1.1%			
Construction, extension and operation of water collection, treatment and supply systems	5.1	100.4	0.3%	5.5%	94.5%	n.a.	n.a.	S	n.a.	n.a.	S	S	0.4%			
Renewal of water collection, treatment and supply systems	5.2	89.2	0.3%	72.1%	27.9%	n.a.	n.a.	S	n.a.	n.a.	S	S	0.4%			
Construction, extension and operation of waste water collection and treatment	5.3	237.4	0.7%	57.3%	42.7%	n.a.	n.a.	S	n.a.	S	S	S	1.0%			
Infrastructure for personal mobility, cycle logistics	6.13	15.4	0.0%	100%	—%	n.a.	S	S	S	S	S	S	0.1%			
Infrastructure for rail transport	6.14	2,195.0	6.5%	100%	—%	n.a.	S	S	S	S	S	S	9.1%			
Infrastructure enabling low-carbon road transport and public transport	6.15	317.2	0.9%	100%	—%	n.a.	S	S	S	S	S	S	1.3%		E	
Infrastructure enabling low carbon water transport	6.16	42.7	0.1%	100%	—%	n.a.	S	S	S	S	S	S	0.2%		E	
Construction of new buildings	7.1	518.4	1.5%	100%	—%	n.a.	S	S	S	S	S	S	2.1%			T
Renovation of existing buildings	7.2	217.5	0.6%	100%	—%	n.a.	S	S	S	n.a.	S	S	0.9%			
Education	11	39.5	0.1%	—%	100%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	0.2%			
Creative, arts and entertainment activities	13.1	2.0	0.0%	—%	100%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	—%			
Environmentally sustainable activities (taxonomy-aligned) A1		4,170.5	12.4%	93.7%	6.3%								17.3%			

Economic Activities	Code	Absolute revenues 2022 (EUR MN)	Proportion of revenues/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)						Taxonomy-aligned to taxonomy-eligible proportion of revenues 2022	Taxonomy-aligned to taxonomy-eligible proportion of revenues 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)				
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)															
Conservation forestry	1.4	2.2	—%												
Manufacture of renewable energy technologies	3.1.	4.4	—%												
Electricity generation using solar photovoltaic technology	4.1	140.7	0.4%												
Electricity generation using concentrated solar power (CSP) technology	4.2	0.0	—%												
Electricity generation from wind power	4.3	12.4	—%												
Electricity generation from hydropower	4.5	4.6	—%												
Transmission and distribution of electricity	4.9	87.7	0.3%												
Storage of electricity	4.10	5.0	—%												
Electricity generation from fossil gaseous fuels	4.29	23.4	0.1%												
Construction, extension and operation of water collection, treatment and supply systems	5.1	244.4	0.7%												
Renewal of water collection, treatment and supply systems	5.2	22.0	0.1%												
Construction, extension and operation of waste water collection and treatment	5.3	42.6	0.1%												
Renewal of waste water collection and treatment	5.4	2.6	—%												
Infrastructure for personal mobility, cycle logistics	6.13	4.6	—%												
Infrastructure for rail transport	6.14	903.1	2.7%												
Infrastructure enabling low-carbon road transport and public transport	6.15	640.7	1.9%												
Infrastructure enabling low carbon water transport	6.16	23.8	0.1%												
Low carbon airport infrastructure	6.17	336.4	1.0%												
Construction of new buildings	7.1	14,552.0	43.3%												
Renovation of existing buildings	7.2	2,696.4	8.0%												
Installation, maintenance and repair of renewable energy technologies	7.6	2.3	—%												
Professional services related to energy performance of buildings	9.3	32.8	0.1%												
Residential care activities	12.1	191.3	0.6%												

Economic Activities	Code	Absolute revenues 2022 (EUR MN)	Proportion of revenues/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of revenues 2022	Taxonomy-aligned to taxonomy-eligible proportion of revenues 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards				
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.		19,975.3	59.4%													
TOTAL (A.1 + A.2)		24,145.8	71.8%										17.3%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																
Revenue of taxonomy-non-eligible activities (B)		9,469.4	28.2%													
TOTAL (A + B)		33,615.2	100%													

CAPEX

(Criteria for non-eligible road infrastructures)

Economic Activities	Code	Absolute capex 2022 (EUR MN)	Proportion of capex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of capex 2022	Taxonomy-aligned to taxonomy-eligible proportion of capex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards				
A. TAXONOMY-ELIGIBLE ACTIVITIES																
A.1. Environmentally sustainable activities (taxonomy-aligned)																
Electricity generation using concentrated solar power (CSP) technology	4.2	9.0	1.7%	100%	—%	n.a.	S	S	S	n.a.	S	S	4.5%			
Electricity generation from wind power	4.3	0.6	0.1%	100%	—%	n.a.	S	S	S	n.a.	S	S	0.3%			
Electricity generation from hydropower	4.5	1.4	0.3%	100%	—%	n.a.	S	S	n.a.	n.a.	S	S	0.7%			
Construction, extension and operation of water collection, treatment and supply systems	5.1	0.2	0.0%		100.0%	n.a.	n.a.	S	n.a.	n.a.	S	S	0.1%			
Renewal of water collection, treatment and supply systems	5.2	2.3	0.4%	69.6%	30.4%	n.a.	n.a.	S	n.a.	n.a.	S	S	1.2%			

Economic Activities	Code	Absolute capex 2022 (EUR MN)	Proportion of capex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of capex 2022	Taxonomy-aligned to taxonomy-eligible proportion of capex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards				
Construction, extension and operation of waste water collection and treatment	5.3	3.0	0.6%	56.3%	43.7%	n.a.	n.a.	S	n.a.	S	S	S	1.5%			
Infrastructure for personal mobility, cycle logistics	6.13	0.6	0.1%	100%	—%	n.a.	S	S	S	S	S	S	0.3%			
Infrastructure for rail transport	6.14	37.4	7.0%	100%	—%	n.a.	S	S	S	S	S	S	18.9%		E	
Infrastructure enabling low-carbon road transport and public transport	6.15	4.2	0.8%	100%	—%	n.a.	S	S	S	S	S	S	2.1%		E	
Infrastructure enabling low carbon water transport	6.16	0.0	0.0%		—%	n.a.	S	S	S	S	S	S	—%			
Construction of new buildings	7.1	0.1	0.0%	100%	—%	n.a.	S	S	S	S	S	S	—%			
Education	11	0.2	0.0%	0%	100.0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	0.1%			
Creative, arts and entertainment activities	13.1	0.0	0.0%	—%	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	—%			
Environmentally sustainable activities (taxonomy-aligned) A1		58.9	11.0%	96.0%	4.0%								29.7%			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																
Conservation forestry	1.4	0.0	0.0%													
Electricity generation using solar photovoltaic technology	4.1	16.7	3.1%													
Transmission and distribution of electricity	4.9	23.2	4.3%													
Electricity generation from wind power	4.29	0.2	0.0%													
Renewal of water collection, treatment and supply systems	5.2	0.0	0.0%													
Construction, extension and operation of waste water collection and treatment	5.3	0.0	0.0%													
Renewal of waste water collection and treatment	5.4	0.0	0.0%													
Infrastructure for rail transport	6.14	13.5	2.5%													
Infrastructure enabling low-carbon road transport and public transport	6.15	16.7	3.1%													
Low carbon airport infrastructure	6.17	0.3	0.1%													
Construction of new buildings	7.1	15.6	0.1%													
Renovation of existing buildings	7.2	2.0	0.4%													
Professional services related to energy performance of buildings	9.3	0.0	0.0%													
Residential care activities	12.1	50.8	9.5%													

Economic Activities	Code	Absolute capex 2022 (EUR MN)	Proportion of capex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Minimum safeguards	Taxonomy-aligned to taxonomy-eligible proportion of capex 2022	Taxonomy-aligned to taxonomy-eligible proportion of capex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)						
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.		139.1	25.9%														
TOTAL (A.1 + A.2)		198.0	36.9%										29.7%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
Capex of taxonomy-non-eligible activities (B)		338.9	63.1%														
TOTAL (A + B)		536.9	100%														

OPEX

(Criteria for non-eligible road infrastructures)

Economic Activities	Code	Absolute opex 2022 (EUR MN)	Proportion of opex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Minimum safeguards	Taxonomy-aligned to taxonomy-eligible proportion of opex 2022	Taxonomy-aligned to taxonomy-eligible proportion of opex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)						
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (taxonomy-aligned)																	
Electricity generation using solar photovoltaic technology	4.1	28.0	5.9%	100%	—%	n.a.	S	S	S	n.a.	S	S	10.1%				
Electricity generation using concentrated solar power (CSP) technology	4.2	10.6	2.2%	100%	—%	n.a.	S	S	S	n.a.	S	S	3.8%				
Electricity generation from hydropower	4.5	0.0	0.0%	0%	—%	n.a.	S	S	n.a.	n.a.	S	S	—%				
Construction, extension and operation of water collection, treatment and supply systems	5.1	7.3	1.5%	3%	96.8%	n.a.	n.a.	S	n.a.	n.a.	S	S	2.7%				
Renewal of water collection, treatment and supply systems	5.2	8.0	1.7%	59%	40.6%	n.a.	n.a.	S	n.a.	n.a.	S	S	2.9%				

Substantial contribution criteria Do no significant harm criteria (DNSH)

Economic Activities	Code	Absolute opex 2022 (EUR MN)	Proportion of opex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)								Taxonomy-aligned to taxonomy-eligible proportion of opex 2022	Taxonomy-aligned to taxonomy-eligible proportion of opex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards					
Construction, extension and operation of waste water collection and treatment	5.3	7.9	1.6%	44%	56.5%	n.a.	n.a.	S	n.a.	S	S	S	2.8%				
Infrastructure for personal mobility, cycle logistics	6.13	0.3	0.1%	100%	—%	n.a.	S	S	S	S	S	S	0.1%				
Infrastructure for rail transport	6.14	22.4	4.7%	100%	—%	n.a.	S	S	S	S	S	S	8.1%		E		
Infrastructure enabling low-carbon road transport and public transport	6.15	4.3	0.9%	100%	—%	n.a.	S	S	S	S	S	S	1.6%		E		
Construction of new buildings	7.1	18.3	3.8%	100%	—%	n.a.	S	S	S	S	S	S	6.6%				
Renovation of existing buildings	7.2	1.0	0.2%	100%	—%	n.a.	S	S	S	n.a.	S	S	—%				
Education	11	0.1	0.0%	0%	100.0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	—%				
Creative, arts and entertainment activities	13.1	0.0	0.0%	—%	100%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	—%				
Environmentally sustainable activities (taxonomy-aligned) A1		108.3	22.6%	86.3%	13.7%								39.2%				
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																	
Conservation forestry	1.4	0.2	0.0%														
Electricity generation using solar photovoltaic technology	4.1	0.0	0.0%														
Electricity generation from wind power	4.3	1.5	0.3%														
Electricity generation from hydropower	4.5	0.0	0.0%														
Transmission and distribution of electricity	4.9	0.1	0.0%														
Construction, extension and operation of water collection, treatment and supply systems	5.1	3.4	0.7%														
Renewal of water collection, treatment and supply systems	5.2	0.9	0.2%														
Construction, extension and operation of waste water collection and treatment	5.3	4.1	0.9%														
Renewal of waste water collection and treatment	5.4	0.1	0.0%														
Infrastructure for personal mobility, cycle logistics	6.13	0.2	0.0%														
Infrastructure for rail transport	6.14	21.4	4.5%														
Infrastructure enabling low-carbon road transport and public transport	6.15	4.4	0.9%														
Infrastructure enabling low carbon water transport	6.16	1.5	0.3%														
Low carbon airport infrastructure	6.17	11.2	2.3%														
Construction of new buildings	7.1	95.1	19.9%														
Renovation of existing buildings	7.2	23.1	4.8%														

REVENUE (Criteria for eligible road infrastructures)

Economic Activities	Code	Absolute revenues 2022 (EUR MN)	Proportion of revenues/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of revenues 2022	Taxonomy-aligned to taxonomy-eligible proportion of revenues 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards				
A. TAXONOMY-ELIGIBLE ACTIVITIES																
A.1. Environmentally sustainable activities (taxonomy-aligned)																
Electricity generation using concentrated solar power (CSP) technology	4.2	38.6	0.1%	100%	—%	n.a.	S	S	S	n.a.	S	S	0.1%			
Electricity generation from wind power	4.3	95.0	0.3%	100%	—%	n.a.	S	S	S	n.a.	S	S	0.3%			
Electricity generation from hydropower	4.5	262.3	0.8%	100%	—%	n.a.	S	S	n.a.	n.a.	S	S	0.9%			
Construction, extension and operation of water collection, treatment and supply systems	5.1	100.4	0.3%	5.5%	94.5%	n.a.	n.a.	S	n.a.	n.a.	S	S	0.3%			
Renewal of water collection, treatment and supply systems	5.2	89.2	0.3%	72.1%	27.9%	n.a.	n.a.	S	n.a.	n.a.	S	S	0.3%			
Construction, extension and operation of waste water collection and treatment	5.3	237.4	0.7%	57.3%	42.7%	n.a.	n.a.	S	n.a.	S	S	S	0.8%			
Infrastructure for personal mobility, cycle logistics	6.13	15.4	0.0%	100%	—%	n.a.	S	S	S	S	S	S	0.1%			
Infrastructure for rail transport	6.14	2,195.0	6.5%	100%	—%	n.a.	S	S	S	S	S	S	7.4%			
Infrastructure enabling low-carbon road transport and public transport	6.15	317.2	0.9%	100%	—%	n.a.	S	S	S	S	S	S	1.1%		E	
Infrastructure enabling low carbon water transport	6.16	42.7	0.1%	100%	—%	n.a.	S	S	S	S	S	S	0.1%		E	
Construction of new buildings	7.1	518.4	1.5%	100%	—%	n.a.	S	S	S	S	S	S	1.7%			T
Renovation of existing buildings	7.2	217.5	0.6%	100%	—%	n.a.	S	S	S	n.a.	S	S	0.7%			
Education	11	39.5	0.1%	—%	100%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	0.1%			
Creative, arts and entertainment activities	13.1	2.0	0.0%	—%	100%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	—%			
Environmentally sustainable activities (taxonomy-aligned) A1		4,170.5	12.4%	93.7%	6.3%								14.0%			

Economic Activities	Code	Absolute revenues 2022 (EUR MN)	Proportion of revenues/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)						Taxonomy-aligned to taxonomy-eligible proportion of revenues 2022	Taxonomy-aligned to taxonomy-eligible proportion of revenues 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)				
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)															
Conservation forestry	1.4	2.2	—%												
Manufacture of renewable energy technologies	3.1.	4.4	—%												
Electricity generation using solar photovoltaic technology	4.1	140.7	0.4%												
Electricity generation using concentrated solar power (CSP) technology	4.2	0.0	—%												
Electricity generation from wind power	4.3	12.4	—%												
Electricity generation from hydropower	4.5	4.6	—%												
Transmission and distribution of electricity	4.9	87.7	0.3%												
Storage of electricity	4.10	5.0	—%												
Electricity generation from fossil gaseous fuels	4.29	23.4	0.1%												
Construction, extension and operation of water collection, treatment and supply systems	5.1	244.4	0.7%												
Renewal of water collection, treatment and supply systems	5.2	22.0	0.1%												
Construction, extension and operation of waste water collection and treatment	5.3	42.6	0.1%												
Renewal of waste water collection and treatment	5.4	2.6	—%												
Infrastructure for personal mobility, cycle logistics	6.13	4.6	—%												
Infrastructure for rail transport	6.14	903.1	2.7%												
Infrastructure enabling low-carbon road transport and public transport	6.15	6,345.9	18.9%												
Infrastructure enabling low carbon water transport	6.16	23.8	0.1%												
Low carbon airport infrastructure	6.17	336.4	1.0%												
Construction of new buildings	7.1	14,552.0	43.3%												
Renovation of existing buildings	7.2	2,696.4	8.0%												
Installation, maintenance and repair of renewable energy technologies	7.6	2.3	—%												
Professional services related to energy performance of buildings	9.3	32.8	0.1%												
Residential care activities	12.1	191.3	0.6%												

Economic Activities	Code	Absolute revenues 2022 (EUR MN)	Proportion of revenues/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of revenues 2022	Taxonomy-aligned to taxonomy-eligible proportion of revenues 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards				
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.		25,680.5	76.4%													
TOTAL (A.1 + A.2)		29,851.0	88.8%										17.3%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																
Revenue of taxonomy-non-eligible activities (B)		3,764.2	11.2%													
TOTAL (A + B)		33,615.2	100%													

CAPEX

(Criteria for eligible road infrastructures)

Economic Activities	Code	Absolute capex 2022 (EUR MN)	Proportion of capex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of capex 2022	Taxonomy-aligned to taxonomy-eligible proportion of capex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards				
A. TAXONOMY-ELIGIBLE ACTIVITIES																
A.1. Environmentally sustainable activities (taxonomy-aligned)																
Electricity generation using concentrated solar power (CSP) technology	4.2	9.0	1.7%	100%	—%	n.a.	S	S	S	n.a.	S	S	3.2%			
Electricity generation from wind power	4.3	0.6	0.1%	100%	—%	n.a.	S	S	S	n.a.	S	S	0.2%			
Electricity generation from hydropower	4.5	1.4	0.3%	100%	—%	n.a.	S	S	n.a.	n.a.	S	S	0.5%			
Construction, extension and operation of water collection, treatment and supply systems	5.1	0.2	0.0%		100.0%	n.a.	n.a.	S	n.a.	n.a.	S	S	0.1%			
Renewal of water collection, treatment and supply systems	5.2	2.3	0.4%	69.6%	30.4%	n.a.	n.a.	S	n.a.	n.a.	S	S	0.8%			

Economic Activities	Code	Absolute capex 2022 (EUR MN)	Proportion of capex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of capex 2022	Taxonomy-aligned to taxonomy-eligible proportion of capex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards				
Construction, extension and operation of waste water collection and treatment	5.3	3.0	0.6%	56.3%	43.7%	n.a.	n.a.	S	n.a.	S	S	S	1.0%			
Infrastructure for personal mobility, cycle logistics	6.13	0.6	0.1%	100%	—%	n.a.	S	S	S	S	S	S	0.2%			
Infrastructure for rail transport	6.14	37.4	7.0%	100%	—%	n.a.	S	S	S	S	S	S	13.1%		E	
Infrastructure enabling low-carbon road transport and public transport	6.15	4.2	0.8%	100%	—%	n.a.	S	S	S	S	S	S	1.5%		E	
Infrastructure enabling low carbon water transport	6.16	0.0	0.0%		—%	n.a.	S	S	S	S	S	S	—%			
Construction of new buildings	7.1	0.1	0.0%	100%	—%	n.a.	S	S	S	S	S	S	—%			
Education	11	0.2	0.0%	0%	100.0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	0.1%			
Creative, arts and entertainment activities	13.1	0.0	0.0%	—%	0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	—%			
Environmentally sustainable activities (taxonomy-aligned) A1		58.9	11.0%	96.0%	4.0%								20.7%			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																
Conservation forestry	1.4	0.0	0.0%													
Electricity generation using solar photovoltaic technology	4.1	16.7	3.1%													
Transmission and distribution of electricity	4.9	23.2	4.3%													
Electricity generation from wind power	4.29	0.2	0.0%													
Renewal of water collection, treatment and supply systems	5.2	0.0	0.0%													
Construction, extension and operation of waste water collection and treatment	5.3	0.0	0.0%													
Renewal of waste water collection and treatment	5.4	0.0	0.0%													
Infrastructure for rail transport	6.14	13.5	2.5%													
Infrastructure enabling low-carbon road transport and public transport	6.15	103.5	19.3%													
Low carbon airport infrastructure	6.17	0.3	0.1%													
Construction of new buildings	7.1	15.6	0.1%													
Renovation of existing buildings	7.2	2.0	0.4%													
Professional services related to energy performance of buildings	9.3	0.0	0.0%													
Residential care activities	12.1	50.8	9.5%													

Economic Activities	Code	Absolute capex 2022 (EUR MN)	Proportion of capex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Minimum safeguards	Taxonomy-aligned to taxonomy-eligible proportion of capex 2022	Taxonomy-aligned to taxonomy-eligible proportion of capex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)						
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.		226.0	42.1%														
TOTAL (A.1 + A.2)		284.9	53.1%										20.7%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
Capex of taxonomy-non-eligible activities (B)		252.0	46.9%														
TOTAL (A + B)		536.9	100%														

OPEX

(Criteria for eligible road infrastructures)

Economic Activities	Code	Absolute opex 2022 (EUR MN)	Proportion of opex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Minimum safeguards	Taxonomy-aligned to taxonomy-eligible proportion of opex 2022	Taxonomy-aligned to taxonomy-eligible proportion of opex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)						
A. TAXONOMY-ELIGIBLE ACTIVITIES																	
A.1. Environmentally sustainable activities (taxonomy-aligned)																	
Electricity generation using solar photovoltaic technology	4.1	28.0	5.9%	100%	—%	n.a.	S	S	S	n.a.	S	S	6.9%				
Electricity generation using concentrated solar power (CSP) technology	4.2	10.6	2.2%	100%	—%	n.a.	S	S	S	n.a.	S	S	2.6%				
Electricity generation from hydropower	4.5	0.0	0.0%	0%	—%	n.a.	S	S	n.a.	n.a.	S	S	—%				
Construction, extension and operation of water collection, treatment and supply systems	5.1	7.3	1.5%	3%	96.8%	n.a.	n.a.	S	n.a.	n.a.	S	S	1.8%				
Renewal of water collection, treatment and supply systems	5.2	8.0	1.7%	59%	40.6%	n.a.	n.a.	S	n.a.	n.a.	S	S	2.0%				

Economic Activities	Code	Absolute opex 2022 (EUR MN)	Proportion of opex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of opex 2022	Taxonomy-aligned to taxonomy-eligible proportion of opex 2021	Enabling activity (E)	Transitional activity (T)
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards				
Construction, extension and operation of waste water collection and treatment	5.3	7.9	1.6%	44%	56.5%	n.a.	n.a.	S	n.a.	S	S	S	1.9%			
Infrastructure for personal mobility, cycle logistics	6.13	0.3	0.1%	100%	—%	n.a.	S	S	S	S	S	S	0.1%			
Infrastructure for rail transport	6.14	22.4	4.7%	100%	—%	n.a.	S	S	S	S	S	S	5.5%		E	
Infrastructure enabling low-carbon road transport and public transport	6.15	4.3	0.9%	100%	—%	n.a.	S	S	S	S	S	S	1.1%		E	
Construction of new buildings	7.1	18.3	3.8%	100%	—%	n.a.	S	S	S	S	S	S	4.5%			
Renovation of existing buildings	7.2	1.0	0.2%	100%	—%	n.a.	S	S	S	n.a.	S	S	—%			
Education	11	0.1	0.0%	0%	100.0%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	—%			
Creative, arts and entertainment activities	13.1	0.0	0.0%	—%	100%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	S	—%			
Environmentally sustainable activities (taxonomy-aligned) A1		108.3	22.6%	86.3%	13.7%								26.7%			
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																
Conservation forestry	1.4	0.2	0.0%													
Electricity generation using solar photovoltaic technology	4.1	0.0	0.0%													
Electricity generation from wind power	4.3	1.5	0.3%													
Electricity generation from hydropower	4.5	0.0	0.0%													
Transmission and distribution of electricity	4.9	0.1	0.0%													
Construction, extension and operation of water collection, treatment and supply systems	5.1	3.4	0.7%													
Renewal of water collection, treatment and supply systems	5.2	0.9	0.2%													
Construction, extension and operation of waste water collection and treatment	5.3	4.1	0.9%													
Renewal of waste water collection and treatment	5.4	0.1	0.0%													
Infrastructure for personal mobility, cycle logistics	6.13	0.2	0.0%													
Infrastructure for rail transport	6.14	21.4	4.5%													
Infrastructure enabling low-carbon road transport and public transport	6.15	133.1	27.8%													
Infrastructure enabling low carbon water transport	6.16	1.5	0.3%													
Low carbon airport infrastructure	6.17	11.2	2.3%													
Construction of new buildings	7.1	95.1	19.9%													

Economic Activities	Code	Absolute opex 2022 (EUR MN)	Proportion of opex/total 2022	Substantial contribution criteria		Do no significant harm criteria (DNSH)											
				Climate change mitigation (% over total)	Climate change adaptation (% over total)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards	Taxonomy-aligned to taxonomy-eligible proportion of opex 2022	Taxonomy-aligned to taxonomy-eligible proportion of opex 2021	Enabling activity (E)	Transitional activity (T)	
Renovation of existing buildings	7.2	23.1	4.8%														
Installation, maintenance and repair of renewable energy technologies	7.6	0.1	0.0%														
Professional services related to energy performance of buildings	9.3	0.1	0.0%														
Residential care activities	12.1	0.8	0.2%														
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.		296.8	62.1%														
TOTAL (A.1 + A.2)		405.1	84.7%											26.7%			
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																	
Opex of taxonomy-non-eligible activities (B)		73.1	15.3%														
TOTAL (A + B)		478.3	100%														



5.12. CONTENTS OF THE CONSOLIDATED NFIS

The scope of each of the non-financial management indicators can be found in annex 7.3.6. Scope of non-financial data.

Information requested by the Non-Financial Information draft legislation	Materiality	Page or section of the report where an answer is given	Reporting criterion: Selected GRIs
General information			
A brief description of the business model that includes its business environment, organisation and structure	Yes	5.0. Business model 5.0.1. Sustainability strategy and trends Pages 88.-89	GRI 2-6 (2021)
Markets of operation	Yes	5.0. Business model Page 88	GRI 2-1 (2021) GRI 2-6 (2021)
Aims and strategies of the organisation	Yes	5.0.1. Sustainability strategy and trends Page 89	GRI 2-1 (2021) GRI 2-22 (2021)
Main factors and trends that may affect their future performance	Yes	5.0.1. Sustainability strategy and trends 5.0.2. Risks Pages 89-91	GRI 3-3 (2021) GRI 2-22 (2021)
Reporting framework used	Yes	5.0.1. Sustainability strategy and trends Page 89	GRI 1 (2021)
Principle of Materiality	Yes	5.0.1. Sustainability strategy and trends Page 89	GRI 3-1 (2021) GRI 3-2 (2021)
Environmental Issues			
Management approach: description and results of policies relating to these issues as well as the main risks related to these issues related to the Group's activities	Yes	5.0.2. Risks 5.1.5. Risk management in environmental issues Page 90-91; 119-120	GRI 3-3 (2021)
Detailed general information			
Detailed information on the current and foreseeable effects of the company's activities on the environment and, where applicable, health and safety	Yes	5.1. Environment Page 94	GRI 3-3 (2021)
Environmental assessment or certification procedures	Yes	5.1. Environment Page 94	GRI 3-3 (2021)
Resources devoted to environmental risk prevention	Yes	5.1.5. Risk management in environmental issues Page 119-120	GRI 3-3 (2021)
Application of the precautionary principle	Yes	5.1. Environment Page 94	GRI 2-23 (2021)
Quantity of provisions and guarantees for environmental risks	Yes	5.1.5. Risk management in environmental issues Page 120	GRI 3-3 (2021)
Pollution			
Measures to prevent, reduce or repair emissions that seriously affect the environment; taking into account any form of air pollution specific to an activity, including noise and light pollution	Yes	5.1.1. The fight against climate change 7.3.2 Additional indicators Page 95-109, 241	GRI 3-3 (2021) GRI 305-7

Information requested by the Non-Financial Information draft legislation	Materiality	Page or section of the report where an answer is given	Reporting criterion: Selected GRIs
Economía circular y prevención y gestión de residuos			
Measures to prevent, recycle, reuse, other forms of recovery and waste disposal	Yes	5.1.2 Circular economy: sustainable use of resources and waste management 5.1.3 Efficient and responsible use of water resources Page 110-116	GRI 306-1 GRI 306-2 GRI 306-3 a 306-5
Actions to combat food waste	No		GRI 3-3 (2021) GRI 306-4
Sustainable use of resources			
Water consumption and water supply in accordance with local limitations	Yes	5.1.3 Efficient and responsible use of water resources Page 115-116	GRI 303-1 a 303-3 GRI 303-5
Consumption of raw materials and measures adopted to improve the efficiency of their use	Yes	5.1.2 Circular economy: sustainable use of resources and waste management Page 110-114	GRI 301-1 GRI 301-2 GRI 301-3
Direct and indirect consumption of energy	Yes	5.1.1. The fight against climate change Page 108	GRI 302-1 GRI 302-3
Measures taken to improve energy efficiency	Yes	5.1.1. The fight against climate change Page 109	GRI 3-3 (2021) GRI 201-2
Use of renewable energies	Yes	5.1.1. The fight against climate change Page 108	GRI 302-1
Climate Change			
Greenhouse Gas Emissions	Yes	5.1.1. The fight against climate change Page 102-103	GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4
Measures adopted to adapt to the consequences of climate change	Yes	5.1.1. The fight against climate change Page 100-105	GRI 3-3 (2021) GRI 201-2
Voluntary medium and long-term reduction targets to reduce greenhouse gas emissions and the means implemented for this purpose	Yes	5.1.1. The fight against climate change Page 103-105	GRI 3-3 (2021) GRI 305-5
Protection of biodiversity			
Measures taken to preserve or restore biodiversity	Yes	5.1.4. Protection of biodiversity Page 117-118	GRI 3-3 (2021) GRI 304-3
Impacts caused by activities or operations in protected areas	Yes	5.1.4. Protection of biodiversity Page 117-118	GRI 3-3 (2021) GRI 304-1 GRI 304-2

Information requested by the Non-Financial Information draft legislation	Materiality	Page or section of the report where an answer is given	Reporting criterion: Selected GRIs
Social and personnel issues			
Management approach: description and results of policies relating to these issues as well as the main risks related to these issues related to the Group's activities	Yes	5.0.2. Risks 5.1.5. Risk management in HR issues Page 90-91;133	GRI 3-3 (2021)
Employment			
Total number and distribution of employees based on diversity criteria (gender, age, country, etc.)	Yes	5.2. People in the ACS Group Page 121-123	GRI 405-1
Total number and distribution of employment contract types, annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional classification	Yes	5.2. People in the ACS Group Page 121-123	GRI 2-7 (2021)
Number of dismissals by gender, age and professional classification	Yes	5.2. People in the ACS Group Page 123	GRI 3-3 (2021) GRI 401-1
The average remuneration and its evolution broken down by gender, age and professional classification or equal value	Yes	5.2.2. Equal opportunities, diversity and inclusion Page 129-130	GRI 3-3 (2021)
Wage gap, remuneration for equal or average jobs in the company	Yes	5.2.2. Equal opportunities, diversity and inclusion Page 130	GRI 3-3 (2021) GRI 405-2
The average remuneration of directors and executives, including variable remuneration, per diem, indemnity, and payment to long-term savings systems and any other remuneration broken down by gender	Yes	5.2.2. Equal opportunities, diversity and inclusion Page 129	GRI 3-3 (2021)
Introduction of employment disconnection policies	Yes	5.2.3. Organisation of work and social relationships Page 131	GRI 3-3 (2021)
Employees with disabilities	Yes	5.2.2. Equal opportunities, diversity and inclusion Page 128	GRI 3-3 (2021) GRI 405-1
Organisation of work			
Organisation of work time	Yes	5.2.3. Organisation of work and social relationships Page 131-132	GRI 3-3 (2021)
Number of hours of absenteeism	Yes	5.2.3. Organisation of work and social relationships Page 131	GRI 3-3 (2021) GRI 403-9
Measures to facilitate the enjoyment of work-life balance and encourage the co-responsible exercise of these measures by both parents	Yes	5.2.3. Organisation of work and social relationships Page 131-132	GRI 3-3 (2021) GRI 403-3
Health and safety			
Occupational health and safety conditions	Yes	5.3. Occupational health and safety Page 134-137	GRI 3-3 (2021) GRI 403-3
Work-related accidents, particularly their frequency and severity, as well as occupational illnesses; broken down by gender.	Yes	5.3.2 Safety statistics Page 139-140	GRI 403-9 GRI 403-10

Information requested by the Non-Financial Information draft legislation	Materiality	Page or section of the report where an answer is given	Reporting criterion: Selected GRIs
Social relationships			
Organisation of social dialogue, including procedures for informing and consulting staff and negotiating with them	Yes	5.2.3. Organisation of work and social relationships Page 132	GRI 3-3 (2021)
Mechanisms and procedures available to the Company has to promote employee involvement in the management of the Company, in terms of information, consultation and participation	Yes	5.2.3. Organización del trabajo y relaciones sociales Pág. 132	GRI 3-3 (2021)
Percentage of employees covered by collective bargaining agreement, by country	Yes	5.2.3. Organisation of work and social relationships Page 132	GRI 2-30 (2021)
Balance of collective agreements, particularly in the field of occupational health and safety	Yes	5.2.3. Organisation of work and social relationships Page 132	GRI 3-3 (2021) GRI 403-4
Training			
The policies implemented in the field of training	Yes	5.2.1. Professional Development Page 124-126	GRI 404-2
The total number of training hours by professional category	Yes	5.2.1. Professional Development Page 126	GRI 3-3 (2021) GRI 404-1
Universal accessibility of disabled persons			
Universal accessibility of disabled persons	Yes	5.2.2. Equal opportunities, diversity and inclusion Page 128	GRI 3-3 (2021)
Equality			
Measures adopted to promote equal treatment and opportunities between women and men	Yes	5.2.2. Equal opportunities, diversity and inclusion Page 127-130	GRI 3-3 (2021)
Equality plans, measures taken to promote employment, protocols against sexual and gender-based harassment	Yes	5.2.2. Equal opportunities, diversity and inclusion Page 127	GRI 3-3 (2021)
The anti-discrimination and, where applicable, diversity management policy	Yes	5.2.2. Equal opportunities, diversity and inclusion Page 127	GRI 3-3 (2021)



Information requested by the Non-Financial Information draft legislation	Materiality	Page or section of the report where an answer is given	Reporting criterion: Selected GRIs
Respect for human rights			
Management approach: description and results of policies relating to these issues as well as the main risks related to these issues related to the Group's activities	Yes	5.0.2. Risks 5.4.14. Risk management for compliance issues Page 90-91,154-155	GRI 3-3 (2021)
Human Rights			
Application of human rights due diligence procedures; prevention of risks of human rights abuses and, where applicable, measures to mitigate, manage and remedy potential abuses committed	Yes	5.4.5. Human Rights Page 146-147	GRI 2-23 (2021) GRI 2-26 (2021) GRI 410-1 GRI 412-1 a 412-3
Reports of cases of human rights abuses	Yes	5.4.5. Human Rights Page 147	GRI 3-3 (2021) GRI 406-1 (2016)
Measures implemented for promotion of and compliance with the provisions of the fundamental conventions of the International Labour Organisation relating to respect for freedom of association and the right to collective bargaining; eliminating discrimination in employment and occupation; eliminating forced or compulsory labour; effectively eliminating child labour.	Yes	5.4.5. Human Rights Page 146-147	GRI 3-3 (2021) GRI 407-1 GRI 408-1 GRI 409-1
Prevention of corruption and bribery			
Management approach: description and results of policies relating to these issues as well as the main risks related to these issues related to the Group's activities	Yes	5.0.2. Risks 5.4.14. Risk management for compliance issues Page 90-91,154-155	GRI 3-3 (2021)
Corruption and bribery			
Measures adopted to prevent corruption and bribery	Yes	5.4.4. Prevention of corruption and bribery Page 145	GRI 3-3 (2021) GRI 2-23 (2021) GRI 2-26 (2021) GRI 205-1 a 205-3
Measures to combat money laundering	Yes	5.4.4. Prevention of corruption and bribery Page 145	GRI 3-3 (2021) GRI 2-23 (2021) GRI 2-26 (2021) GRI 205-1 a 205-3
Contributions to foundations and non-profit entities	Yes	5.4.4. Prevention of corruption and bribery 5.6. Contribution to society Page 144.159	GRI 2-28 (2021) GRI 201-1 GRI 415-1
Information about the Company			
Management approach: description and results of policies relating to these issues as well as the main risks related to these issues related to the Group's activities	Yes	5.0.2. Risks 5.6. Giving back to society Page 90-91.159	GRI 3-3 (2021)
Company commitments to sustainable development			
The impact of the company's activity on employment and local development	Yes	5.6. Contribution to society 5.7.1. The supply chain of the ACS Group Page 159.167-168	GRI 3-3 (2021) GRI 203-2 GRI 204-1
The impact of the company's activity on local populations and on the territory	Yes	5.6. Contribution to society 5.7.1. The supply chain of the ACS Group Page 159.167-168	GRI 3-3 (2021) GRI 413-1 GRI 413-2 GRI 411-1

Information requested by the Non-Financial Information draft legislation	Materiality	Page or section of the report where an answer is given	Reporting criterion: Selected GRIs
Relations with local community agents and dialogue with local communities	Yes	5.5. Management of the relationship with stakeholders Page 156-157	GRI 2-29 (2021) GRI 413-1
Association or sponsorship actions	Yes	5.5. Management of the relationship with stakeholders Page 156-157	GRI 3-3 (2021) GRI 201-1
Subcontracting and suppliers			
Inclusion of social, gender equality and environmental issues in the procurement policy	Yes	5.7. Suppliers and contractors Page 167-171	GRI 3-3 (2021)
Consideration of social and environmental responsibility of suppliers and subcontractors in relations with them	Yes	5.7. Suppliers and contractors Page 167-171	GRI 2-6 (2021) GRI 308-1 GRI 414-1
Supervisory systems and audits and their results	Yes	5.7. Suppliers and contractors Page 167-171	GRI 2-6 (2021) GRI 308-2 GRI 414-2
Consumers			
Measures for consumer health and safety	Yes	5.8.2 Relationship with the customer Page 173	GRI 3-3 (2021) GRI 416-1
Complaint systems, complaints received and their resolution	Yes	5.8.2. Customer relations Page 173-174	GRI 3-3 (2021) GRI 418-1
Tax information			
Profit obtained by country	Yes	5.9. Tax information Page 175-177	GRI 3-3 (2021) GRI 207-4
Profits tax paid	Yes	5.9. Tax information Page 175-177	GRI 3-3 (2021) GRI 201-1 GRI 207-4
Public subsidies received	Yes	5.9. Tax information Page 175-177	GRI 201-4
European Union Taxonomy			
European Union Taxonomy	Yes	5.11. European Union Taxonomy 182-199	





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Independent Assurance Report on the Consolidated Non-Financial Information Statement of ACS Actividades de Construcción y Servicios, S.A. and subsidiaries for 2022

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the shareholders of ACS Actividades de Construcción y Servicios, S.A.:

Pursuant to article 49 of the Spanish Code of Commerce, we have performed a limited assurance review of the accompanying Consolidated Non-Financial Information Statement (hereinafter NFIS) of ACS Actividades de Construcción y Servicios, S.A. (hereinafter the Parent) and its subsidiaries (hereinafter the Group) for the year ended 31 December 2022, which forms part of the accompanying consolidated Directors' Report of the Group for 2022 .

The NFIS includes additional information to that required by prevailing mercantile legislation concerning non-financial information, which has not been the subject of our assurance work. Our work was limited exclusively to providing assurance on the information contained in "Table of Contents of the Consolidated NFIS" included in the accompanying NFIS.

Responsibility of the Parent's Directors and Management

The Directors of the Parent are responsible for the contents and the authorisation for issue of the NFIS included in the Group's consolidated Directors' Report. The NFIS has been prepared in accordance with prevailing mercantile legislation and selected *Sustainability Reporting Standards* of the Global Reporting Initiative (GRI Standards) based on each subject area in the "Table of Contents of the Consolidated NFIS" of the accompanying NFIS.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the NFIS is free from material misstatement, whether due to fraud or error.

The Directors of the Parent are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the NFIS was obtained.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.



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Our firm applies prevailing international quality standards and accordingly maintains a quality system including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The engagement team was comprised of professionals specialised in reviews of non-financial information and, specifically, in information on economic, social and environmental performance.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. We conducted our review engagement in accordance with the requirements of the Revised International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (ISAE 3000 (Revised), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC)), and with the guidelines for assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement, and consequently, the level of assurance provided is substantially lower.

Our work consisted of making inquiries of management, as well as of the different units and areas of the Parent that participated in the preparation of the NFIS, reviewing the processes for compiling and validating the information presented in the NFIS and applying certain analytical procedures and sample review tests, which are described below:

- Meetings with the Parent's personnel to gain an understanding of the business model, policies and management approaches applied, and the principal risks related to these matters, and to obtain the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the NFIS for 2022 based on the materiality analysis performed by the Parent and described in the section "Identifying material issues", considering the content required by current commercial legislation.
- Analysis of the processes for compiling and validating the data presented in the NFIS for 2022.
- Review of the information relative to the risks, policies and management approaches applied in relation to the material aspects presented in the NFIS for 2022.
- Corroboration, through sample testing, of the information relative to the content of the NFIS for 2022 and whether it has been adequately compiled based on data provided by the information sources.
- Procurement of a representation letter from the Directors and management.



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Conclusion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the NFIS of ACS Actividades de Construcción y Servicios, S.A. and subsidiaries for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with prevailing mercantile legislation and selected GRI Standards and based on each subject area in the “Table of Contents of the Consolidated NFIS” of the aforementioned NFIS.

Emphasis of Matter

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment stipulates the obligation to disclose information on how and to what extent the undertaking’s activities are associated with economic activities aligned to the objectives of climate change mitigation and climate change adaptation. This obligation applies for the first time for the 2022 fiscal year, in addition to the information related to eligible activities required in 2021. Consequently, the attached NFIS does not contain comparative information on alignment. Furthermore, inasmuch as the information on eligible activities in 2021 was not required to be as detailed as in 2022, the disclosures on eligibility included in the attached NFIS are not strictly comparable. Additionally, the Directors of the Parent have included information on the criteria that, in their opinion, best allow them to comply with the aforementioned obligations, which are defined in the “EU Taxonomy” section of the accompanying NFIS. Our conclusion is not modified in respect of this matter.

Use and Distribution

This report has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Asesores, S.L.

(Signed on original in Spanish)

Marta Contreras Hernández

23 March 2023