



4 Consolidated Non-Financial Statement

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LA PALMA ROAD, BUILT ON THE LAVA, SPAIN - © DRAGADOS

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4.0. THE ACS GROUP'S BUSINESS MODEL IN 2023



The ACS Group is a worldwide reference in the infrastructure construction business. This industry contributes greatly to the economic and social development of the different regions of the world in an increasingly competitive, demanding and global market.

In 2023, main areas of the Group were divided into:

- a) **Construction:** this business segment includes the construction activities through Dragados and HOCHTIEF (including CIMIC) and is aimed at carrying out all types of civil construction projects (activities related to building infrastructure, such as motorways, railways, marine works and airports), building projects (residential buildings, social infrastructure and facilities) and infrastructure services (railway, transport, communications and technology, energy, resources, water and defense sectors). The geographical regions with the greatest exposure in this area are North America, Asia Pacific and Europe, mainly operating in developed markets that are safe from a geopolitical, macroeconomic and legal perspective.
- b) **Concessions:** This includes the activities of Iridium and the shareholdings in Abertis and is focused on the development and operation of transport concessions. These projects are carried out either through direct construction models for public and private customers, or through public-private partnership models, where the ACS Group is involved in the entire value chain of the concessions business, from the design of the project to its financing, construction, start-up, and operation. The geographical regions with the greatest exposure in this area are Europe, Latin America and North America.
- c) **Services:** this segment only includes Clece's business activity, which offers comprehensive maintenance services for buildings, public places and organizations, and assistance to people. The business segment is mainly based in Spain, but it is also beginning to grow in the European market.



For more information: [2.2 The ACS Group's business model](#)



4.0.1. 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 leaders in the construction and services industry, with a strategy focused on creating shared value, staying ahead of the curve and helping shape the future of infrastructures, while taking into account the reality and changing needs of the present and the future. Improving the lives of communities, sustainability and innovation are therefore three pillars that guarantee shared value is generated for all ACS's stakeholders.

These commitments are implemented through the Group's Sustainability Policy, approved 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, as well as the Group's relationship with its environment.

Also, in December 2021, the Board of Directors 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", as well as the sustainability targets set for 2025.

As part of the Group's commitment to information transparency, the description of the existing policies in regard to non-financial issues, as well as the results of the policies, including key performance indicators, is presented throughout this Consolidated Non-Financial Statement. To ensure maximum rigor 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 contents of the "List of Contents of the Consolidated Non-Financial Statement" table have been verified by an independent third party according to the ISAE 3000 standard.

The report was selected based on a 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 6.2, 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 2.3 of this report:

- The need to move forward in the energy transition process.
- The importance of contributing to the circular economy and the fight against climate change.
- Advances in new technologies and digitalizing industry.
- Geopolitical instability.

The ACS Group responds to the demands of society by carrying out projects with high added value in the following areas:

- **Digitalization:** creating high-tech solutions to lead the digital transformation.
- **Decarbonization:** building the necessary infrastructure for the energy transition, including manufacturing capacity.
- **Relocation:** pitching-in in the gradual relocation process to increase investment in the world's major developed markets, in key sectors for society.



For more information: 2.3. Challenges and opportunities



Sustainability Master Plan 2025



6.2. Identification of material aspects

4.0.2. RISKS

In regard to risk management, the ACS Group carries out 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 to the General Risk Management and Control Policy, as well as the Comprehensive Risk Management and Control System.

In 2023, the ACS Group added the figure of the Chief Risk Officer, who reports to the Chief Executive Officer and the Audit Committee. An upcoming coming update of the Group's Risk Management and Control Policy will include this position and define its duties. Adding the Chief Risk Officer is part of the Group's strategy of continuously improving the efficiency of its risk management, which it sees as one of the fundamental pillars for ensuring sustainable growth.

From this point of view of continuous improvement, the ACS Group has a General Risk Map that is the responsibility of the Risk Director 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 was approved in December 2023.

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 of Directors. The Corporate Unit is responsible for determining the basic guidelines for the purpose of unifying 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 controls to ensure its optimum level.

In this respect, the Board of Directors of the Parent Company of the Group has established a framework of appropriate policies and controls to prevent corruption and other irregular practices, as well as to identify, assess, manage and control the risks, both financial and non-financial, as well as 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 of Directors notwithstanding, the Audit Committee ensures compliance with the transparency obligations of the company and, in particular, because the information included in this Consolidated 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.



2.7. Efficient risk management



6.2. Identification of material aspects



SNOWDONIA NATIONAL PARK, WALES - © HOCHTIEF

In relation to non-financial risks, according to the Group's general risk map, the main potential risks that have been identified in relation to the issues dealt with in this Non-Financial Statement that could have an impact on the progress of the Group's activity if they materialize are as follows:

Natural disasters and pandemics: this refers to the potential risks related to the negative impacts on the Group's strategic plan that could be caused by extraordinary natural phenomena or pandemics, in addition to or outside the short-term operational impact (such as COVID-19).

Health and safety risks and occupational risk prevention: these are potential risks of incidents or accidents that could affect the health and safety of employees (internal employees and those of subcontractors) and that could entail negative social impacts, indemnities and compensation, as well as the possible stoppage of operations, although the Group works towards the goal of zero accidents.

Labor relations: risks that might arise from inadequate management of key aspects in human resources, such as collective bargaining, remuneration models, resource planning, absenteeism, training and labor disputes, which could have a negative impact on meeting business objectives.

Attracting and retaining talent: risks that could derive from not having skilled human resources with the necessary training to perform the Group's activities, including hiring suitable personnel, and training and professional development to successfully complete the business project.

Ineffective internal communication: this refers to the risks that may occur due to management failing to communicate with the teams, which could negatively affect human resource management and labor relations, and could pose a risk in meeting objectives, developing people and in the work environment.

Procurement/subcontracting: outsourcing services may entail potential risks related to the unavailability of suitable companies or professionals, inadequate selection or the company's lack of financial or technical capacity to meet its obligations, which may lead to delays, cost overruns or quality failures.

Impact on the economic-social environment: potential risks that, if they materialize, could have a negative impact on the economic and social environment as a consequence of the Group's activity: local communities and responsible supply chain, among others.

Customer relations: this refers to risks that may arise due to inadequate management of customer relationships that may produce different negative impacts on revenues and/or business reputation, or as a consequence of market conditions beyond the control of the ACS Group.

Human rights violations: the potential risks arising from a failure to comply with the ACS Group's business commitment to the UN Global Compact on Human Rights and Labor, and the legislation in force in the countries in which the Group operates.

Management and Transparency in reporting relevant financial and non-financial information to stakeholders: potential risks arising from the reliability and integrity of the financial and non-financial information presented internally and externally and used in decision-making as required under the articles of association or under similar requirements. Inadequate communication of that information to the ACS Group's main stakeholders (such as investors, shareholders and proxy advisors).

Information security and cyber-attacks: risks due to the existence of cyber-threats that, if they materialize, could result in losing tenders, prolonged halting of operations, unauthorized access, and leaks of information and data.

Environment and circular economy: potential risks due to inadequate use or lack of use of the natural resources necessary for carrying out activities that may lead to scarcity and depletion of these resources, not contributing to the circular economy model.

Climate change and energy efficiency: these risks refer to the possibility of natural disasters or other events occurring due to climate change, which if they materialize, could impact the Group's activities, and entail violations of new environmental and energy efficiency rules and regulations. This heading also includes potential risks arising from negative impacts being generated in protected areas or areas of high ecological value, as well as performing activities in already affected areas, with the consequent limitation of resources.

Loss of competitiveness in the Market and Innovation Capacity: potential risks due to difficulty developing competitive offers with profitability appropriate to the risk of the activity, as a result of the maturity of the markets and the incorporation of new competitors or due to inadequate investment in R&D+i.

The Risk Map includes all the control activities and other initiatives that are applied both at corporate level and at the level of the different companies that make up the Group to manage these risks correctly, and that aim at reducing the impact or probability the risk occurring to a level that is acceptable for the organization and in accordance with the legal requirements and applicable legislation, as well as the values and rules of conduct reflected in the Group's Code of Conduct and its principles and good practices.

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 Non-Financial Statement. In addition to these risks identified in the risk map, there are a number of emerging risks that, although they currently take place, it is considered that their impact on carrying out 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 6.3.3 of this report.

4.0.3. EVOLUTION OF RELEVANT INDICATORS FOR THE NON-FINANCIAL MANAGEMENT OF 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

	2022(1)	2023
Environmental issues		
Percentage of operations covered by ISO 14001 Certification	82.4%	83.2%
Hazardous waste (t)	139,260	167,247
Non-hazardous waste (t)	15,746,325	14,093,108
Scope 1 emissions (tCO ₂)	378,893	380,722
Scope 1 emissions intensity (tCO ₂ eq /mn € sales)	11.45	10.69
Scope 2 emissions (tCO ₂)	161,034	151,266
Scope 2 emissions intensity (tCO ₂ eq /mn € sales)	4.87	4.25
Scope 3 emissions (tCO ₂)	7,476,054	7,865,229
Scope 3 emissions intensity (tCO ₂ eq /mn € sales)	226.00	220.93
Total energy consumption (MWh)	1,898,947	1,983,476
Energy consumption intensity (MWh/mn €)	57.40	55.72
Electricity consumption from renewable sources (MWh)	60,062	62,227
Social and personnel issues		
December 31 Workforce	128,721	135,419
% Men workforce	43.3%	44.5%
% Women workforce	56.7%	55.5%
% Mid-level educational degrees and above	16.0%	16.1%
% Non-qualified technicians and Administrative staff	17.3%	17.1%
% Other staff	66.7%	66.8%
% Permanent Contracts	81.3%	81.6%
% Temporary Contracts	18.7%	18.4%
Number of women in management positions	2,744	2,985
% Employees in centres covered by Equality Plans	96.0%	96.1%
% Employees in centres with Universal Accessibility	100.0%	100.0%
Employees belonging to vulnerable groups	10,983	11,453
Total teaching hours given	1,071,836	1,566,882
Employees participating in training activities	68,860	74,710
Investment in training per employee (of total employees trained) (euros)	265	298
Percentage of total employees covered by ISO 45001 certification (Occupational Health and Safety)	87.4%	92.0%
Percentage of total employees who have received at least one occupational health and safety course in their professional career	100.0%	100.0%
Investment in occupational health and safety per employee (euros/employee)	1,072.2	954.1
Frequency Rate	14.95	14.67
Severity Rate	0.46	0.45
Incidence Rate	26.79	26.37

Evolution of relevant NFS indicators

	2022(1)	2023
Ethics, human rights, contribution to society		
Scope of the training plans regarding the company's human rights, ethics, integrity, conduct or compliance procedures (% of employees)	100%	100%
Funds allocated to Social Action (millions of euros)	14.3	14.3
Other information on the company		
Companies with formal supplier/subcontractor approval systems	89.0%	87.7%
Weighted average expenses that have the sustainability-related factors (environmental, ethical and social criteria) out of the total factors used in the approval systems	36.8%	38.6%
Frequency Rate (contractors)	2.92	2.59
Severity Rate (contractors)	0.11	0.08
Percentage of turnover from activities certified under the ISO 9001 standard (%)	66.7%	68.1%
Investments and expenses of the Quality Control Department or earmarked to improve quality management processes to turnover (excluding staff costs, millions of euros turnover)	2.93	3.14
Number of quality audits per million euros of billings	0.36	0.37
Investment R&D (million euros) (1)	27.85	25.82

(1) Data restated retroactively to make them comparable with the methodology used in 2023.

(2) Scope 3 emissions not including emissions derived from financial investments (mainly Abertis and Thies).

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 2022 data were recalculated with the same scope as the data reported in 2023, and in those cases in which the data could not be recalculated retroactively, the historical data is provided for the purposes of information..

The scope of the information included in this NFS is shown specifically for each indicator in point 6.3.6. 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 Appendix 6.3.6) or changes in the format of a report to adapt them to national and international requirements.





4.1. ENVIRONMENT

ACS Group Environmental Policy

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 minimize 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, as well as other commitments voluntarily accepted by each of the Offices, Delegations, Projects, Works and Services carried out 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 allow the environmental impact to be minimized as far 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 is implemented in the Group's companies through the environmental management systems, which ensure the correct management of environmental risks and opportunities, as well as the ongoing improvement of the company's performance.

83.2% of the Group's turnover is generated by companies that have management systems certified under the ISO 14001 international 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 93.2% the Group's turnover, and in 2023, 834 environmental audits were conducted.

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

Level of implementation of the environmental management systems in ACS Group companies (expressed as % of operations)	2022(1)	2023
Implementation of ISO 14001 certification	82.4%	83.2%

(1) Data restated retroactively to make them comparable with the methodology used in 2023.



4.1.1. 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 in promoting infrastructures and services that support the decarbonization 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.
- Minimizing 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 2023, the ACS Group made substantial progress on analyzing climate-related risks and opportunities, all in line

4.1.1.1. Governance

The Board of Directors of the ACS Group, as the highest management 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.

On the other hand, the ACS Group's Audit Committee is responsible for monitoring aspects related to climate change. This Committee has been put in charge 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.

with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

To this end, the internal working group (IWG) on climate-related risks and opportunities was expanded by bringing various divisions, subsidiaries and departments of the Group on board. Further steps were taken towards fully integrating physical and transitional climate risks into the Group's Integrated Risk Management and Control System and its governance.

One of the main developments was the adoption of a robust, science-based methodology based on using climate analysis tools to identify risks and opportunities at project, individual asset or supply chain level, thus improving the Group's climate risk assessment, identification and evaluation capabilities. This methodology was applied to different activities, projects and geographical locations, covering a wide spectrum of cases within the Group.

Another important aspect was the identification and characterization of the physical and transitional risk reduction or mitigation measures that are being implemented by the different subsidiaries as part of their activities.

Lastly, in 2023 the ACS Group performed extensive work to identify and assess climate-related opportunities within the Group, analyzing both the volume and trends of its portfolio, as well as market trends and projections.

With these advances, the Group aims to minimize potential climate-related risks, maximizing and leading the way in taking advantage of the opportunities that climate transition and resilience offer the sector.

One of the objectives set in the 2025 Sustainability Master Plan is to adjust the Group's governance structure 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. In 2023, the quarterly emissions data and the other relevant indicators were submitted to the Audit Committee so it could track them.

In addition, in 2023, the ACS Group added the figure of the Chief Risk Officer, who reports to the Chief Executive Officer and the Audit Committee.

Among other duties, the Risk Director is responsible for promoting the dissemination of the ACS Group's risk management culture among all the Group's subsidiaries, and for supervising its coherent and structured application. This risk management includes, among others, issues related to climate change.

On top of this, work continued during the year on integrating the climate component into the Group's Integrated Risk Control and Management System, since this is the system that covers all types of risk that may threaten attaining the objectives of the Organization and the ACS Group companies. To this end, the internal working group (IWG) was expanded with specialists from different divisions, subsidiaries and departments of the Group relevant to risk management, opportunity identification and ESG, as well as experts in assessing climate risks and their

4.1.1.2. 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 Group's Sustainability Policy defines the fight against climate change, a principle that is also stated in the 2025 Sustainability Master Plan. 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 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, which is 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.

To continue making progress on the commitments in the Group's Sustainability Policy and in the 2025 Master Plan, important strategic milestones were reached in 2023.

financial implications. Led by the ACS Group's Risk Director and its Sustainability Department, the IWG met frequently to conduct and validate the risk assessment methodology, as well as to unify criteria for applying and interpreting the results. This led to harmonization in how risks and opportunities are assessed and in the application of the criteria for assessing the substantial contribution or DNSH to adaptation in the Taxonomy.

In addition, significant progress was made in the area of sustainability, which is greatly benefiting how climate-related risks are managed, and the supervisory role of the report on climate-related risks and opportunities submitted to the Compliance Committee, before its presentation to the Audit Committee, was consolidated. These aspects favor integrating climate risks into the Group's management and governance protocols.

Thus, in 2023, the ACS Group continued to work on improving the quality and scope of its emissions data, carrying out an analysis of the reporting of its emissions in accordance with the GHG protocol. In this way, the ACS Group, following the objectives set out in its 2025 Sustainability Plan, has identified the most relevant Scope 3 categories through a materiality analysis, which were calculated and are reported in this report.

Another of the most important initiatives carried out in 2023 was the progress made toward establishing a decarbonization plan for the ACS Group. In the current reporting year, HOCHTIEF, the ACS Group's largest company in terms of sales and emissions, approved a decarbonization plan (net zero pathway) for 2045 and has set intermediate science-based targets for 2030 to limit the temperature increase to 1.5°C. In 2024, the rest of the ACS Group companies will move towards putting a consolidated decarbonization plan in place that is aligned with the commitments of the Paris Agreement and setting science-based targets. Defining and implementing these plans are decisive levers for the strategy towards carbon neutrality set out in the Master Plan and for reducing possible transition risks.

Furthermore, the improvements achieved in identifying and assessing physical risks, as well as the ability to tackle risks and to adapt to reduce them, represent significant progress in the strategy to ensure the Group's climate resilience to climate impacts on its assets, operations, supply chain and markets.

From a more operational point of view, progress was toward putting the climate risk assessment into context within the Group's strategic planning and investment time horizons, as established by the European Sustainability Reporting Standard (ESRS E1), in anticipation of the 2024 climate reporting obligations. In particular, it was considered that materiality or non-materiality, and the

potential opportunities that may arise, are inherent to the very nature of the Group's activities and depend, especially, on their duration and time horizon, as well as the role that ACS plays in them. Thus, considering the Group's three areas of activity: Construction (which includes Hochtief's sub-segments, among which includes the Natural

Resources activity), Concessions and Services, their various characteristics and the Group's strategic and financial planning time horizons, it was concluded that the climate risk assessment time horizons for the ACS Group should be as follows:

Horizon	Year
Short term	< 5 years
Medium term	Up to 15 years
Long term	Up to 30 years
Very long term	For some concessions or in the analysis of long-lived assets

4.1.1.3. Risk management and Opportunities related to climate change

To respond to the need for comprehensive and uniform risk management, the ACS Group has established a model that includes the identification, assessment, classification, measurement, management and follow-up of risks throughout the Group and its operating divisions. 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 in accordance with 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 previous year's report, which made an initial identification and assessment of the most significant risks that may have implications for the company. 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 to by the ACS Group's Audit Committee at its meeting held on 29 February 2024. The recommendations of the Task Force on Climate-Related Financial Dispositions (TCFD) were followed to report the risks and opportunities related to climate change.

Definitions

The physical risks from climate change can be caused by extreme weather or climate events (acute) or longer-term changes in weather patterns (chronic). They have physical consequences on the businesses, such as damage to assets or having to shut down operations, which can result in economic and financial impacts.

The transition risks are those arising from the transition to a low-carbon, climate-resilient economy. They typically include political, legal, technological, market and reputational risks.

The opportunities refer to the potential positive effects related to climate change for the company. Efforts to mitigate and adapt to climate change can create opportunities for companies, as can their potential contributions to society's climate resilience. Opportunities related to climate change vary depending on the region, market and sector in which a company operates.

Scenarios and time horizons

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

Specifically for physical risks, scenarios SSP2-RCP4.5 and SSP5-RCP8.5 together with the high-resolution CORDEX information from AR5 were considered to assess historical and projected climate impact drivers for the historical (1986-2015), short-term (< 5 years) or medium-term (< 15 years) (2020-2049) and long-term (2036-2065) time horizons. To assess transition risks, the International Energy Agency's Stated Policy Scenarios (STEPS) and Net Zero Emissions for 2050 (NZE) and the time horizons (2022-2035) and (2035-2050) are used.

Methodology

A risk assessment methodology commensurate with the potential materiality of the risks and with a sound scientific-technical basis was constructed that adequately explains its scope, horizons, calculation methods, working assumptions, parameters and indicators and possible limitations, as required by the European Financial Reporting Advisory Group (EFRAG). This puts the ACS Group at an advantage in the sector.

The methodology is based on the general risk assessment framework of the IPCC and other international bodies. It is articulated around the ISO14090 and ISO1091 standards and follows the most recent recommendations of the European Commission, the EFRAG and the TCFD, making it possible to quantify the economic and financial impacts or to analyse compliance with the substantial contribution criteria or DNSH of adaptation at the project level.



The risk is considered to arise due to factors such as: changes in the intensity and frequency of hazards, both acute and chronic; the characteristics and economic volume of the exposed elements; their sensitivity to the effect of hazards; and the adaptive or coping capacity to manage potential impacts.

The methodology makes it possible to assess risks and opportunities for any time horizon and emission scenario and is based on the best available climate information.

The major advances over the 2022 methodology include increased spatial granularity, enabling analysis at the asset or project level, for any Group activity and in any geographic location. It is also applicable to the supply chain and markets. The risk and its consequences are expressed quantitatively through indicators or through KPIs representative of the economic-financial impacts (changes in CAPEX, OPEX, loss of income, increased insurance costs, etc.).

The methodology also facilitates the application of the DNSH criterion, or identifying and assessing adaptation measures leading to risk reduction for the Group, allowing adaptation plans to be developed and implemented according to the specifications of the Taxonomy. On the other hand, it also makes it possible to identify climate-related risks for customers, which generates opportunities for the ACS Group right from the initial stages of the negotiation.

Risk management

Physical risk

In 2023, a quantitative physical risk assessment was carried out, by asset or project type and geolocated for the Group's three areas of activity: Construction (which includes Hochtief's sub-segments, including the Natural Resources activity), Concessions and Services. This is a substantial improvement over last year's assessment. The most relevant information is contained in the "Physical Risk Assessment" table.

With the new methodology, risk assessment allows for the identification of specific projects or taxonomic activities to which a set of assets or operations are associated and that are geolocated in the project location. Using a database with high spatial resolution climate projections provides information on what changes can be expected for different scenarios and time horizons and, in conjunction with each asset's sensitivity, the risk can be assessed. This increase .

in the granularity of the analysis significantly improves the available information on risks.

Given the large number of activities and projects and the extensive geographical scope in which the ACS Group operates, the physical risk assessment was performed on a selected set of proxies that serve to carry out a representative sampling of all the Group's projects. The criteria for their selection and the key characteristics of these projects are summarized in the "Physical Risk Assessment" table. These criteria ensure that the proxies analyzed are representative of large clusters of the Group's projects, making it possible to generalize the conclusions obtained.

Due to the duration, geographical location and type of services provided by Clece, it was assumed that the methodology for the analysis of service and construction projects is equivalent.

In addition, the results of the proxy analysis were cross-checked with two independent studies carried out by Abertis for concessions and Thiess¹ In addition, the results of the proxy analysis were cross-checked with two independent studies carried out by Abertis for concessions and Thiess

An extensive catalogue of the coping and adaptation measures that the different subsidiaries implement in their projects was obtained. This work showed that measures to cope with extreme weather events are an intrinsic part of the activities carried out by the Group's various subsidiaries, and not including them in the risk assessment would lead to overestimating the risk.

Work on building a catalogue of adaptation measures has also begun, which will reduce potential risks in the very long term and generate significant opportunities for the Group.

Construction and Services

The risk assessment carried out shows that the Group's construction and services activities, with a typical useful life of 3 to 5 years, do not present a material physical risk in

¹ Thiess Group Sustainability Report 2023

the short (<5 years) and medium term (<15 years). It is also not projected in the long term (up to 2050) in construction and services activities for either of the two scenarios considered.

Within this area, the analysis undertaken for the natural resources sub-segment led to major advances in the understanding of the physical risks and identified the current coping capacity measures applied in the extraction and exploitation of natural resources. The Group's current coping capacity includes flood and thunderstorm trigger action response plans, flood management procedures that keep the physical risk at a low level for the scenarios considered.

From the risk assessment for the diversity of activities, projects and geographic locations where the Group's business is conducted, several factors support the absence of material physical risk:

1. Physical risk materializes locally, so that diversification in the type of activity (building, transport infrastructure, electricity transmission systems, services, natural resources, etc.) and geographically, leads to a low concentration of exposure relative to the total volume of the Group's activity, which helps to reduce the risk.
2. The hazard analysis conducted in multiple geographical areas of interest shows that the projections for scenarios RCP4.5 and RCP8.5 do not show significant changes in the short and medium term.

3. The Group's standard practice in its activities and operations includes implementing measures to address climate risk. These measures include transferring risk to customers, specific insurance, contractual clauses covering climate risk, specific health and safety measures, using early warning systems and physical measures against climate impacts. In fact, the preparation of tenders and budgets already includes the necessary measures to prevent climate-related contingencies from causing material impacts for the Group.

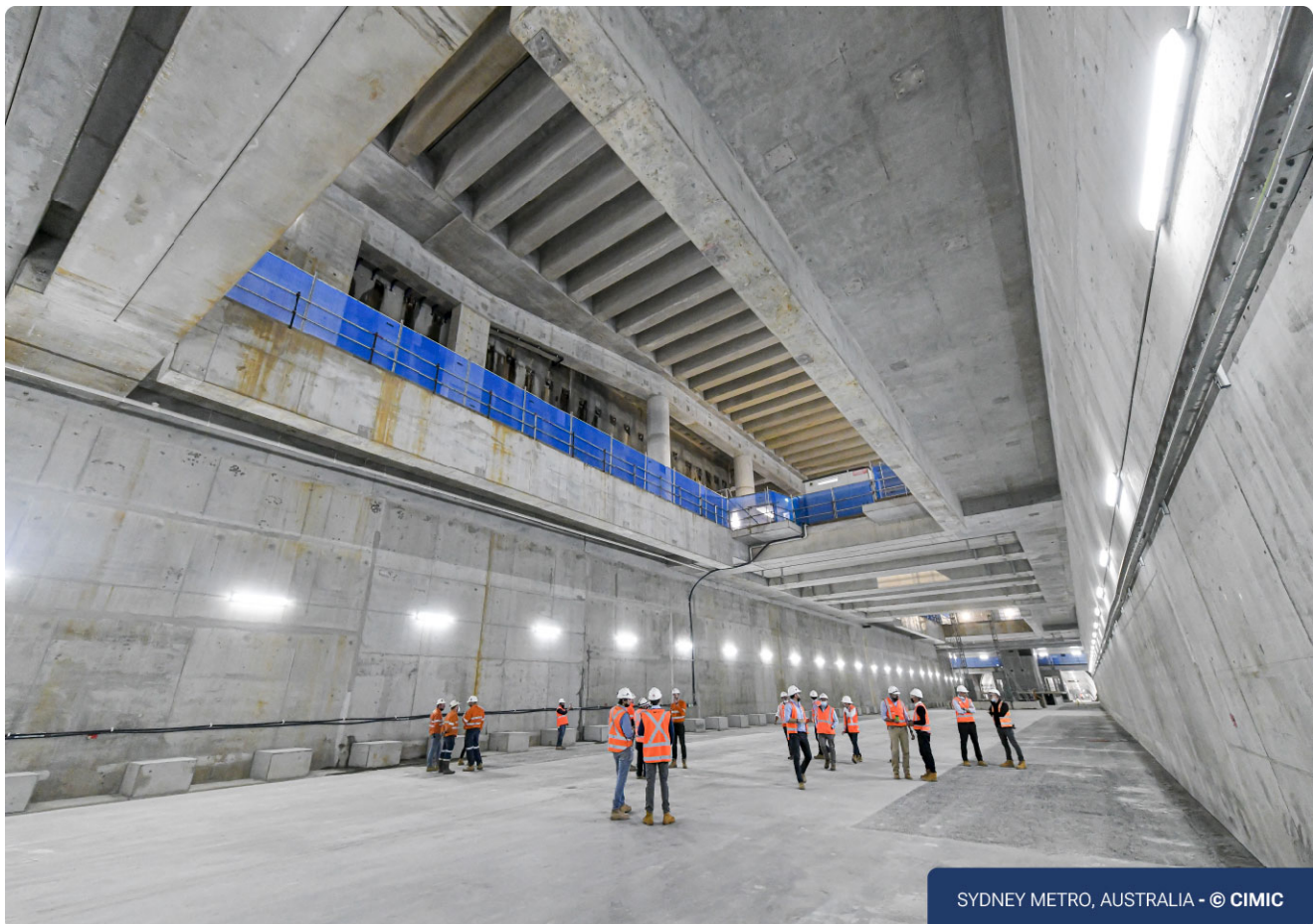
Concessions

The above method can also be applied to assess the risks of longer-term activities, such as concessions spanning several decades.

The assessment carried out by the Group on representative long-term concession projects (until 2068) shows low or very low risks for scenarios RCP4.5 and RCP8.5.

Abertis reached an equivalent conclusion through its own independent study

In addition, the Group's decades of experience in implementing procedures to deal with potential climate-related hazards and the technical capabilities developed to anticipate their impacts also lead to the conclusion that the company is equipped with the necessary adaptive capacity to cope with the possible evolution of hazards in the long term.



SYDNEY METRO, AUSTRALIA - © CIMIC

Physical Risk Assessment Table

Proxies	Climate hazards	Exposure	Vulnerability = Sensitivity x Coping Capacity	Consequences	Physical risks
<p>Representative selection of projects within the framework of the Group's activities (construction, services, concessions and natural resources)</p> <p>Criteria:</p> <ul style="list-style-type: none"> - Activity. - Geographic area. - Investment volumen. - Subsidiaries. 	<p>Represents risk-inducing climate factors for different time horizons and emission scenarios.</p> <p>Chronic and Acute.</p> <p>Related to:</p> <ul style="list-style-type: none"> - Temperature. - Wind. - Water. - Solid mass. 	<p>Represents assets and operations that may be impacted by hazards.</p> <p>It is characterized for each taxonomic activity or by individual project.</p> <p>The exposure is geolocated in each of the taxonomic projects or activities analyzed and is characterized by a set of assets and operations representative of the activity.</p> <p>For construction projects, the elements of exposure considered are:</p> <ul style="list-style-type: none"> - Workers. - Equipment. - Machinery. - Materials. - Construction Operations. <p>Other factors representative of the exposure are:</p> <ul style="list-style-type: none"> - CAPEX. - OPEX. - Revenues. 	<p>Sensitivity represents the degree to which an exposed item may be affected by a given hazard.</p> <p>For all projects and taxonomic activities considered, the individual sensitivity of each asset or operation has been established through expert judgment and review of existing information in the literature.</p> <p>The ability of a system or exposed element to adjust to acute and chronic changes in climate to moderate potential damage or cope with potential consequences.</p> <p>An extensive catalog of the coping and adaptation measures that the different companies implement in their construction projects in the different geographical areas of the Group has been obtained.</p> <ul style="list-style-type: none"> - The transfer of risk to the customer. - Specific insurance. - Contractual climate risk coverage clauses. - Specific health and safety measures. - Use of early warning systems or physical measures. - Against climate impacts, among others. <p>The preparation of tenders and budgets already contemplates the necessary measures to prevent possible climate-related contingencies from resulting in material impacts for the Group. These aspects are also applicable to service and concession projects.</p>	<p>The consequences of climate impacts were obtained as the product of hazard, exposure and vulnerability.</p> <p>Loss of income, increase in OPEX and increase in CAPEX were used as key consequence indicators.</p> <p>For construction and services projects, the consequences have been calculated through a quantitative risk indicator standardized from 0 to 1, which can be materialized in financial consequence indicators if necessary.</p> <p>For concession projects, revenue losses or increase in OPEX and increase in CAPEX due to climate impacts have been calculated.</p> <p>In some cases, the impact on insurance costs has also been considered.</p>	<p>It is the result of the physical impact on assets and operations of changes in climate.</p> <p>In addition to the physical risk, expressed through consequences, it has been shown at the project level that the Group's eligible taxonomic activities meet the criterion of no substantial harm in adaptation (DNSH).</p> <p>The Group's construction and services activities, with a typical life of 3 to 5 years, do not present any material physical risk either in the short (<5 years) or medium term (<15 years). Neither is any material physical risk foreseen in the long term (up to 2050) in the construction and services activities. Construction includes the natural resources activity, where the current coping capacity keeps the physical risk at a low level.</p> <p>The long-term concessions analyzed (highways, toll bridges, light rail and hospitals) show low or very low risks for the RCP4.5 and RCP8.5 scenarios. This aspect is confirmed in the independent Abertis study.</p>
<p>10 projects in 6 countries with different climatic conditions, including:</p> <ul style="list-style-type: none"> - Railroads. - Bridges. - Light rail. - Roads. - Buildings. - Maritime works. - Electricity transmission networks and investments. <p>Ranging from 220M€ to 3850M CAD\$. Construction, services and concessions.</p>	<p>46 climate indicators</p> <p>Time horizons:</p> <ul style="list-style-type: none"> - (1986-2015). - (2010-2039). - (2020-2049). - (2036-2065). - (2071-2100). <p>Scenarios</p> <ul style="list-style-type: none"> - RCP4.5 - RCP8.5 <p>Spatial resolution of indicators <100 km.</p>				
<p>47 projects in 7 countries. Natural Resources. (* Thies.</p>	<p>2030 and 2050 SSP2-4.5 SSP5-8.5 (* Thies.</p>				
<p>24 projects in 10 countries. Roads and tunnels. (* Abertis.</p>	<p>2030 and 2040 RCP4.5 RCP8.5 (* Abertis.</p>				

Transition risks

The International Energy Agency's Stated Policy Scenarios (STEPS) and Net Zero Emissions by 2050 (NZE) were used to assess the transition risks. (2022-2035) was taken as the representative time horizon for the short and medium term and (2035-2050) for the long term.

The work was carried out on the basis of the transition risks identified in 2022. Accordingly, some regulatory and market transition risks were identified for the period (2022-2035) for the construction activity, which are very low or low for the two scenarios considered and medium for other reputational or market risks, especially for the period (2036-2050). However, similar to the 2022 physical risk study, this assessment of transition risks did not include an assessment of the measures the Group has in place to mitigate their potential effects.

In 2023, the ACS Group's main focus was on identifying these ongoing measures. A summary of the main risk mitigation initiatives is included in the table on the following page.

As this summary table shows, the ACS Group currently has a variety of measures (decarbonization plans in different subsidiaries^{2,3}, communication and awareness-raising actions, actions for rapid adaptation to new legislation or anticipation of changes in the market) which enable it to face the possible risks of transition with guarantees in all the scenarios and time horizons analyzed.

² Hochtief Group Report 2023-Decarbonization roadmap (net zero pathway)

³ Thies Group Sustainability Report 2023

Riesgo	Descripción	Iniciativas internas para la mitigación del riesgo
1	<p>Reputational damage generated by climate change (reputational)</p> <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. 	<ul style="list-style-type: none"> The Hochtief Group, the main subsidiary of the ACS Group, has a decarbonisation plan that aims to reach net zero by 2045. This target is aligned with the objectives of the Paris Agreement and generates significant co-benefits. The rest of the Group's subsidiaries are in the process of developing their own decarbonisation plans, with the aim of establishing a consolidated plan for the ACS Group. As demonstrated in the following section on opportunities, the Group is an essential lever for closing the adaptation gap, and for adapting and building the new infrastructure needed to reach the overall goal of net zero. The Group is stepping up its internal and external awareness-raising strategy in this regard. The strategy of diversifying and rebalancing the portfolio associated with natural resources by gradually replacing coal with alternative raw materials, essential for renewable technologies, also contributes to mitigating this potential impact.
2	<p>Increase in borrowing costs (market)</p> <p>The ecological transition can significantly affect the cost of financing:</p> <ul style="list-style-type: none"> Funders 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 terms. 	<ul style="list-style-type: none"> These decarbonisation plans of the Group's subsidiaries will play a key role in ensuring that there is no pressure on investors. Over the course of this year, the Group's eligible activities were shown to meet the DNSH criterion on adaptation. Many of them also contribute to mitigation and adaptation objectives and will undoubtedly help to attract public and private finance, as well as further open up the possibility of PPP projects or using green financial instruments for their financing, as is already happening in adaptation and resilience in some parts of the world.
3	<p>Increase in prices or decrease in insurance coverage (market)</p> <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. Damage caused by climate events is an obstacle to the profitability of the offered policies 	<ul style="list-style-type: none"> The risk assessment capacity developed by the Group lets it assess the risk for each project throughout its lifetime, making it possible to stay ahead of the curve in managing climate risk. This gives the Group the ability to manage a priori the transfer of part of this risk to customers or to negotiate lower premiums by introducing other coping or adaptation measures to reduce impacts during the construction and operation of the project, minimising a possible reduction in the market.

<p>4</p> <p>Increase in the price of greenhouse gas emissions (regulatory)</p>	<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. 	<ul style="list-style-type: none"> • The ongoing decarbonisation plans of the subsidiaries, with their different levers and their monitoring, aimed at avoiding possible deviations, are essential elements to help reduce the possible effects of an increase in emissions prices.
<p>5</p> <p>Regulation of project and service specifications (regulatory)</p>	<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. 	<ul style="list-style-type: none"> • The ACS Group is making increasing progress in climate-related disclosures. Especially in 2023, the Group made a significant effort to adapt itself to the EFRAG's new requirements and to harmonise methodologies and tools across the Group. • These actions, together with internal decarbonisation strategies, will enable the Group to adapt more easily to any regulatory changes, as it has done for decades. • Furthermore, any law requiring greater climate resilience in newly built infrastructure is considered to benefit the ACS Group, due to its advantageous position in this area.
<p>6</p> <p>Increase in the cost of raw materials (market)</p>	<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 building materials such as cement and steel. • New replacement building materials being placed on the market that are low in carbon could make these materials more expensive. 	<ul style="list-style-type: none"> • The risk assessment capacity developed by the Group lets it assess the risk for each project throughout its lifetime, making it possible to stay ahead of the curve in managing climate risk. This gives the Group the ability to manage the pass on a significant part of this potential cost increase to customers. • Due to its large size and geographical extension, the ACS Group has an extensive supply chain and has an advantage over third-party competitors to access low-carbon raw materials and continue to maintain the profitability of its projects. • The portfolio of projects linked to climate resilience and the transition to net zero is expected to increase exponentially in the short and medium term, more than offsetting the exit of a small number of customers from the market who will not be able to bear the higher costs compared to the benefits of having climate resilient infrastructure aligned with the transition objectives

Opportunities

In 2023, a detailed analysis was carried out to identify and quantify climate-related opportunities for the Group. The general conclusion is that the opportunities associated with the overall needs for new infrastructure to achieve net zero emissions targets by 2050, together with the global targets set to close the climate change adaptation gap, can far outweigh the potential physical and transition risks to the Group. For the transition risks, the Group's opportunity lies in having the competitive advantage to design, build, retrofit and operate sustainable and climate-resilient infrastructure for its customers or for its PPP/concession projects by considering and analyzing mitigation and adaptation measures and using new materials or technologies that support the climate resilience of the project throughout its lifetime. On top of this, due to its large size, the Group is in the best position to develop a more climate-resilient supply chain model by working together with its suppliers.

These opportunities are already emerging, as demonstrated by the Group's most recent activities. Last year, its projects related to energy transition doubled, reaching a total of EUR 4,152 million. Within this sector, the following stand out: batteries (electric vehicle factories, storage parks) increased by a factor of 2.8, and power transmission and related facilities increased by a factor of 3. The building renovation backlog to bring buildings up to new energy efficiency standards doubled in the same period and the sustainable transport backlog (light rail/metros/high speed rail) stood at EUR 6,738 million in the same period. Overall, the total portfolio of energy transition and related projects, plus new sustainable mobility, amounted to EUR 10,890 million at the end of 2023, 15.4% of the ACS Group's total portfolio. The orders received in these two types of projects amounted to EUR 6,732 million in 2023, 15.6% of total new orders in that period. A final aspect to highlight is the ACS Group's effort and leadership in growing its sales revenue from construction projects awarded with sustainable certification in recent years, with an increase of 6.0% year over year. In 2023, sales in this sector reached EUR 14,087 million, currently accounting for 42.2% of total construction activity.

In addition, an extensive assessment of external reports from international institutions and specialized organizations has contributed to the conclusion that there will be a large untapped market for the Group over the coming decades, both in the transition to zero net emissions and in adaptation to climate change.

According to recent estimates published by the World Bank, the costs of making existing infrastructure climate resilient in the energy and transport sub-sectors are estimated at USD 56,000 million per year until 2050 (World Bank), while the UN's upper estimates of adaptation investment needs amount to USD 415,000 million per year until 2030, more than 75% of which will be spent on infrastructure, river flood protection and coastal protection. Moreover, the Paris

Agreement requires the formulation of Nationally Determined Contributions (NDCs) and National Adaptation Plans (NAPs), which have been effectively developed by most countries around the world with current progress towards implementing adaptation projects that require design, construction and operation services. Looking at transport infrastructure alone, the Global Infrastructure Outlook estimates that more than USD 2 trillion per year will be needed worldwide until 2040, with USD 1.4 trillion per year for roads and USD 0.47 trillion per year for railways being the most relevant contributors, two of our Group's flagship construction activities.

In terms of the transition to net zero emissions by 2050, the World Economic Forum recently published that, with less than 1% of the required infrastructure currently in place, a total of USD 13.5 trillion in infrastructure investment is needed to reach the goal of net zero emissions by 2050. This amount includes investments in clean energy (solar, hydro, green hydrogen and nuclear), energy storage, including batteries, or recharging infrastructures for the new net zero balance road transport sector. Regarding the latter, the global market for battery energy storage systems is expected to reach USD 120,000-150,000 million by 2030, more than double its current size, while the Bipartisan Infrastructure Investment and Jobs Act of 2021, for example, earmarks USD 7,500 million for charging infrastructure in the US. Most of these technologies are already part of ACS's activities and will be deployed in geographic areas where the Group has a significant lead.

Another growing opportunity for the Group is the high demand for data centers as key infrastructure to enable the economic transition. According to a recent analysis, global spending on data center construction is expected to reach USD 49,000 million by 2030. ACS is uniquely positioned to converge its expertise in the field of data center construction (the Group's data centre portfolio was worth EUR 3,596 million at the close of 2023), and in sustainable construction to attract a significant share of this market.

The net zero energy challenge also has important implications for global materials and metals supply chains, as they are key drivers of the transition. As a result, mining will have to grow at higher than historical rates for many materials, such as copper, nickel, zinc and molybdenum, which are already part of our commodity portfolio. A recent report by McKinsey & Company estimates that investments in mining, refining and smelting will need to increase to approximately USD 3 to 4 trillion by 2030, with stable investments in iron ore but significant increases in other materials such as copper (2x) and lithium (8x), representing significant growth in our potential markets.

Similarly, the data obtained by the ACS Group in an initial analysis of activity alignment with EU taxonomy 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.



4.11. Taxonomy of the European Union

In conclusion, taking into account the Group's existing experience in the relevant sectors, the geographic extent and diversity of the Group's activities and its leadership in the construction sector, ACS is already in the best position to take advantage of the major opportunities ahead and capture a significant share of these new markets in the short term.

EXAMPLES OF CLIMATE CHANGE OPPORTUNITIES FOR THE ACS GROUP:

CLIMATE RESILIENCE PROJECTS

TURNER AND FLATIRON CONTRACTS IN 2023

ACS was awarded two new climate resilience infrastructure contracts in the United States for a combined total of USD 375 million to carry out projects to combat storm surges, sea level rise and other environmental threats from climate change. Flatiron won a USD 275 million contract in Virginia Beach, Virginia, to implement flood protection, which also includes improved drinking water supply protection. Flatiron was also recently awarded another USD 100 million contract from the US Army Corps of Engineers to upgrade storm surge protection at several pumping stations in Port Arthur, Texas.

The aim of the project is to better protect the energy producing region against the impacts of storm surges and sea level rise, which will require, among other things, new concrete closure gates and levee armouring.

ENERGY TRANSITION PROJECTS

HOPELAND SOLAR FARMS (PACIFIC PARTNERSHIP)

In 2023, Pacific Partnerships acquired the development rights to the Hopeland Solar Farm, located 290 kilometres west of Brisbane in the Darling Downs region of Queensland.

The project contributes to the Queensland Energy and Jobs Plan. Its strategic location near the Western Downs substation makes it ideal for installing an adjoined battery energy storage system (BESS) with 175 MW/350 Mwh in capacity.

The Hopeland solar plant with an installed capacity of approximately 300 MW has the potential to generate enough electricity for approximately 100,000 average-sized households. UGL is the project's implementation and operations partner, with operations and renewable energy generation expected to begin in 2026.

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 the latest estimates published by A World Green Building Council, the building and construction sector represented 38% of carbon emissions from energy consumption, 35% of global energy consumption and 50% of the resources consumed. For this reason, the ACS Group promotes sustainable construction in its projects, following the main standards in this area.

Since 1999, HOCHTIEF has registered and certified 1,173 projects according to different certifications in terms of efficient building and in 2023 had 206 certifiable projects under construction. By type of certification, in Turner's constructions, the LEED standard predominates, while CIMIC uses the Australian Green Star Methodology of the Green Building Council of Australia (GBCA) and LEED. The main certifications used by HOCHTIEF Europe are DGNB, LEED and BREEAM.

Since 2013, 65 projects have also been certified in terms of efficient infrastructure (CEEQUAL, ISCA and Greenroads) and in 2023 HOCHTIEF had 20 infrastructure projects eligible for certification.

Since 2015, Dragados began to obtain certification for different building projects and in 2023 it had a cumulative total of 101 projects with sustainable certification. In 2023, the Dragados Group had a total of 52 works in progress with LEED, BREEAM, WELL, ENVISION, BREEAM INFRAStructure or CEEQUAL certification, the sales figure of which represented close to 20% of the Group's total sales.

In 2023, through HOCHTIEF and its subsidiaries, the Green Building and Green Infrastructure projects managed totalled EUR 12,958 million in 2023 (compared to EUR 11,806 million 2022), while, in the Dragados Group, turnover of sustainable certification construction projects was EUR 1,129 million in 2023 (compared to EUR 1,481 million 2022). Thus, the consolidated sales figure for projects with sustainable certification in the Group's construction area amounted to EUR 14,087 million in 2023, which represents an increase of 6.0% compared to 2022, amounting to 42.2% of the ACS Group's total Construction sales.

HOCHTIEF'S SUSTAINABLE CERTIFICATION CONSTRUCTION	2022	2023
Completed Green Buildings*	1,148	1,173
Certifiable Green Buildings	183	206
Completed Green Infrastructures**	60	65
Certifiable Green Infrastructures	19	20

* 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 Energy, buildings with LEED certification consume 25% less energy and 11% less water than conventional buildings, while Australia's Green Building Council indicated in a study that Green Star certified buildings reduce greenhouse gas emissions by 62% and water consumption by 51%. In addition, in the ACS Group companies, one of the fundamental pillars of R&D 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, as well as the reuse of materials and better use to reduce the consumption of raw materials.



HARBOR BRIDGE, TEXAS, USA - © FLATIRON

SUSTAINABLE INFRASTRUCTURE PROJECTS

GEORGETOWN TREATMENT PLANT (FLATIRON)

Flatiron's Georgetown treatment plant project received the Northwest Construction Consumer Council's "2023 Award for Innovation and Achievement in Sustainability". Purifying plants can treat up to 265 million litres of rainwater and wastewater every day. Many aspects of sustainability were considered in the design, including planning and design for a changing climate, and more than 85% of the waste from the demolition material was recovered.

The team implemented a wide range of sustainable solutions, such as permeable ground cover, green roofs, rain gardens and roadside cisterns, reducing chemical use in the facility, restoring the shoreline along the Duwamish River, promoting jobs through a commitment to local hiring, enhancing an area of Georgetown with public art and green spaces, and working closely with the community.



GEORGETOWN WATER TREATMENT STATION, USA - © FLATIRON

CLIMPORT R&D PROJECT (DRAGADOS)

The CLIMPORT R&D project: The "Modelling system for the Design and Construction of Port Infrastructures Adapted to Climate Change" is being carried out between 2023 and 2026 by the consortium formed by Dragados, FCC, Rover, Acciona Energía, Sener, Proes and IHCantabria.

The general objective of the project is to develop an innovative modular system with new professional methodologies on how to design and build port infrastructures adapted to climate change developed a context of uncertainty, bringing together the databases and the mathematical, numerical and statistical design tools, as well as the regulations, recommendations, methodologies and reference manuals of the international state of the art, and their interrelation with the latest generation of construction procedures, within a framework of normalisation, standardisation and traceability of processes.

Developing this system will result in more effective designs of port works, more efficient and safer construction and, furthermore, a more reliable and resilient design will be achieved in the medium-long term, as this tool will consider the effects of climate change on ports, which will result in maritime transport being more efficient, sustainable and safer, thus contributing to the Ecological Transition that the Spanish Government and the EU have set as a short-medium term objective.

A comprehensive system for port design and construction will be developed that explicitly incorporates risk assessment in ports by studying the risk associated with climate change and the risk associated with port construction.

The solution will make it possible to directly use all the variables of interest for the design and construction of ports at different levels of hierarchy, allowing their physical and spatiotemporal effects to be automatically combined. The integrated approach of studying different phases of a port's life cycle (design and construction), different time scales (historical or hindcast information, predictions or forecasts, as well as medium-long term trends such as Climate Change), and different spatial scales (global, regional, local and detailed) is considered unique in the world.

In addition, the project will develop a digital twin of the port's hydraulic behaviour for different phases of its life cycle.

4.1.1.4. Targets and monitoring indicators

To effectively monitor the commitment taken on by the ACS Group in relation to climate change, greenhouse gas (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 method for calculating the carbon footprint is in the process of continuous improvement and the ACS Group, in accordance with its 2025 Sustainability Master Plan, is improving the scope and quality of the data reported, especially in scope 3 emissions. In 2023 the ACS Group continued to standardize the processes and standards for data collection and reporting, which entails, where possible, restating previous years to report them with the same scope and methodology.

In 2023, despite the upturn in the ACS Group's activity, Scope 1 and 2 emissions in absolute terms remained stable. However, in relative terms (the emissions generated compared with the level of sales), the combined level of intensity of scope 1 and 2 emissions was 14.9 tCO₂eq/mn in 2023 versus 16.3 tCO₂eq/mn in 2022, which represents a reduction of 8.44%.

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 carried out 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 30.16% reduction in scope 1 and 2 emissions compared to 2019.⁴

In 2023, the ACS Group continued to work on improving the quality and scope of its emissions data, carrying out an analysis of its emissions reporting in accordance with the GHG protocol. In this way, the ACS Group, following the objectives set out in its 2025 Sustainability Plan, has identified the most relevant Scope 3 categories through a materiality analysis, which were calculated and are reported in this report.

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 the data presented under this heading were restated, as far as possible, using the same calculation methodology as in 2023, showing in all cases the scope of the data on the consolidated sales level of the Group.

Scope 1 emissions (tCO ₂ eq) (2)	2020 (1)	2021 (1)	2022 (1)	2023
Grupo ACS	401,068	371,978	378,893	380,722
Construction	386,006	350,777	354,273	359,415
Concessions	946	2,134	944	815
Services	14,116	19,067	18,812	15,954
Corporation & others (3)	n.d.	n.d.	4,863	4,539
Scope 1 emissions intensity ((tCO ₂ eq/mn € ventas)	14.98	13.80	11.45	10.69
Scope of data (% over sales)	98.70%	96.86%	98.41%	99.61%

Scope 2 emissions (tCO ₂ eq) (location-based) (2)	2020 (1)	2021 (1)	2022 (1)	2023
Grupo ACS	125,999	128,440	161,034	151,266
Construction	113,055	119,767	135,701	126,668
Concessions	131	87	278	240
Services	12,813	8,586	9,456	8,968
Corporation & others (3)	n.d.	n.d.	15,599	15,389
Scope 2 location-based emissions intensity (tCO ₂ eq/mn € ventas)	4.71	4.76	4.87	4.25
Scope of data (% over sales)	98.70%	96.86%	98.41%	99.61%

⁴ 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 2023.

Scope 2 emissions (tCO ₂ eq) (market-based) (2)	2020	2021	2022	2023
Grupo ACS	103,783	104,367	147,274	134,034
Construction	97,583	101,629	129,988	116,354
Concessions	n.d.	n.d.	141	42
Services	6,200	2,738	1,728	2,437
Corporation & others (3)	n.d.	n.d.	15,417	15,200
Scope 2 market-based emissions intensity (tCO ₂ eq/mn € ventas)	4.51	4.56	4.45	3.77
Scope of data (% over sales)	84.88%	82.28%	98.41%	99.61%

(1) Data restated retroactively to make them comparable with the methodology used in 2023. For the sake of comparability, 2020 is restated following the sale of Industrial Services in December 2021, and Thies, following the sale of a 50% stake in December 2020 and its change to the equity method in 2021.

(2) For the calculation of Scope 1 emissions, the conversion factors provided by GHG Protocol/IEA, Defra (Department for Environment, Food & Rural Affairs), Germany's Federal Environmental Agency and Australian National Greenhouse and Energy Reporting (NGER) for the different types of fuels reported in the report by geographical area have been taken as a general reference. For Scope 2 (location based) the conversion factors provided by Carbon Footprint and average grid data for the different geographic areas are taken as a general reference. For Scope 2 (market based) the specific conversion factors of the contracts are taken as a reference, in those cases where information by type of contract is not available, the average conversion factor for the different geographical areas has been used, excluding electricity from renewables with 100% certified guarantee of origin. In the event that actual data for the last month of the year is not available, as in the case of Dragados, the actual data for the previous year has been used as an estimate. In Scope 3 within the conversion of categories 3.1., 3.5. and 3.6, the Company's own conversion factors have been used. For the calculation of category 3.1., mainly the construction materials acquired by the Group (wood, cement, asphalt, aggregates, concrete, wood and steel) are used and multiplied by their specific conversion factors of emissions during the manufacturing process. For the calculation of category 3.11. the m² of residential and non-residential building constructed has been calculated and its energy consumption has been calculated during the useful life of the project (50 years) and then the emissions derived have been calculated.

(3) In 2022/2023 includes data from Corporation, real estate and energy activities.



EUSTON STATION, LONDON - © DRAGADOS

Scope 3 emissions (2)	2020 (1)	2021 (1)	2022 (1)	2023
3.1. Goods and services purchased	2,874,344	3,368,812	4,170,154	4,715,333
3.2. Capital goods	113,366	23,972	85,104	114,514
3.3. Activities related to fuel and energy consumption	79,450	79,521	110,308	113,610
3.4. Transportation and distribution (upstream)	105,316	66,561	181,801	182,276
3.5. Waste generated in operations	2,967	17,393	44,029	27,007
3.6. Business travel	23,148	14,894	62,354	74,145
3.7. Commuter travel	57,999	55,760	130,946	138,984
3.11. Use of products sold	2,763,580	2,199,878	2,297,301	2,086,212
3.12. Final disposal of products sold	22,288	13,983	27,882	63,839
Others	59,789	184,736	366,174	349,309
Scope 3 emissions without considering financial investments	6,102,247	6,025,509	7,476,054	7,865,229
Scope 3 emissions intensity (tCO ₂ eq/mn € sales)	265.01	263.07	226.00	220.93
Scope of data (% of sales) (4)	84.88%	82.28%	97.99%	99.20%
JV(5)	n.d.	n.d.	186,908	173,491
Abertis (6)	n.d.	n.d.	384,092	319,908
Abertis Scope 1	n.d.	n.d.	23,358	22,537
Abertis Scope 2	n.d.	n.d.	17,092	9,077
Abertis Scope 3	n.d.	n.d.	343,643	288,294
Thiess (7)	n.d.	n.d.	1,483,220	2,020,390
Thiess Scope 1	n.d.	n.d.	5,160	4,060
Thiess Scope 2	n.d.	n.d.	1,615	1,420
Thiess Scope 3	n.d.	n.d.	1,476,445	2,014,910
3.15. Investments	n.d.	n.d.	2,054,220	2,513,789
Scope 3 emissions considering financial investments	n.d.	n.d.	9,530,274	10,379,018

(1) Data restated retroactively to make them comparable with the methodology used in 2023. For the sake of comparability, 2020 is restated following the sale of Industrial Services in December 2021, and Thiess, following the sale of a 50% stake in December 2020 and its change to the equity method in 2021.

(2) For the calculation of Scope 1 emissions, the conversion factors provided by GHG Protocol/IEA, Defra (Department for Environment, Food & Rural Affairs), Germany's Federal Environmental Agency and Australian National Greenhouse and Energy Reporting (NGER) for the different types of fuels reported in the report by geographical area have been taken as a general reference. For Scope 2 (location based) the conversion factors provided by Carbon Footprint and average grid data for the different geographic areas are taken as a general reference. For Scope 2 (market based) the specific conversion factors of the contracts are taken as a reference, in those cases where information by type of contract is not available, the average conversion factor for the different geographical areas has been used, excluding electricity from renewables with 100% certified guarantee of origin. In the event that actual data for the last month of the year is not available, as in the case of Dragados, the actual data for the previous year has been used as an estimate. In Scope 3 within the conversion of categories 3.1, 3.5, and 3.6, the Company's own conversion factors have been used. For the calculation of category 3.1., mainly the construction materials acquired by the Group (wood, cement, asphalt, aggregates, concrete, wood and steel) are used and multiplied by their specific conversion factors of emissions during the manufacturing process. For the calculation of category 3.11. the m² of residential and non-residential building constructed has been calculated and its energy consumption has been calculated during the useful life of the project (50 years) and then the emissions derived have been calculated.

(3) In 2022/2023 includes data from Corporation, real estate and energy activities.

(4) Scope 3 emissions in 2020 included the calculation of all relevant categories for Hochtief and Clece, as well as business trips of Dragados and Iridium. Scope 3 emissions included in 2021 the calculation of all relevant categories for Hochtief and Clece, as well as emissions related to the supply chain, waste management, employees' travel and others from Dragados and Iridium. In 2022-2023 it includes the calculation of all relevant categories for Hochtief, Dragados, Clece and energy assets, as well as business trips for Iridium.

(5) Issuances derived from JV's and other Dragados investments

(6) The ACS Group has a 50% shareholding in Abertis at operating level at 31/12/2022 and 31/12/2023. 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 Accounts Report 2023 (<https://www.abertis.com/financial-information-annual-report/>).

(7) Cimic holds a 50% interest in Thiess. The emissions shown here are presented in accordance with this percentage contribution to operating profit and are calculated based on data published by Thiess in its Sustainability Report 2023 (<https://thiess.com/es/sustainability>).

The ACS Group will continue to work to improve 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 2023, the various ACS Group companies worked on several 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.
- Reducing scope 1 emissions by 35% in 2030, with an intermediate reduction target of at least 15% by 2025.
- Reducing scope 2 emissions by 60% in 2030, with an intermediate reduction target of at least 30% by 2025.

EXAMPLES OF INITIATIVES BY ACS GROUP COMPANIES TO REDUCE GHG EMISSIONS:

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 the scope-3 categories.
- Solar Power: installation of solar power plates in several sites, with the total amount of 356 kW installed, which will result in estimated savings of 507,300 kWh.
- Aerothermal equipment: two wind power units were installed in the Gerhotel residence, with an estimated saving of 59,400 kWh. In terms of lighting, a control system was installed in the Barcela offices. In addition, more than 30 smart thermostats were installed with an estimated saving of 82,500 kWh.
- 71% of the electricity consumed by the CLECE group comes from renewable energy sources. 10 charging points for electric vehicles have been installed.
- Green Fleet: 31% of Clece's car fleet are ECO or ZERO cars.



ZERO EMISSIONS VEHICLE, SPAIN - © CLECE

HYDROGEN VEHICLE PILOT PROJECT (CPB CONTRACTORS)

CPB Contractors has completed a pioneering project in Australia through using Toyota's HiAce vehicle, a prototype powered by a hydrogen-fuelled internal combustion engine.

The month-long trial replaced diesel-powered vans and demonstrated that these vehicles are a viable alternative and, with the right supply and distribution networks for hydrogen, could be a real solution to reduce petrol and diesel and thus reduce CO2 emissions in the future.

CPB CONTRACTORS AND UGL'S COMMITMENT TO GREEN ENERGY

CPB Contractors announced its transition to exclusively renewable energy supply for its corporate offices and other fixed assets in early 2023.

Also from January 2025, 20% of UGL's electricity consumption will be carbon neutral.

EMISSION REDUCTIONS AT SEATTLE-TACOMA INTERNATIONAL AIRPORT (TURNER)

TurnTurner successfully completed the design phase for the expansion of Seattle-Tacoma International Airport in 2023. In the Terminal C extension, also built by Turner, 70% of the existing building structure was used and it is ready for LEED Gold certification. Through cooperation with the customer, Turner was able to offer a contract for a variety of sustainable solutions on the project. These measures, which include a solar panel on the roof with a capacity of about 675 megawatt-hours per year, are intended to significantly reduce greenhouse gas emissions in both its construction and its operation

OFFSETTING EMISSIONS IN VIAS

In 2023, VIAS calculated, as verified by an accredited external entity and registered with the Carbon Footprint and CO2 Offsetting and Absorption Projects Registry of the Ministry for Ecological Transition and the Demographic Challenge, the greenhouse gas (GHG) emissions associated with carrying out its own projects in 2022.

To contribute to mitigating climate change, VIAS offset 100% of the carbon footprint of its own works in scopes 1+2 (2.30% in a Spanish reforestation project and 97.70% in an international geothermal power project).

In this way VIAS has achieved net zero emissions in its own works, thus achieving carbon neutrality of its direct and indirect GHG emissions from imported energy.



MEDITERRANEAN CORRIDOR VALENCIA, SPAIN (VIAS) - © DRAGADOS

ENERGY EFFICIENCY IN GENERATOR SETS. SALTO DE CHIRA HYDROELECTRIC POWER STATION (DRAGADOS)

For this project—which Dragados, S.A., holds a 45% stake in—three electricity generation systems have been acquired that will supply the power to build the tunnels.

These systems consist of 3 generator sets each, operating in cascade, with a unit capacity of approximately half of the maximum power required. Thus, one 3 x 500 kVA system and two 3 x 400 kVA systems have been purchased. A SCADA control system will determine when to operate with a single unit, or when, due to increased demand, to switch to two units. The third generator of each system stays on standby as a backup for possible malfunctions and for maintenance work.

This cascade configuration, as opposed to the traditional configuration of a single generator set capable of supporting the maximum electrical demand, will save approximately 370,000 l of fuel and more than 1,000 t of CO₂ while the tunnels are built. This represents a non-emission improvement of approximately 56 t of CO₂ per month.

In 2023, ACS Group companies carried out actions to reduce GHG emissions, with an estimated emission savings of 31,695.1 of tonnes of CO₂⁵ 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 minimizing emissions other than Greenhouse Effect Gases (GHG) emissions, taking into account other pollutant gases (NO_x, SO_x or ozone-depleting substances), noise emissions and other possible disturbances arising from the activity such as light pollution.

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 carried out during the year since, given the Group's high degree of diversification, there are activities with greater energy intensity. Energy consumption in 2023 increased by 4.5% compared to the previous year.

Despite the increase in activity in 2023, the mix of projects and the measures performed by the various Group companies led to a reduction in energy intensity of 2.9%.

In 2023 the ACS Group companies consumed 62,226,544 kWh from renewable energy sources.

Energy Consumption (kWh)	2020(1)	2021	2022(1)	2023
Total ACS Group (2)	1,663,427,356	1,863,998,130	1,898,947,409	1,983,476,045

	2022	2023
Construction	431,420,068	458,934,908
Concessions	5,401,789	4,322,371
Services	108,429,272	104,122,976
Corporation & Others (3)	81,347,280	78,416,790
Energy Intensity ACS Group (kWh/mn Euros Sales)	57,404	55,716

(1) Data restated retroactively to make them comparable with methodology used in 2023. For the sake of comparability, 2020 is restated following the sale of Industrial Services in December 2021, and Thiess, following the sale of a 50% stake in December 2020 and its equity method in 2021. Energy consumption (gasoline, gasoline, natural gas, electricity, ...) reported in table 6.3.2. of additional indicators converted to kWh are included in the calculation.

(2) In 2021, HOCHTIEF's natural gas consumption is included in the calculation for the first time.

(3) In 2022/2023 includes data from Corporation, real estate and energy activities.

⁵ Scope of data: 26.9 % of sales



KABAN GREEN POWER HUB, QUEENSLAND - © CIMIC

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 optimize consumption and the replacement of equipment with less energy intensive equipment.

EXAMPLES OF ACS GROUP COMPANIES' INITIATIVES TO REDUCE ENERGY CONSUMPTION:

USE OF RENEWABLE DIESEL IN THE US ON THE CALIFORNIA HIGH-SPEED RAIL PROJECT AND THE LOS ANGELES OUTFALL PROJECT (DRAGADOS)

As part of its efforts to achieve the objectives set by the 2025 Sustainability Plan, Dragados is seeking more efficient and less polluting alternatives for carrying out its works, such as using alternative fuels.

Among them, HVO (or "R99" in the US) is a renewable diesel whose main raw material is used cooking oil, which is catalysed with hydrogen to obtain hydrocarbons. Since this type of fuel is sulphur- and oxygen-free, it has numerous benefits compared to traditional diesel, such as reducing greenhouse gas emissions by up to 90%, as well as particulate matter emissions.

Thus, in two projects located in the state of California, USA, renewable diesel (R99) is being used to operate the equipment and the fleet. In 2023, 983,506 litres of this biofuel were consumed between the two projects, avoiding the emission of 2,436 tonnes of CO₂eq into the atmosphere.

GREEN ENERGY USE IN THE MOMENTUM TRAINS CONSORTIUM (CIMIC)

The USD 2,800 million Regional Rail Project in New South Wales, which will feature Australia's first bimodal diesel-electric hybrid fleet, will reduce carbon emissions and pollution. The project is being implemented on behalf of Transport for NSW by the country's first rolling stock public-private partnership.

The Momentum Trains consortium includes the CIMIC group companies, Pacific Partnerships, UGL and CPB Contractors. The new hybrid rail fleet comprises 29 passenger trains that will travel from regional New South Wales to Sydney, Canberra, Melbourne and Brisbane.

The trains will run electrically when operating on the electrified train network and will use on-board diesel generators to provide their own power when operating outside the electrified network.

The fleet is part of a design, build, finance and maintenance contract, which includes the new Mindyarra Maintenance Centre in Dubbo, New South Wales, where the fleet will be serviced and maintained for at least 15 years.

The facility has received a "Leading" design rating from the Infrastructure Sustainability Council, the highest sustainability standard in the industry. Some of the emissions reduction initiatives included in the project include:

- 100% of the electricity used during construction comes from green energy.
- Over 9,000 m³ of carbon-neutral concrete was used.
- Over 60% of the reinforcing steel was produced using polymer injection technology, which reduces the energy required to manufacture it.
- Over 95% of the annual operating electricity comes from more than 3,200 solar panels on site.



CANBERRA LIGHT RAIL, AUSTRALIA - © CIMIC

ENERGY REFURBISHMENT OF BUILDINGS BASED ON INNOVATIVE SOLUTIONS (VIAS)

Digitization of construction and prefabrication are fundamental tools in the energy refurbishment of buildings. Along these lines, VIAS has participated in the REZBUILD project of the H2020 programme as a commitment to introducing innovative solutions that provide significant added value in the fight against climate change and help set the company apart from the rest of the sector.

The project has developed a set of innovative technologies aimed at achieving Nearly Zero Energy Buildings (NZEB): building-integrated photovoltaic (BIPV) module prototypes, innovative gypsum-based insulation products, solar-assisted heat pumps and building energy management systems (BEMS). Simultaneously, a method was established to select and combine the best technologies and systems applicable to each rehabilitation, through a cyclical iterative process of modelling, simulation and decision making during the design phase, assisted by a collaborative platform based on BIM.

The results obtained in the project were successfully deployed and validated in three pilot sites at European level. VIAS specifically led and carried the energy refurbishment of a single-family house located in Madrid. The selected property did not have an efficient heating system and had an associated fuel poverty problem (indoor comfort before the intervention was very low). In addition, the building was under special protection, as it is on a Historic Site, which greatly conditioned the type of intervention on the building envelope, making the demonstrator's work very difficult. In this regard, it is worth highlighting the limitations imposed on designing photovoltaic solutions: the surface of the roof to be covered, the location of the modules and the requirement for perfect aesthetic integration, opting for a solution of photovoltaic modules with a color similar to that of the roof tiles.

In a first phase of analysis, the methodology developed in the project was applied. The climatic and technical conditions, the user needs, the property requirements and the local regulatory restrictions were analyzed at an early stage. A multi-criteria analysis of alternatives was carried out and decision support tools were used (including, among other analyses, using energy simulation software or applying the cost-efficiency method). In line with the initial needs and requirements, this phase ended with the selection of the best possible combination of renovation solutions for the Madrid demo house, complementing the technologies developed in the project (multilayer insulation of the envelope, deployment of energy monitoring and management systems, photovoltaic modules installed on the roof and additionally the demonstrative application of 3D printing technology) with other innovative commercial technologies (window renovation, replacement of lighting devices and a new efficient and sustainable air-conditioning system).

The refurbishment was designed using BIM methodology, with the model being revised and updated throughout the implementation phases and after completion.

Using the installed instrumentation, the energy consumption before and after the renovation was measured to determine the amount of energy saved, to assess the effectiveness of the renovation and to evaluate, under real operating and climatic conditions, the performance of the combination of solutions and new technologies introduced. In addition, the environmental and indoor air quality parameters (temperature, humidity, CO2) were monitored. The results confirmed a significant reduction in energy consumption and improved indoor air quality.



CARLOS III HEALTH INSTITUTE, MADRID - © DRAGADOS

4.1.2. CIRULAR 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 in regard to use of materials and waste management, taking into account the life cycle of projects and services.
- Promote the use of environmentally responsible materials in accordance with 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.

In order to encourage the use of sustainable materials among the Group companies, the Group has a **Construction Materials Policy** that establishes guidelines and best practices in this regard.

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 more information:
Materials Policy

EXAMPLES OF ACS GROUP COMPANIES' INITIATIVES FOR THE SUSTAINABLE USE OF RESOURCES:

CIRCULAR ECONOMY INITIATIVES AT CPB CONTRACTORS

In 2023, CPB Contractors carried out different initiatives in relation to the efficient use of resources. Some examples are:

- As part of a joint venture, CPB Contractors carried out the Victor Harbor Road widening project between Main South Road and McLaren Vale in South Australia. 10% of the asphalt used in the newly opened lanes is made from recycled wine bottles. This corresponds to 459 bottles of wine per metric tonne recycled, asphalt in the base course and 115 bottles per metric tonne of surface course. A total of 15 kilometres of the road will be widened to two lanes as part of the project.
- During implementation of the Metronet Thornlie-Cockburn Link project in Western Australia, CPB Contractors recycled and reused many metric tonnes of materials, including more than 20,000 metric tonnes of recycled concrete, more than 2,200 metric tonnes of recycled reinforcing steel materials and more than 7,000 metric tonnes of gravel. This gravel was reused for the drainage surface on the road.
- For the asphalt pavement of the Northern Road Stages 5 and 6 project, CPB Contractors used recycled glass, up to 30% reclaimed asphalt and 1,935 tonnes of Reconophalt™, an asphalt material with a high recycled content from waste streams such as glass. Reconophalt™ reduces energy consumption in the production of standard asphalt mix by 30%.

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 2023, 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 2023, ACS Group companies carried out this life cycle analysis in 42 projects and since 2019 the ACS Group has carried out life cycle analyses in 117 projects.

Construction Material	Total used		% Recycled/ reused	
	2022 (1)	2023	2022(1)	2023
Wood (m3)	323,249	225,542	4.1%	5.2%
Steel (t)	668,495	889,724	45.4%	62.6%
Concrete (m3)	5,342,080	6,309,002	15.3%	16.1%
Aggregates (t)	8,088,299	7,393,388	5.4%	4.9%
Asphalt (t)	2,252,374	2,754,361	37.2%	29.7%
Cement (t)	205,789	288,596	12.0%	37.4%
Glass (t)	16,244	16,089	14.7%	13.1%

(1) For the sake of comparability, 2022 data have been restated following the same methodology as 2023.

(1) During the year 2023, 2.5% of the total wood purchased was certified (0.5% PEFC certified, 1.1% CSA certified and 0.9% others).



POLK COUNTY DATA CENTER, USA - © TURNER

WASTE PREVENTION AND MANAGEMENT

Waste management in the ACS Group prioritises recycling, reuse or other recovery operations over landfill disposal, in order to minimise as much as possible the waste generated when carrying out 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 in accordance with 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 aforementioned prioritisation of waste management, the waste is handed over to authorised waste managers.

Over the course of 2023, a total of 14,260,355 tonnes of hazardous and non-hazardous waste were generated, representing a decrease of 10.2% with respect to 2022.

The ACS Group has a strong commitment to the circular economy, prioritising the recovery and minimisation of waste destined for landfills as the strategic line of the Sustainability Master Plan. Therefore, in 2023 the rate of non-hazardous waste destined for recovery operations stood at 89.0%. This confirms the Group's efforts to prioritise recycling or reuse over other methods of waste disposal as a sign of its commitment to the circular economy in line with the objectives set out in the 2025 Master Sustainability Plan, which established a target of 80% of waste sent for reuse/recycling.

In 2023, efforts continued on reporting 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 a breakdown of the main waste generated by composition for the first time. It should be noted that in 2023 more than 83% of the waste generated was mineral waste (land/rock) from the activity of projects with road tunnelling machines or railway projects.

	2020(1)	2021	2022(1)	2023
ACS Group				
Non-hazardous waste (t)	15,941,779	18,344,366	15,746,325	14,093,108
Hazardous waste (t)	358,311	400,892	139,260	167,247

ACS Group Waste breakdown by activity	2022(1)	2023
Construction		
Non-hazardous waste (t)	15,715,469	14,056,815
Hazardous waste (t)	137,658	165,412
Concessions		
Non-hazardous waste (t)	184	250
Hazardous waste (t)	8	30
Services		
Non-hazardous waste (t)	17,893	22,210
Hazardous waste (t)	315	319
Corporation & others (2)		
Non-hazardous waste (t)	12,779	13,833
Hazardous waste (t)	1,279	1,486

(1) Data restated retroactively to make it comparable with the methodology used in 2023. For the sake of comparability, 2020 is restated following the sale of Industrial Services in December 2021, and Thies, following the sale of a 50% stake in December 2020 and its equity method in 2021.

(2) In 2022/2023 includes data from Corporation, real estate and energy activities.

ACS Group Waste breakdown by operations (t)	2022(1)			2023		
	Onsite	Offsite	Total	Onsite	Offsite	Total
Hazardous waste (t)	26	139,234	139,260	38	167,208	167,247
Waste not for disposal per operation	25	23,078	23,103	33	2,534	2,566
Reuse	17	22,481	22,498	23	694	717
Recycling	7	128	135	9	1,288	1,297
Other recovery operations	1	469	470	1	551	552
Waste for disposal per operation	1	116,155	116,157	5	164,674	164,680
Incineration with energy recovery	–	57	57	5	75	80
Incineration without energy recovery	–	135	135	–	18	18
landfill	0	114,642	114,642	–	163,116	163,116
Other disposal operations	1	1,321	1,322	0	1,465	1,466
Non-hazardous waste (t)	750,725	14,995,600	15,746,325	936,810	13,156,297	14,093,108
Waste not for disposal per operation	517,193	12,957,315	13,474,508	822,125	11,726,795	12,548,920
Reuse	159,803	10,407,421	10,567,224	51,752	8,355,992	8,407,744
Recycling	312,480	2,197,889	2,510,368	270,129	2,648,190	2,918,319
Other recovery operations	44,909	352,006	396,915	500,244	722,613	1,222,857
Waste for disposal per operation	233,532	2,038,285	2,271,818	114,685	1,429,502	1,544,188
Incineration with energy recovery	–	1,785	1,785	–	3,822	3,822
Incineration without energy recovery	–	587	588	–	5,706	5,706
landfill	233,526	2,033,577	2,267,104	114,685	1,418,886	1,533,571
Other disposal operations	6	2,335	2,341	0	1,089	1,090

(1) Data restated retroactively to make them comparable with the methodology used in 2023.

The ACS Group is starting to compile waste information by composition. The information for 2023 is presented below:

ACS Group Waste breakdown by composition (t)	2023		
	Waste non-directed to recovery	Waste directed to recovery	Waste generated
TOTAL	1,708,868	12,551,486	14,260,355
Mineral waste	854,530	11,013,418	11,867,947
Construction waste	613,322	1,034,419	1,647,741
Others	241,016	503,650	744,665



EXAMPLES OF ACS GROUP COMPANIES' WASTE PREVENTION AND MANAGEMENT ACTIVITIES

RECOVERY OF VOLCANIC LAVA AT THE LA PALMA SITE (DRAGADOS)

Due to the volcanic eruption of 2021 on the island of La Palma and the impact it had on mobility between the different municipalities, the Ministry of Transport, Mobility and Urban Agenda (MITMA) addressed, by means of an emergency declaration, restoring Highway LP-213 between Puerto Naos and Tzacorte with a new road of about 5.5 km in length crossing the volcanic lava flows.

Due to the high temperatures of the lava that flowed over the road that was built, the new road layout had a raised gradient to keep it away from the hot areas. The excavated material from the site covered 43% of the needs of the works, and there was no natural material excavated from the site that was not used. This material, together with the recovery of stone waste from nearby construction sites, was used to make the levelled areas, the gravel, asphalt mixtures and the concrete.

A total of approximately 306,940 m³ of stone material was used in the project, which was fully recovered, contributing to a significant reduction in the project's carbon footprint, mainly for two reasons:

- Production of materials on site due to installing agglomerate and concrete plants, avoiding having to transport raw materials and products,
- Avoided having to treat waste and bring it to landfills.



ECOSWAP (CLARK BUILDERS)

In 2023, Clark Builders created an internal website called "EcoSwap", where surplus building materials can be offered for reuse, repair or reprocessing before being sent for recycling. This means that materials can be used over and over again for new projects, saving money and resources and, above all, waste.

4.1.3. 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 ACS Group's activity in this area is governed by the following basic principles of action:

- Consider and assess the main risks and impacts in terms of water resource use.
- When carrying out activities and providing services, apply measures to optimize water consumption and to reduce the volume or hazardousness of discharges.
- Identify business opportunities for contributing to the efficient use of water resources, the reduction of water stress and the reduction of discharges.

Managing and monitoring of indicators shown in the table below allows the Group to identify the places where using water generates a greater impact on the environment, with the firm goal of performing its activity in a sustainable and environmentally friendly manner

Likewise, in 2023, given the importance of water in our activities, the ACS Group made progress in compiling information on the water resources in its value chain, including consumption in the manufacturing process of purchased construction materials (mainly steel and concrete). Thus, in 2023, the consumption of water from the value chain in the Dragados Group from the construction material manufacturing process was 1,174,511 m³. In the coming years, the ACS Group will continue to advance in the process of compiling this data in the rest of the business units and for the rest of its value chain.



ACS Group Breakdown of water (withdrawal-discharge)	2022(1)	2023(2)
Total water withdrawn (m3)	13,735,091	11,716,719
Volume of water withdrawn from surface water (rivers, wetlands, lakes) (m3)	650,600	739,455
Volume of water withdrawn from groundwater (m3)	5,551,218	2,971,507
Volume of water withdrawn from third parties (municipal network, processing plant or public or private service) (m3)	6,578,680	7,664,059
Volume of water withdrawn from marine waters (m3)	8,406	29,627
Volume of rainwater (m3)	941,750	312,070
Water produced	4,437	0
Total water withdrawn in water stress areas (m3)	2,106,963	3,386,536
Volume of water withdrawn from surface water (rivers, wetlands, lakes) in water stress areas (m3)	61,203	218,055
Volume of water withdrawn from groundwater in water stress areas (m3)	994,659	952,189
Volume of water withdrawn from third parties (municipal network, processing plant, etc.) in water stress areas (m3)	1,050,977	2,188,263
Volume of water withdrawn from marine waters in water stress areas (m3)	124	28,029
Total water discharged (m3)	11,288,842	7,423,601
Volume of water discharged into surface water (rivers, wetlands, lakes) (m3)	7,936,872	2,841,288
Volume of water discharged into groundwater (m3)	838,527	17,232
Volume of water discharged into third-party waters (municipal network, processing plant or public and private services) (m3)	2,410,286	4,390,172
Volume of water discharged into marine waters (m3)	103,157	174,908
Total water discharged in water stress areas (m3)	1,742,133	2,228,616
Consumption (m3)	2,446,249	4,293,118
Ratio: m3 of water consumed/ turnover	73.9	120.6
Consumption in water stress areas (m3)	364,830	1,157,921

(1) Data restated retroactively to make them comparable with the methodology used in 2023.

(2) 2023 is the first year in which Hochtief reports water consumed/discharged in water stressed areas, so the evolution with respect to 2022 is not comparable.

The activities performed by the ACS Group are associated with significant water consumption, particularly in the area of construction, and in 2023 the total amount of water consumption reached 4,293,118 m3.

As with other environmental indicators, the variability in water consumption experienced by the ACS Group in recent years is explained by the different types of projects carried out throughout the year, which 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 1,157,921 m3 of the total water consumption in these areas in 2023. Following the commitment set out in our 2025 Master Sustainability Plan, water consumption in water-stressed areas from Hochtief was monitored and reported in 2023, so the evolution of the data compared to 2022 is not comparable.

Progress toward developing a method for calculating the water footprint is one of the commitments and pillars of the ACS Group's strategy for reducing water consumption and conserving water. Thus, in 2023, Group companies

representing 84.8% of the Group's sales will have an established method for calculating their water footprint, in accordance with the objectives of the ACS Group's 2025 Master Sustainability Plan.

The ACS Group thus 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. In 2023, the different ACS Group companies continued to apply measures aimed at reducing water consumption. Thus, for example, at Hochtief (76.8% of the ACS Group's total water consumption), following the criteria established in the ACS Group's Sustainability Policy, the "HOCHTIEF commitment to water conservation" was approved and published in 2023, which establishes homogeneous and binding definitions of water-related indicators and enables both the operating companies and Hochtief's partners to understand and implement plans to achieve its water-related commitments.

At the project level, the greatest water consumption comes from dust suppression, levelling and soil compaction procedures, and from processing natural resources in plants, which is why many of the consumption reduction initiatives undertaken focus on these areas. Thus, for water reduction in 2023 a data centre was built in the United

States, where Turner's team collected rainwater and used it in a retention pond to suppress dust, saving more than 1.1 million litres of water on this project alone. Or for example, in Canada, Clark Builders reduced the dust generated on a construction site by stabilising the soil with vegetation and for further dust suppression a rainwater harvesting system a rainwater harvesting system was used, as the project

is in a water stressed area. The project team also avoids using water for levelling and compaction.

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

EXAMPLES OF INITIATIVES BY ACS GROUP COMPANIES TO CONSERVE WATER RESOURCES:

RESIDENTIAL PROJECT IN CALGARY (ALBERTA, CANADA) (CLARK BUILDERS)

The region where this residential project was carried out is affected by water stress, so there are temporary water restrictions. The Clark Builders team does not use water for grading or compaction work in very dry conditions. In addition, employees are encouraged to ensure permanent stabilisation during construction work, e.g. with turf or paving, to avoid using water as a dust protection measure. At the same time, the teams were encouraged to use outdoor rainwater harvesting systems in the warmer months to collect rainwater for dust control, washing, etc.

THE BRYN ESTY WATER TREATMENT PLANT IN TASMANIA (UGL AND CPB CONTRACTORS)

The USD 243.9 million upgrade of the Bryn Estyn water treatment plant was successfully completed by TasWater's Capital Delivery Office, in partnership with UGL and CPB Contractors.

Improving critical infrastructure is significantly reducing the risk of water restrictions in the Hobart metropolitan region.

Improved technology and operational efficiencies enable the daily supply of 160 million litres of water, benefiting more than 200,000 consumers.

The project was delivered on time and under budget, and provided opportunities for numerous Tasmanian-based businesses during construction, contributing to the local economy and fostering community growth.



4.1.4. 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 carries out 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 this regard, in 2023, the Group carried out activities on 677.5⁶ 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 on promoting 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, as well as 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 carried out.
 - 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. Promote the offsetting of impacts generated by activities on biodiversity and the forest mass through restoration, recovery and reforestation actions. In 2023, the ACS Group carried out work on 54.5 hectares.⁷

In 2023, the ACS Group started work on a biodiversity risk assessment through an internal document in which a preliminary analysis of the risk assessment and possible interdependencies was carried out. Hochtief for its part prepared and published that assessment on a group level in 2023 to identify risks and specify appropriate mitigation measures. In the coming years, the ACS Group will continue to work in this area with the aim of meeting both international standards (Taskforce on Nature-related Financial Disclosures, TFND) and future regulatory reporting requirements under the Corporate Sustainability Reporting Directive (CSRD).



A7 WILDLIFE OVERPASS, GERMANY - © HOCHTIEF

⁶ Scope: 21.81% of ACS Group sales

⁷ Scope: 21.81% of ACS Group sales

EXAMPLES OF ACS GROUP COMPANIES' BIODIVERSITY PROTECTION INITIATIVES

REGENT HONEYEATER PROTECTION (CPB CONTRACTORS)

The Mindyarra Maintenance Centre project, which will service and maintain the Regional Rail Project's hybrid fleet in Dubbo, New South Wales, is contributing to efforts to save the endangered regent honeyeater, a bird endemic to south-western Australia. It is estimated that there are fewer than 350 regent honeyeaters left in the wild.

Both Transport for NSW and CIMIC Group's CPB Contractors contributed USD 40,000 each as part of a voluntary biodiversity offset that will go to Taronga Western Plains Zoo, also in Dubbo, for the purchase of essential equipment. wild.

As part of the project a 6,500 square metre area is also being rehabilitated and planted with eucalyptus trees (Box Gum Woodland), which is the regent honeyeater's habitat.

EXAMPLES OF BIODIVERSITY CONSERVATION INITIATIVES (TURNER)

In 2023, Turner carried out numerous projects in relation to biodiversity conservation, such as:

- In Turner's IAD11 project in Virginia, a habitat management plan for eagles was implemented for the duration of the project. The package provides for a mandatory protection radius of 330 feet around the eagle's nest and blasting restrictions for six months before and during the breeding season to protect the animals' natural habitat.
- A Turner team in Toronto set about preserving and restoring forests along the Credit River in Mississauga as part of the @yourriverwood initiative. Together, the employees removed 113 kg of invasive plant species that pose a threat to the native flora and fauna. The employees also planted a variety of wild flowers, shrubs and trees.



PROTECTION OF MARINE BIOLOGICAL RESOURCES IN THE PEARL HARBOUR DRY DOCK 3 REPLACEMENT PROJECT (DRAGADOS)

Dragados, together with its Joint Venture partner Hawaiian Dredging, is implementing several measures to protect biological diversity and resources. In the case of marine biological resources, three types of monitoring are envisaged that will protect or benefit Hawaiian monk seals (HMS), green sea turtles and hawksbill turtles (species listed under the US Protected Species Act (ESA)):

- 1) Qualified personnel must identify ESA-listed species in close proximity to construction activities that transmit sound in water (pile driving, pile extraction, dredging and marine lane preparation and demolition), and notify the construction team when work needs to stop and when work can resume after a stoppage;
- 2) Specialised observers on vessels transiting the port must look for ESA-listed species approaching the vessel, and instruct the vessel's commander to stop or slow down to reduce the risk of collision; and
- 3) Use of a bubble curtain to control underwater sound levels during pile driving.

In addition, the project is sampling the work area to identify areas where birds or bats may nest or roost, to avoid future impacts on these species.

Dragados also uses best management practices to protect Hawaii's pristine waters during construction, maintaining a very high level of water quality. Different tools, such as anti-sediment barriers and improved "BioSocks", wind barriers, and adhesive polymers, are used to minimise erosion and sediment loss during the onshore construction. In addition, turbidity curtains are being used to isolate the work areas during construction work in the water and are continuously monitored to ensure that the water quality is maintained during construction. Dragados will stop the works and/or implement appropriate corrective actions if the water quality is at risk of being affected beyond the permitted parameters.



DISCHARGE PREVENTION BARRIERS, PEARL HARBOR, HAWAII - © DRAGADOS

4.1.5. ENVIRONMENTAL RISK MANAGEMENT

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 supervision of the Group's Environmental Policy.

Secondly, the responsibility of overseeing environmental performance and carrying out 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, 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.

To strengthen its commitment to the environment, in 2022 the ACS Group added 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.

The table below shows the results obtained from this prioritisation of potential risks to perform the activity related to the environment, as well as 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 Risk map Climate change and energy efficiency</p> <p>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. The ACS Board of Directors has overall responsibility for the climate change strategy through the Audit Committee, which is responsible for monitoring the ACS Group's sustainability policy. The Company has set targets linked to the variable remuneration of the Executive Directors in relation to performance on climate change. Each company is responsible for keeping an inventory of emissions, identifying main sources and developing initiatives to reduce them. The Group offers its customers construction products and services that help to promote the transition to a low carbon economy.</p>	<p>A 30.16% decrease in scope 1 + scope 2 emissions with respect to the Sustainability Master Plan baseline year (2019)</p> <p>Conducting a materiality analysis to determine the relevant scope 3 categories for the ACS Group and improving how they are reported. I</p> <p>Development of business opportunities such as Green Building projects</p> <p>In 2023, the Group continued improving 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 Dispositions (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 concepts 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</p> <p>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>	<ul style="list-style-type: none"> • ACS Group companies participate in various R & D projects related to the durability and efficiency in the use of construction resources and materials. <p>Waste rate (hazardous + non-hazardous) destined for recovery in 2023: 88.0 %</p> <p>Number of projects in which a life cycle analysis was performed (cumulative 2019): 117</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
<p>Environmental management</p>	<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, Compliance Risks, Reputational Risks, and Environment and Circular Economy Risks</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 • Carrying out all activities of the ACS Group in accordance with current environmental legislation. 	<p>In 2023, 83.2% of ACS Group operations were certified under ISO 14001. The environmental management systems are audited by an external third party in companies that represent 93.2 % the Group's turnover and, in 2022, 834 environmental audits were conducted. In 2023 there was no significant infringement of environmental legislation and regulations, 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 Financial Statements of the ACS Group, ACS Group companies incurred environmental expenses in 2020 totalling EUR 5,938 thousand (EUR 14,840 thousand in 2022), and according to Note 20 to the Annual Financial Statements, the provisions for environmental actions are included under non-current provisions, which include provisions to cover the probable environmental risks that may arise, with no provision of this nature included in the financial statements in 2023. The Group companies manage environmental risk coverage through different systems depending on their activity and geographic area and in accordance with their own environmental management systems.</p>	<ul style="list-style-type: none"> • Environmental Policy. ◦ Sustainability Policy. ◦ Risk Control Policy.
<p>Sustainable and resilient infrastructure</p>	<p>The risks arising from climate change, the scarcity of natural resources and the state and social context in 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 	<p>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.</p> <ul style="list-style-type: none"> • 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, as well as 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, as well as 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: 1,173 cumulative projects by HOCHTIEF and 101 in Dragados ◦ Sales of sustainability-certified projects in 2023: EUR 14,087 million 	<ul style="list-style-type: none"> • Environmental Policy. • Sustainability Policy. • Construction Materials Policy. • Risk Control Policy.




4.2. 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.

With the aim of retaining the best professionals, the ACS Group has various corporate policies in place

on managing human resources, which are in line with the best practices in the field and that are detailed 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:

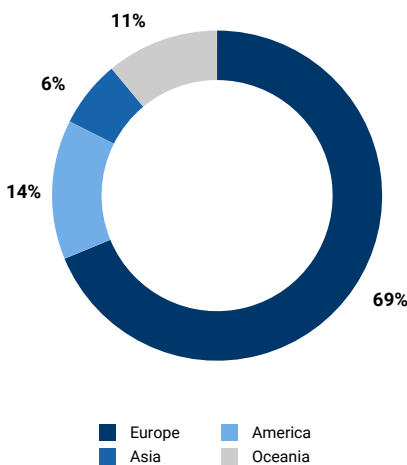


- Attract and hold onto the best talent, while at the same time aiming to improve the degree of responsibility and motivation of employees.
- Promote a culture and corporate values with which the people in the ACS Group identify.
- Promote teamwork and quality control as tools to promote the excellence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

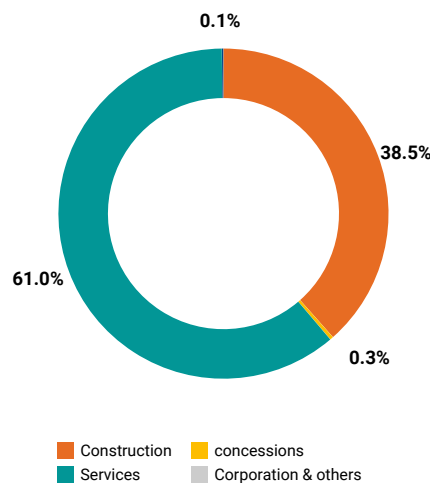
At year-end 2023, the ACS Group had a workforce of 135,419 persons, of which 55.5% were women and 44.5%

men. The ACS workforce increased by 5.2% compared to 2022.

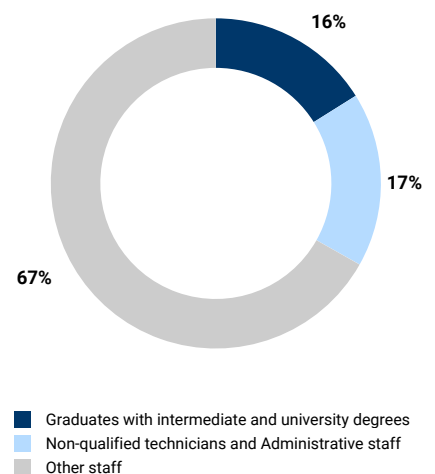
WORKFORCE DISTRIBUTION GEOGRAPHICAL AREAS



WORKFORCE DISTRIBUTION OF BUSINESS ACTIVITIES



WORKFORCE BREAKDOWN PROFESSIONAL CATEGORIES



ACS GROUP WORKFORCE AT YEAR-END

135,419

BREAKDOWN OF STAFF BY AGE



WOMEN

75,148

55.5%

OF TOTAL ACS GROUP

7,277

GRADUATES WITH INTERMEDIATE AND UNIVERSITY DEGREES

10,422

57,449

NON-QUALIFIED TECHNICIANS AND ADMINISTRATIVE STAFF

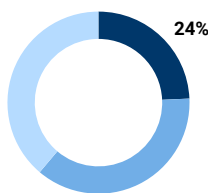
OTHER STAFF

13.8%

11.1%

TOTAL STAFF TURNOVER

VOLUNTARY TURNOVER



<35 years old
>50 years old



MEN

60,271

44.5%

OF TOTAL ACS GROUP

14,528

GRADUATES WITH INTERMEDIATE AND UNIVERSITY DEGREES

12,713

33,030

NON-QUALIFIED TECHNICIANS AND ADMINISTRATIVE STAFF

OTHER STAFF

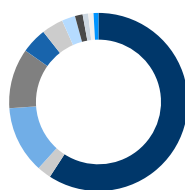
27.2%

21.1%

TOTAL STAFF TURNOVER

VOLUNTARY TURNOVER

DISTRIBUTION OF ACS GROUP EMPLOYEES BY COUNTRY



Spain 59%
United States 12%
United Kingdom 5%
Germany 2%
Philippines 1%
Indonesia 1%
Rest of the Countries 3%
Australia 11%
India 4%
Portugal 1%
Canada 1%

As regards the distribution of employees by country, 58.6% work in Spain and the remaining 41.4% are in other countries. The Services area is a more labour-intensive area and represents 61.0% of the Group's employees, 90.5% of whom are in Spain. While the Construction area represents 38.5% of the Group's employees and has a more internationalised profile due to its activity, 8.3% 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 81.6% 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-23

	Men	Women	Total
Fixed Contracts	50,168	60,370	110,538
Temporary Contracts	10,103	14,777	24,881

31-Dec-23

	Age <35	Age between 35-50	Age >50	Total
Fixed Contracts	24,090	40,962	45,486	110,538
Temporary Contracts	8,821	8,981	7,079	24,881

31-Dec-23

	Graduates with intermediate and university degrees	Non-qualified technicians and Administrative staff	Other staff	Total
Fixed Contracts	21,121	21,353	68,064	110,538
Temporary Contracts	684	1,782	22,415	24,881

31-Dec-23

	Men	Women	Total
Full-time contracts	52,173	31,326	83,499
Part-time contracts	8,098	43,822	51,920

31-Dec-23

	Age <35	Age between 35-50	Age >50	Total
Full-time contracts	23,493	31,546	28,460	83,499
Part-time contracts	9,418	18,397	24,105	51,920

31-Dec-23

	Graduates with intermediate and university degrees	Non-qualified technicians and Administrative staff	Other staff	Total
Full-time contracts	19,989	17,241	46,269	83,499
Part-time contracts	1,816	5,894	44,210	51,920

31-Dec-22

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

31-Dec-22

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

31-Dec-22

	Graduates with intermediate and university degrees	Non-qualified technicians and Administrative staff	Other staff	Total
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 19.6% (vs. 16.4% in 2022) and voluntary employee turnover was 15.4% (vs. 12.8% in 2022). The number of redundancies in 2023 was 4,191 people, including those resulting from the termination of projects.

	2022			2023		
	Men	Women	Total	Men	Women	Total
Redundancies	2,175	792	2,967	3,074	1,117	4,191

	2022				2023			
	Age <35	Age between 35-50	Age >50	Total	Age <35	Age between 35-50	Age >50	Total
Redundancies	800	1,144	1,023	2,967	1,191	1,546	1,454	4,191

	2022				2023			
	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	637	347	1,983	2,967	739	484	2,968	4,191



6.3.2. Additional indicators



4.2.1. 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 specialized talent in each of the Group's activity sectors.

In 2023, 50,695 professionals, of which 42.0% were under age 35, highlighting the commitment to young talent, with Dragados and the various HOCHTIEF companies standing out for the programs implemented in this area.

EXAMPLES OF INITIATIVES IN ACS GROUP COMPANIES TO ATTRACT AND RETAIN TALENT:

GRADUATE PROGRAMME (CIMIC)

The CIMIC Group Postgraduate Programme started in 2017. The two-year programme provides training through job development, specific learning plans and structured development activities. Recent graduates complete multiple rotations in different positions, projects or companies of the Cimic Group

The programme reflects the Group's geographical presence and it currently has graduates from Australia, Canada, Hong Kong, Indonesia and New Zealand.

ANNUAL NUMBER OF PARTICIPANTS			
	Women	Men	Total
2023	39	99	138
2022	44	68	112
2021	31	64	95
2020	50	91	141



GRADUATE WORKSHOP, AUSTRALIA - © CIMIC

YOUNG TALENT PROGRAMME (DRAGADOS)

In an increasingly competitive market coupled with the difficulty of hiring professionals with certain profiles, searching for, attracting and retaining talent and professional development are crucial for obtaining success in an organisation. The Dragados Group continues its commitment to recruiting and hiring young, recently-qualified talent for its main construction projects. This programme currently has 314 participants, 238 of whom are included in Spanish projects with 76 at the international level.

This programme aims to be a guide in the learning and development of these young people, offering them the opportunity to learn and develop in this sector, through a specific training programme, and a monitoring and evaluation plan that demonstrates each employee's progress and adaptation to the company.

The young recent graduates are mainly hired from Master's degrees programmes in Civil Engineering and Industrial Engineering, as well as degrees in Civil, Building and Industrial Engineering and Business Administration and Management or equivalent degrees depending on the country.

Currently, this programme is present and increasingly consolidated and valued in the different companies of

the Dragados Group in Spain, the USA, Canada, the United Kingdom, Chile, Poland and Argentina.

In 2023, 113 new young people were incorporated into the most significant national and international projects.

YOUNG TALENT PROGRAMME 2023 CONSTRUCTION AREA		
	Spain	International
Civil Engineers	100	64
Masters in Industrial Engineering	40	0
Other Masters (Architecture, Aeronautical Engineering)	5	0
Civil, Building and Industrial Engineering Degrees	46	0
Administration and Business Management	47	12
Total	238	76

HOCHTIEF TALENT ATTRACTION INITIATIVES

In addition to hiring experienced professionals, HOCHTIEF focuses on attracting new young employees to ensure good positioning in the medium and long term. 53 talented young people were hired in Germany in 2023 (2022: 59); the figure at CIMIC was 406 (2022:503), and at Turner in the USA it was 629 (2022: 519). 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 in 2023.

In addition to conventional training in cooperation with vocational schools, HOCHTIEF offers training in combination with a cooperative degree programme. A total of 86 young people followed these two training courses at HOCHTIEF in Germany in 2023 (2022: 88).

Some of the initiatives launched by the different HOCHTIEF companies to attract young talent are:

- "YouthForce 2020" is a programme in the United States that encourages students from preschool through high school to consider a career in the construction industry. Turner employees work with students interested in design and engineering and help to further spark their interest by acting as role models. The programme promotes diversity (background, gender and age) and maintains ongoing relationships with schools, administrators, civic organisations and students to attract future leaders to the industry.
- The "ACE Mentoring Program" in the US offers students the opportunity to shadow design and construction teams composed of professionals from the construction industry. Turner has been involved since the inception of the programme and 96 students participated in it in 2023. Over the past two summers, Turner hired from 75 to 95 high school graduates through this programme.
- In cooperation with the General STEM Community Partnership, CPB Contractors organised a scholarship programme for six students from different schools in Western Sydney in 2023. The programme was implemented in the Sydney Metro project and it allowed young people to immerse themselves in the world of construction.
- At HOCHTIEF in Germany, the approach includes formats such as the "Youth Dialogue" where executives speak directly to students, as well as Girl Days. As part of the training campaigns, they visit schools, share their experiences and offer advice on how to submit applications.

Attracting and retaining talent requires the ACS Group to offer its employees the best employment practices, encouraging their professional development within the Group. In this regard, 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



GRADUATES SUMMER PROGRAM, HONG KONG - © CIMIC

TALENT DEVELOPMENT AND ASSESSMENT POLICY

The ACS Group seeks to develop the following best practices in regard to talent development and assessment:

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 variable remuneration systems are in place in companies representing 98.0 % of the Group's employees. To determine the degree of compliance, professional performance evaluation plans are carried out with measurable objectives set with the superior or direct conversations of individuals or teams with their superiors, with these evaluations conducted at least annually and influencing the determination of the percentage of the variable remuneration paid to employees, forming part of the Group's professional development culture. In other Group companies, the performance evaluations are carried out through direct discussions in the various teams. Furthermore, companies representing 99.9 % 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 2023, 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.

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

In recent years, the Dragados Virtual Classroom has become 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 method for the company to reach everyone in the organisation through the available means, such as tablets and smartphones, providing each professional the training they need, when they need it. In

2023 work continued on developing new digital proprietary contents, customised based on the characteristics of each group. Fourteen training actions were performed with customised online teaching contents tailored to the company's 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 2023, 5,928 participants were trained in these courses by Clece, with 25% cost savings, and a quality assessment of 3.6 out of 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, 42.3% 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.

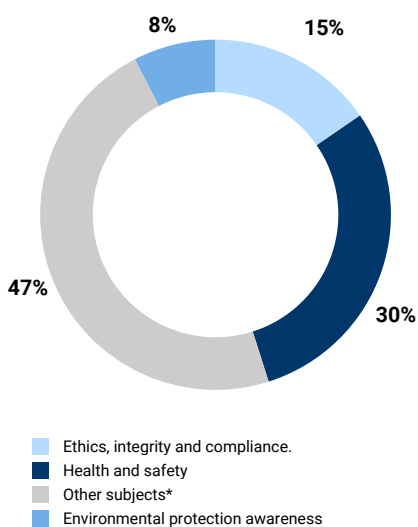
In 2023 the number of employees trained during the year increased by 8.5%. The number of teaching hours increased by 46.2% compared to 2022, reaching 1,566,882 teaching

hours in the period. In this way, the ACS Group demonstrates its ongoing commitment to the professional development of the Group's employees and their training in

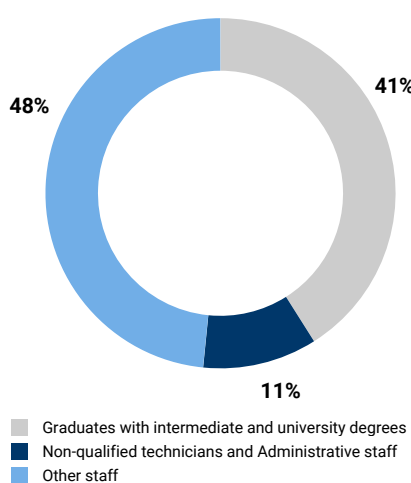
new skills, increasing the scope of in-house employee training programmes, as defined in one of the objectives of the 2025 Master Sustainability Plan.

	2022	2023
Total hours taught	1,071,836	1,566,882
Teaching hours per employee (over total employees)	8.5	11.7
Employees participating in training activities	68,860	74,710
Training hours per employee (over total employees trained)	15.6	21.0
Investment in training (M€)	18.3	22.2
Investment per employee in training (over total employees) (€)	144.4	166.0
Investment per employee in training (over total employees trained) (€)	265.4	297.5

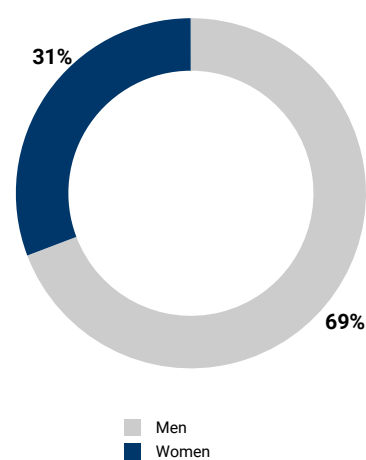
TRAINING HOURS BY CONTENTS



TRAINING HOURS BY PROFESSIONAL CATEGORY



TRAINING HOURS BY GENDER



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

EXAMPLES OF PROFESSIONAL DEVELOPMENT INITIATIVES IN ACS GROUP COMPANIES

“TRAINING EMPLOYER OF THE YEAR” AWARD (CPB CONTRACTORS)

The training and development opportunities offered by CPB Contractors, a CIMIC Group company, were recognised in 2023 through the "Training Employer of the Year" award from the Civil Construction Federation's West Australian Industry. One of the company's new training initiatives is its apprenticeship programme, which focuses on maximising training and career opportunities for construction apprentices. CPB Contractors also offers a seven-module course called 'Project Fundamentals', which provides future managers the knowledge and tools they need to carry out projects up to CPB Contractors' high standards. Other programmes currently being offered focus on promoting leadership skills in management positions with, for example, a focus on safety.



TRAINING EMPLOYER OF THE YEAR, AUSTRALIA (CPB) - © CIMIC

SKILL DEVELOPMENT PROGRAMMES (CLECE)

As part of its commitment to developing talent and excellence in service management, Clece carries out specific programmes for training middle managers, such as the Advanced Development Programme for Service Managers, which provides practical training in the main skills of people management, economic and financial management, customer relations and technical management. Based on case studies, a community of good practice is generated, which encourages the rapid assimilation of practical skills for effective job performance. A total of 57 participants were trained in 2023.

Other programmes aimed at middle management at sectoral level include: Direction and Management of Social Services Centres (specialisation in managing social and health care centres), with a total of 41 participants trained in 2023; and Security Director (specialisation in managing private security centres), with 4 people trained in 2023.

In 2023, Clece also continued with its Compliance programme, with 852 people trained in responsibility in Compliance and professional ethics.

In 2023 Clece increased its library of digital content, with new courses accessible in mobile learning format, offering agility in responding to the demands of professionals and Services, with total flexibility in learning times. It responds to the demands of the professionals, with short, audiovisual and quick-impact training. The new additions to the catalogue are:

- Course on professional ethics in service.
- Courses on preventing occupational hazards in the workplace through interactive videos for 7 sectoral activities.
- Road safety and efficient driving courses.

In total 12,685 participants have used digital training as part of their professional development in the company. It provides useful educational content that is more accessible, adapted to the immediate needs of each professional and the company's activity. With the democratisation of digital training, the options for responding to the talent management needs of each centre are significantly expanded, with a much greater scope of centres and people, resulting in a cost saving of 25%, while continuing to focus on classroom training, which is always necessary, and that has represented 64% of the total training.

4.2.2. EQUAL OPPORTUNITIES, DIVERSITY AND INCLUSION

The ACS Group strives to maintain relationships of trust with its employees and therefore 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 2023, 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. 98.1% 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 100.0% of the Group's employees have adopted measures to promote equal treatment and opportunities for men and women, and 87.9% of the Group's employees are covered by Equality Plans.
- In companies that represent 99.9% of the Group employees, there are anti-sexual harassment protocols.

- In companies that represent 99.3% 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.

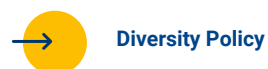
Thus, in 2023 the women in management positions accounted for 22.6% of the total. In 2023, the number of women in senior management positions in all the Group's companies, defined as those two positions below the CEO or top manager, was 153 women (vs. 114 in 2022), representing 18.4% of all senior managers (vs. 15.5% in 2022). Within management positions directly related to income generation, the distribution of women is similar to that of the total, with women holding 19.3% of all these types of positions.

The Group has also taken steps to increase women's participation in the scientific and technological fields. In 2023, the number of women with higher or middle degrees in the areas of engineering, architecture and other related areas amounted to 1,968, which represents 20.5% of the senior and middle graduates of these categories in the ACS Group. Various Group companies have performed initiatives to promote the inclusion of women in this profile. For example, HOCHTIEF has set having at least 35% new women engineers in training out of the total for the category as a target for 2025.

Similarly, in companies representing 27.3% of the Group's employees, specific development programmes have been implemented to promote talented women, such as the "Female Leadership Development" programme implemented by CIMIC.



Code of Conduct



Diversity Policy



CLECE EMPLEA, SPAIN - © CLECE



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 8,830 disabled employees and 2,623 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 100% 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.

EXAMPLES OF INITIATIVES IN ACS GROUP COMPANIES FOR INTEGRATION IN THE WORKPLACE:

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 2023, Clece had 10,218 workers from vulnerable groups, which represented 11.9 % of the total workforce and an increase of 4.1% compared to the previous year.

In 2023, Clece continued to carry out different initiatives in relation to inclusion of disadvantaged groups in the workplace, such as the annual celebration of the second edition of "Clece Emplea", which was held on 6 and 7 June, ending with a great success in terms of participation and improving on the previous year's results. More than 2,500 interviews, nearly 2,000 jobs offered and more than 600 direct hires. The work of 45 Recruitment experts and the collaboration of more than 125 social entities were fundamental to achieve the objective set: to offer employment opportunities to people from vulnerable groups, people with disabilities, women victims of violence, people at risk of social exclusion, young people looking for their first job and the long-term unemployed. The candidates were presented by 125 public and social entities. The entities were responsible for entering the data of the candidates and booking the interview time in a proprietary computer application

4.2.2.1. Remuneration

Specifically, the Nominations Committee ensures that the procedures for selecting board members favour diversity with respect to the above issues and, in particular,

it seeks to facilitate the selection of female directors in a number that allows for a balanced presence of women and men. The Board's total remuneration is shown in the table below.

Thousands of euros	2022 Number of Directors	2023 Number of Directors	Average remuneration for the 2022 financial year	Average remuneration for the 2023 financial year	Variation
EXECUTIVE DIRECTORS (1)(3)(4)	4	3	4,663	6,099	+30.8%
Fixed remuneration			1,632	1,871	+14.7%
Variable remuneration (2)			2,177	3,448	+58.4%
Contributions to long-term savings systems			834	753	-9.7%
Other concepts			21	26	+26.8%
NON-EXECUTIVE DIRECTORS (5)	11	12	235	233	-0.9%
WOMEN (3)(4)	4	6	182	167	-8.4%
MEN (3)(4)	7	6	261	288	+10.4%

(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 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, 2022, the date on which they were appointed directors. In order to calculate the average remuneration, the effective time that each of the Board Members has held the position during the year is calculated.

(4) Includes the remuneration in 2023 of Antonio García Ferrer and Miquel i Roca Junyent until May 5, 2023, the date on which they ceased to be Board Members, and the remuneration of Lourdes Fraguas Gadea and Lourdes Máiz Carro from May 5, 2023, the date on which they were appointed as Board Members. In order to calculate the average remuneration, the effective time that each of the Board Members has held the position during the year is calculated.

(5) All non-executive directors, whether men or women, are remunerated equally for their membership of the ACS Board; the variation in total remuneration only reflects the number of committees to which each director belongs, the roles/functions within these committees and/or membership of other ACS Group company boards.

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 based on their basic salary and other cash incentives. The consolidated data show the weighted average broken down by gender, professional classification and age.

As noted above, the Group works to ensure that its remuneration policies adhere to the basic principle of equality. The differences in pay shown in the tables are mainly due to factors such as having different levels of responsibility in each category or due to the fact that the Group's various activities have, for example, professionals with different specialisations, workdays, levels of seniority, hazard levels and locations.

It is this diversification of activities and positions that 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 obtain a homogeneous evolution of wages and salaries in different years, given the variations of the weight that the different countries/activities represent out of the total, with the composition of the total wages changing significantly from year to year, and the effect of exchange rates. In 2023, the ACS Group continued to work on improving the reporting of information by publishing the remuneration of men and

women by job category in locations where it has significant operations. This means Spain, the United States and Australia, which represent more than 81.5% of the Group's employees.

In 2023, the ACS Group continued to analyse the wages of its employees to ensure that they are receiving decent pay that covers their basic needs in the various regions where the Group's employees work. In 2023 this analysis was carried out in Spain, which represents 59% of the Group's employees, as well as in HOCHTIEF's European and North American companies (Turner and Flatiron). Generally accepted living wage calculation methodologies (such as the "Anker Methodology" used in Spain) were used for this analysis. The variables included to calculate decent wages 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. For years, the ACS Group has been reviewing and adjusting the living wage calculations each year for the different regions in which it operates according to the evolution of certain variables such as inflation affecting the cost of living or the average number of people in a family unit. The ACS Group will continue expanding this analysis in the years to come.

Average annual remuneration (€)	2022(1)			2023(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)	113,544.9	86,031.1	-24.2%	117,836.0	89,010.6	-24.5%
Non-qualified technicians, similar positions and administration staff (3)	70,728.3	41,847.0	-40.8%	73,980.2	44,232.9	-40.2%
Operators and other staff						
Construction and Concessions (4)	43,672.1	52,935.2	+21.2%	43,622.8	55,164.5	+26.5%
Services	20,504.9	17,632.2	-14.0%	21,096.2	18,106.2	-14.2%

Average annual remuneration (€)	2022	2023
Age <35 years	36,877.2	38,285.9
Age between 35-50 years	39,809.7	42,668.5
Age >50 years (5)	35,526.7	36,842.4

(1) For the calculation of average salaries for both 2022 and 2023, the average salary data for the year including both fixed and variable salaries, as well as salary supplements are taken.

(2) This category includes senior management, executives and other university graduates. The salary differences by gender in this category are related to the heterogeneity of profiles in this category and the differences in remuneration 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 staff are also related to the heterogeneity of profiles in these categories.

(4) The salary differences by gender for the Operators and other staff 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. "Other" includes Corporation and energy activities.

(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.

Average annual remuneration (€)	2023		% Difference between average salaries (women-men)/ women
	Men	Women	
Senior management and university graduates	89,375.1	56,061.3	-37.3%
Non-qualified technicians, similar positions and administration staff	42,701.3	32,677.0	-23.5%
Operators and other staff			
Construction, Concessions and others (1)	25,841.1	16,949.8	-34.4%
Services	21,158.5	17,932.0	-15.2%

(1) "Others" include Corporation

Average annual remuneration (€)	2023		
	United States		
	Men	Women	% Difference between average salaries (women-men)/ women
Senior management and university graduates	152,644.9	127,094.5	-16.7%
Non-qualified technicians, similar positions and administration staff	141,229.2	66,683.6	-52.8%
Operators and other staff			
Construction and Concessions	80,387.0	79,349.7	-1.3%
Services	n.a.	n.a.	—%

Average annual remuneration (€)	2023		
	Australia		
	Men	Women	% Difference between average salaries (women-men)/ women
Senior management and university graduates	126,106.0	95,482.0	-24.3%
Non-qualified technicians, similar positions and administration staff	82,738.0	56,677.0	-31.5%
Operators and other staff			
Construction and Concessions	68,394.0	56,736.0	-17.0%
Services	n.a.	n.a.	—%



MINERAL PROCESSING, NEW SOUTH WALES, AUSTRALIA - © CIMIC

4.2.3. ORGANIZATION OF WORK AND SOCIAL RELATIONSHIPS

In recent years, the ACS Group has accelerated the trends and initiatives that ACS Group companies have been implementing in previous years such as time flexibility measures and promoting teleworking in the jobs that allow it, so as to promote work/life balance and employee well-being. Thus, Group companies employing 99.0% of the Group's employees have flexible working hours measures in place, with 25.0% of Group employees covered, and 95.7% have teleworking measures in place, with 29.5% of employees working in centres where they are implemented.

It should be noted that ACS Group employees have additional improvements in regard to their working conditions in terms of the legal provisions, such as more holidays, and an improvement in the conditions for a reduced working day. In Spain the number of weeks of legal maternity/paternity leave is 16 weeks, but in some Group companies, not only in Spain but also in other countries, a greater number of days of paternity/maternity leave, accumulation of breastfeeding periods or an increase in the number of days of breastfeeding is offered. Similarly, 97.1% of the Group's total employees work at Group companies that offer the possibility of part-time work to promote work/life balance.

As a result of these measures, in 2023, 86.2% of women came back to work after maternity leave and 94.7% of men, although in these ratios it is important to consider possible annual gaps (employees who have taken leave in the last months of the year and at the end of the year have not yet returned to work because they are still on leave). In addition, in Group companies representing 32.6% of the Group's total employees, paid parental leave is granted for the primary and non-primary caregiver above the legal minimum, and in some ACS Group companies, such as Dragados, workers are paid up to 100% of their normal pay during periods of parental/maternal leave. Similarly, in Spain there is legally paid leave to help promote breastfeeding, but in other Group companies outside Spain there are also facilities and/or benefits to promote

breastfeeding, so these initiatives are available in Group companies representing 99.4% of employees. In addition, in Group companies representing 16.7% of employees, paid leave is offered to care for family or other persons beyond parental leave

In Group companies that represent 65.7% of employees, childcare support is provided for employees' children through childcare vouchers, agreements with children's schools in the area, and other measures. There are also flexible wages (Salariflex), which include flexible remuneration and the option of including different items such as medical insurance, childcare or transport in the remuneration, in various ACS Group companies.

ACS Group companies do not currently have any formal employee digital disconnection policies in place, but one of the targets set in the 2025 Sustainability Master Plan is to implement 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 increase in 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.

Specific initiatives to promote physical health are offered at various Group workplaces. Some Group workplaces have sports facilities that are accessible free of charge to their employees or initiatives are carried out to promote sport. For example, in Germany, HOCHTIEF participates in the "Jobrad" bicycle hire programme to encourage employees to be more active and at the same time promote sustainable mobility.

EXAMPLES OF INITIATIVES IN ACS GROUP COMPANIES:

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.

There are currently 45 work/life balance measures in place, with the measures having been updated in the last quarter of 2023, incorporating new measures put in place in the Clece Equality Plan. In 2023, the Work/Life Balance Standard was renewed for a period of 3 years.

PAID LEAVE OF ABSENCE TO CARE FOR FAMILY MEMBERS (TURNER)

Turner has extended a directive to include paid family care leave. This leave provides four weeks' paid leave to care for a seriously ill family member and after the birth or adoption of a child. The benefits team has also introduced a retirement savings plan for non-union employees.

It is expected that these measures will promote work-life balance and decrease the absenteeism rate will decrease, which reached 1.4% in 2023 and translated into 3,672,610 hours of absenteeism.

	2020	2021	2022	2023
Total number of days missed (due to absenteeism)	459,332	425,897	495,876	544,357
Percentage of days missed due to absenteeism	1.2%	1.2%	1.4%	1.4%

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

	2022	2023
Total number of days missed (due to absenteeism)	3,330,738	3,672,610

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 organizations in 2023 was 7.5%,⁸ while 80.4% 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 99.2%, 79.8% of employees in companies with head offices in Germany, 26.7% for Australia and 21.1% in the United States and Canada. In regard to collective bargaining agreements related to health and safety, in 2023, 99.95% of

the ACS Group employees were represented on formal joint health and safety committees for management and employees, and 98.1% of the health and safety issues were covered by them. Over the course of 2023, these committees met more than 1,609 times.

The ACS Group companies promote and maintain channels of communication with the legal representatives of the employees, with the aim of maintaining labour relations based on communication between employees and the company.

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 4.5.



DATA CENTER EXPANSION, HONG KONG - © CIMIC

⁸ Scope of data: 76.9% of ACS Group employees

EXAMPLES OF AWARDS TO ACS GROUP COMPANIES:

FORBES CHOOSES ACS AS THE BEST SPANISH COMPANY TO WORK FOR IN THE "WORLD'S BEST EMPLOYERS 2023"

The ACS Group was recognised as the top Spanish company in the "World's Best Employers 2023" ranking by the prestigious US publication Forbes. The list, compiled from 170,000 employee surveys, includes the companies with the best working environment, with the most satisfied and proud employees.

To identify which companies offer interesting work and a positive environment, Forbes partnered with the research firm Statista to create the seventh annual list of the world's best employers, in which ACS Group is ranked among the world's top employers.

The responses to the surveys were coded in a scoring system and the 700 companies with the highest scores made the final list, which covers 43 countries and in which the ACS Group stood out as the best Spanish company to work for.



AMERICA'S GREATEST WORKPLACES FOR DIVERSITY (TURNER)

The US magazine Newsweek once again recognised Turner as one of the best places to work for diversity in the US in 2023. The rankings are based on a review of publicly available data, interviews with human resources professionals and an anonymous employee survey, which resulted in more than 350,000 ratings of the company.

4.2.4. RISK MANAGEMENT IN HR QUESTIONS

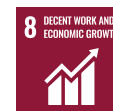
The functions attributed to the Audit Committee of the Group's Board of Directors include the review, monitoring and assessment of the Group's Sustainability Policy, as well as the other related internal regulations, including the Code of Conduct, Diversity Policy, as well as the Human Rights Policy, 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 included in its risks map and the materiality analysis, the Group has

prioritised the risks based on their potential relevance for the company's activity in relation to occupational health and safety, 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>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 employees' satisfaction and their 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 that forms part 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. - Reduced 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 4.2. 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 - Human Rights due diligence processes. - 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 that forms part 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 4.2, 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 - Human Rights due diligence processes. - 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 that forms part 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 define training and professional and personal development programs, and assess their impact on participants. 	<p>Indicators presented throughout this chapter 4.2, such as:</p> <ul style="list-style-type: none"> - Strategies for attracting, developing and retaining talent - Training hours, investment in training, employees trained, formados 	<ul style="list-style-type: none"> • Code of Conduct. • Diversity policy. • Talent Development and Assessment Policy. • Sustainability Policy. • Human Rights Policy • Risk Control Policy.



4.3. OCCUPATIONAL HEALTH AND SAFETY

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, over the course of 2023, the investment in occupational health and safety made by the Group's companies amounted to EUR 954 per employee.

	2020	2021	2022(1)	2023
Investment on Health & Safety (€ mn)	148	132	150	142
Spending per employee on Safety (euros)	1,115.5	1,028.9	1,072.2	954.1

Note: For the sake of comparability, 2020 is restated following the sale of Industrial Services in December 2021, and Thies, following the sale of a 50% stake in December 2020 and its change to the equity method in 2021.

(1) Data for 2021 has been restated with the latest available data and for 2022, it is restated with the latest available data and perimeter changes to adjust it to the methodology followed in 2023.

Although each Group company is independently managed and has its own action plans, they abide by certain principles and objectives in managing 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.



Occupational Health and Safety Policy

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 the communication, consultation and active involvement of staff and, where they exist, their representatives on health and safety aspects as an

essential aspect in the implementation of 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.

To ensure effective health and safety management, 100% of the ACS Group companies have implemented occupational health and safety systems. To guarantee they are implemented and managed correctly, 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 2023 the Group companies whose health and safety systems are certified by an external one cover 100% of the Group's employees and ISO 45001 certification among the Group companies reached 92.0% of Group employees. The level of ISO 45001 certification increased compared to 2022 thanks to the initiatives carried out in ACS Group companies, especially in Dragados, which already has 100.0% of its employees certified, and Hochtief, which in 2023 reached 98.7% of certified employees (vs. 82.0% in 2022). At Clece, the level of certification is 87.0%.

The certification of management systems is one of the key objectives of the ACS Group's new 2025 Sustainability Master Plan, which establishes the objective of exceeding 97% of employees covered by this certification by 2025. Therefore, the Group's companies will continue with their certification plans in 2024 to achieve the defined objectives, and in 2024 Clece plans to begin the certification process for its subsidiaries in Portugal and the United Kingdom.

	2020	2021	2022	2023
Percentage of total employees covered by OSHAS 18001 or ISO45001 certification	90.8%	91.6%	87.4%	92.0%

Note: For the sake of comparability, 2020 is restated following the sale of Industrial Services in December 2021, and Thies, following the sale of a 50% stake in December 2020 and its change to the equity method in 2021. The 2021 data have been corrected with the latest available data and in 2022 are restated with the latest available data and variation of the perimeter to bring it into line with the methodology followed in 2023. In 2022 and 2023, the scope of the data is 99.4% and 99.5% of employees, compared to 94.2% in 2021, which explains the drop in the data in 2022 compared to 2021.

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

- A 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 the occupational risk prevention teams, as part of the ongoing improvement process, to assess new risks and implement the measures necessary to prevent and manage them.

In this way, workers are actively encouraged to get involved in occupational health and safety, through, for example, using what are known as "Blue Cards" at Dragados, designed for workers to report hazards, incidents, good practices, proposals for recognition or any other matter aimed at improving peoples' health and safety. Employees are also engaged by recognising workers who contribute the most to prevention, and those who have contributed the most to prevention and in 2023 CIMIC continued with its Safety Leadership Score (SLS) programme, which supports the identification, evaluation and proactive improvement of

critical risk controls, rewarding the identification of opportunities for improvement and monitoring the implementation of the measures identified.

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.

The Group is getting closer and closer to reaching the goal of zero accidents thanks to the work of the prevention services and the commitment of employees, suppliers, contractors and collaborating companies. Furthermore, using new technologies and innovative procedures to prevent occupational risks is one of the main lines of action that the Group's companies are working on. For example, in recent years Dragados has been using aerial drones on some projects to monitor the progress of works and identify hazardous conditions. At Dragados and Hochtief Infrastructure, using exoskeletons was introduced to reduce injuries related to overexertion and repetitive movements. At Hochtief, as part of the M80 motorway project, CPB Contractors tried using an automated traffic cone vehicle to reduce manual handling and the risks associated with traffic management. Another example is the Sydney Metro project, performed by Cimic, where the construction machinery was equipped with enclosed plastic cabins to help prevent dust inhalation and exposure to silica dust when working underground. Dragados has also made use of welder's masks, which have air supply equipment that provides the worker with optimal protection and eliminates the need to wear a mask or respirator, improving worker comfort and mobility.

The ACS Group's commitment to Health and Safety has received external recognition through various awards given to the Group's companies and projects. Thus, in 2023, the Gordie Howe Bridge project in Canada won the "John Beck Safest Project" award in Ontario for the third consecutive year. The S3 Troszyn-Swinoujscie road construction project in Poland also received the "Together for security. 2023" award from the State Labour Inspectorate. Turner was recognised with the Construction User Roundtable's "2023 Construction Industry Safety Excellence Award".

EXAMPLES OF INITIATIVES BY ACS GROUP COMPANIES IN OCCUPATIONAL HEALTH AND SAFETY

USE OF NEW TECHNOLOGIES IN DRAGADOS TO PREVENT ACCIDENTS

Pedestrian detection system on construction site machinery and vehicles.

To improve the detection of workers in the vicinity of machinery and vehicles on construction sites and reduce the risk of being run over or trapped, mainly when moving or turning sharply and with poor visibility, Dragados has developed a solution that can be installed on any type of machinery on a construction site, or that can be rented/subcontracted.

The equipment consists of a system of cameras with artificial intelligence algorithms and continuous learning, which analyse the images captured, recognising only the people in the configured area. The information is displayed on a screen located in the control area of the operator's vehicle or device, and warns when a detection occurs by framing the image of the pedestrian and emitting an audible alarm. This makes it possible to detect people at a sufficient distance, so that with a device moving at normal working speeds, the operator has sufficient reaction time to avoid an accident.

The ease of installation and configuration of the equipment, and the fact that its assembly does not involve manipulating the device's own systems, makes it a highly versatile solution that can be used on a large number of construction sites all over the world.

Driving behaviour monitoring

Pol-Aqua has installed a system in its fleet of vehicles to monitor the driving behaviour of its staff. The system records parameters such as speeding and sudden acceleration or braking, and it can take video footage of the events. The data collected can be used to classify drivers according to their safe driving and to collect evidence in case disciplinary measures are necessary. The system is complemented by a real limitation of the maximum speed of vehicles.



REM CONSTRUCTION SITE QUEBEC, CANADA - © DRAGADOS

Use of remotely controlled equipment.

Pol-Aqua has started using remote-controlled rammer compactors that not only reduce the likelihood of operator entrapment, but also completely eliminate exposure to the vibrations inherent to the equipment.

INNOVATION PROJECTS IN THE HONG KONG WATERFRONT PROJECT (LEIGHTON ASIA)

The joint venture led by Leighton Asia is building the 2.2 kilometre long and 10 metre wide promenade along Victoria Harbour in Hong Kong. The waterfront promenade will connect Hong Kong Island's districts from east to west and improve services and facilities in the harbour.

In mid-2023, the first section of the boardwalk platform was successfully installed and fabricated in Guangdong and transported by barge to the site. Modularisation helps reduce material efficiency, increases manufacturing productivity and improves project safety

Other digital technologies that were implemented in the project and that help in risk management are:

- Smart rescue robot: supports safe and fast sea rescue operations and can be operated from land with a remote control during adverse weather conditions or strong currents.
- Mobile mapping system: mounted on vehicles and vessels to collect mapping data safely, accurately and efficiently, reducing collection and processing time from one week to about two hours.
- Underwater robot: collects detailed data on the state of the underwater silt, eliminating risks for the workers involved in these tasks.



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 2023, 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. Turner works with the organisation *Wellness Workdays* and has established an extended wellness programme for its employees that includes training videos and access to psychologists who specialise in helping employees cope with stressful situations at work and at home. In 2023, UGL continued with its Peer Support Program initiative that trains workers who volunteer on how to recognise when their teammates are at risk and how to provide confidential support.

EXAMPLES OF INITIATIVES BY ACS GROUP COMPANIES IN OCCUPATIONAL HEALTH AND SAFETY:

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: health programmes with physical exercises with a wide range of functional modules; specific training 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.



CLECE BIENESTAR DIGITAL PLATFORM - © CLECE

4.3.1. TRAINING

The ACS Group believes that one of the basic points of action in effective occupational health and safety management 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 2023, 100% of ACS

Group employees received health and safety training throughout their career with the Company. In addition, in 2023, 69.5% of ACS Group employees received health and safety training.

	2022	2023
Employees who have been trained in health and safety over the year (%)	71.0%	69.5%
Employees who have received training in health and safety throughout their career at the company (%)	100.0%	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 depending on the type of business and the risks involved, such as safe driving of light vehicles, fire prevention, operation of specific machinery and joint health. Other courses include training focused on the mental well-being of workers, such as mental health and emotional health. For example, in Dragados USA all projects have a wellness programme associated with them, and in Dragados Spain specific wellness/emotional health courses are provided, which include techniques for identifying situations that can cause stress, as well as the factors and tools for managing them. In Flatiron, a mental health first aid training course was provided in 2023.

In addition to these training programmes, the ACS Group's companies organise seminars and awareness-raising projects for their employees in relation to occupational health and safety. In 2023, "Occupational Safety Day" in

HOCHTIEF's Europe division was expanded to include health issues for the first time, making it "Occupational Safety and Health Day", and covering topics such as fall protection and carrying out a wide range of activities, some with the participation of the Executive Board. In the US, the group companies Turner and Flatiron participated again in the Construction Safety Week in May 2023; the theme was "Strong Voices, Safe Choices". This also marked the 19th annual safety day for Turner, with work at more than 1,500 construction sites halted to address safety issues.

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. These associations notably include: the British Safety Council in the United Kingdom, the National Safety Council in the United States, the Prevention Committee of the Spanish Association of Construction Companies and Infrastructure Concessionaires (SEOPAN) and the Spanish Association of Internal Prevention Services [Asociación Española de Servicios de Prevención Propios] in Spain.

EXAMPLES OF INITIATIVES BY ACS GROUP COMPANIES IN TRAINING

ORP TRAINING PLATFORM (CLECE)

Clece is working to create a tool that will help them to provide online health and safety training for their workers, using an attractive and dynamic format that facilitates understanding and compliance by the workers. Features of the tool:

- Microlearning: short modules.
- Simple language and tone: appropriate to the target audience and with a light-hearted tone as an element of engagement for the target audience.
- Branching: creation of a common corpus with 4 starting modules of a total duration of approximately 30 minutes, plus 1 specific module for each of the branches: home assistance service, indoor cleaning, residential homes, PRM in airports, hospital cleaning, private security.
- Practical training: with role playing and infographics.
- Didactic: reinforcing the fundamental tips with graphic support.
- Traceability: to confirm that users have completed the course.
- Responsive: Optimised for viewing on mobile devices.
- These courses provide prevention service technicians and service managers with another tool for training workers in risks and preventive measures, to reach the services that, due to their dispersion or volume, need support in addition to face-to-face training.

4.3.2. 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. Thus, at the consolidated level, the accident rates have decreased by between 1.4% to 1.8% compared to 2022, thanks to the significant decrease in the Construction business.

However, in 2023 the indices were affected by the increase in accident rates in Services, which is a staff-intensive activity, representing more than 61% of the Group's employees and whose accident rates are historically higher due to the nature of the activity. In Services, the accident rates have increased due to the increase in activity and more specifically due to the home assistance activity which, due to its characteristics (physical effort, performance of tasks in private homes, etc.), has a higher accident rate than the rest of the activities, representing 40% of the total number of accidents resulting in sick leave at Clece. It should be noted that of the 3,696 occupational accidents with sick leave recorded at Clece in 2023, only 9 can be considered serious, with the remaining accidents

recorded in this area being mild in nature and are mainly related to musculoskeletal disorders caused by overexertion or blows from objects. The Services area has taken measures to reduce accident rates. Comparing the rates of claims for services compared to 2019, there was a 4.1% 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 Construction, which represents 38% of the Group's employees, the downward trend continues and the frequency rate was reduced by 37.8% compared to 2019 and by 25.5% compared to 2022, thanks to the continuous improvement process and initiatives carried out by the subsidiaries.

In line with our commitment to continuous improvement in the scope and reporting of non-financial information, for the first time the 2023 report includes the information from other ACS Group subsidiaries that include corporate, real estate and energy activities.

The accident rates presented in the table below were audited by an external auditor, as shown in the Audit Report on page 268-271 of this report.

ACCIDENT RATES. OWN EMPLOYEES	2019	2020	2021	2022(5)	2023
Frequency (1)	14.36	11.84	13.60	14.95	14.67
Severity (2)	0.37	0.34	0.38	0.46	0.45
Incident rate (3)	26.60	21.60	25.60	26.79	26.37

ACCIDENT RATES. OWN EMPLOYEES	2019	2020	2021	2022(5)	2023
Frequency (1)	14.36	11.84	13.60	14.95	14.67
Construction	2.66	2.32	2.62	2.22	1.65
Concessions	0.00	0.00	3.63	16.93	5.59
Services	27.04	21.16	23.16	25.93	26.87
Corporation & others (4)	n.d.	n.d.	n.d.	0.00	5.29
Severity (2)	0.37	0.34	0.38	0.46	0.45
Construction	0.10	0.08	0.09	0.08	0.05
Concessions	0.00	0.00	0.04	0.47	0.11
Services	0.67	0.59	0.64	0.79	0.82
Corporation & others (4)	n.d.	n.d.	n.d.	0.00	0.02
Incident rate (3)	26.60	21.60	25.60	26.79	26.37
Construction	5.55	4.74	5.26	4.42	3.29
Concessions	0.00	0.00	6.13	31.33	9.90
Services	44.61	34.91	41.42	42.78	44.33
Corporation & others (4)	n.d.	n.d.	n.d.	0.00	5.98

Note: For comparability, 2020 is restated following the sale of Industrial Services in December 2021, and Thies, following the sale of a 50% interest in December 2020 and its equity method in 2021, as well as improvements in the 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.

(4) In 2022 includes Corporation and real estate activities. In 2023 includes Corporation, real estate and energy data.

(5) Data for 2022 have been restated with the change in scope and methodology for 2023.

EXAMPLES OF INITIATIVES BY ACS GROUP COMPANIES IN OCCUPATIONAL HEALTH AND SAFETY:

COMMITMENT TO OCCUPATIONAL HEALTH AND SAFETY OF CLECE EMPLOYEES

The Clece Group is firmly committed to the Health and Safety of its workers and is actively working to establish measures to reduce its accident rates in an activity with very specific characteristics due to the intensity of its human capital and due to conduct certain activities offsite, such as home assistance services which are carried out in private homes. Thus, in 2023, Clece established the following initiatives:

- Accident reduction protocol with Mutua Universal including:
 - Actions to raise awareness and sensitise managers to their responsibilities in the prevention of occupational hazards and the investigation of accidents at work.
 - Technical advice on drawing up job descriptions for the various jobs.
 - Ergonomic advice for jobs with musculoskeletal problems (e.g. cleaning in hospitals, nursing home assistants, home care assistants).
 - Specialised advice on ergonomics from Mutua Universal's ergonomics laboratory.
 - Calendar of specific prevention and health promotion campaigns.
- Employee risk prevention training: approximately 190,000 hours of health and safety training were provided in 2023.
- Platform for on-line training in occupational risk prevention to achieve greater capacity for the prevention service to provide training at sites that are spread out or have a higher volume of workers.
- Awareness-raising in home assistance services through text messages on occupational risk prevention, through messages to workers' mobile phones, safety inspections, etc.



INTEGRATED SERVICES, SPAIN - © CLECE

As noted above, the nature of its business means that the Services activity has historically been associated with a higher incidence and frequency rate. Given the weight that the Services activity has in the Group's consolidated

indicators, particularly in the breakdown by gender, as this is where the highest concentration of women is found in the ACS Group.

	2022(1)		2023	
Accident rate	Men	Women	Men	Women
Frequency	7.48	22.24	7.15	22.30
Construction	2.57	0.56	1.93	0.44
Concessions	20.18	9.38	7.78	0.00
Services	23.97	26.44	25.87	27.13
Corporation & others (1)	n.d.	n.d.	0.00	25.34
Severity	0.25	0.66	0.23	0.68
Construction	0.09	0.02	0.06	0.01
Concessions	0.25	0.98	0.16	0.00
Services	0.79	0.79	0.81	0.83
Corporation & others (1)	n.d.	n.d.	0.00	0.08
Incident rate	14.24	37.31	13.62	37.48
Construction	5.13	1.02	3.85	0.80
Concessions	36.10	18.87	13.75	0.00
Services	39.56	43.63	42.69	44.77
Corporation & others (1)	n.d.	n.d.	0.00	21.90

(1) In 2022 includes data from Corporation and real estate activities. In 2023 includes data from Corporation, real estate and energy activities.

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.

In 2023, there were 122 cases of occupational illness. The increase compared to 2022 was largely due to the increase in silicosis and mental illness related claims in HOCHTIEF's Asia Pacific division. These two issues were the focus of campaigns and enquiries by the Australian Government and have led to changes in health and safety legislation. None

of these occupational illnesses resulted in the death of the employee. The main types of occupational illnesses are, for the most part, due to ergonomic injuries that vary according to the type of activity carried out (the most common ones 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.

	2022(2)	2023
Total number of cases of occupational diseases (employees)	65	122
Total number of cases of occupational diseases (Male employees)	37	97
Total number of cases of occupational diseases (Female employees)	28	25
Occupational Disease Frequency Rate (employees)(1)	0.259	0.458
Occupational Disease Frequency Rate (Male employees)	0.298	0.723
Occupational Disease Frequency Rate (Female employees)	0.221	0.189

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

(2) In 2022 includes data from Corporation and real estate activities. In 2023 includes data from Corporation, real estate and energy activities.

ACCIDENT RATE INDICES. 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's Business Partners, including subcontractors acting on behalf of the Group, joint ventures, temporary joint ventures and other

equivalent partnerships, provided that the Group assumes operational control. For the other Business Partners, the company will assess whether their own policies are in line with ACS Group policies and, where appropriate, will work to have them adhere to them.

In 2023, no cases of occupational illness or death 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	2020	2021	2022(3)	2023
Frequency (1)	3.36	3.01	2.92	2.59
Severity (2)	0.10	0.12	0.11	0.08

	2020	2021	2022(3)	2023
Frequency (1)	3.36	3.01	2.92	2.59
Construction	3.34	3.00	2.91	2.59
Concessions	12.87	7.68	10.03	0.00
Services (4)	—	—	—	—
Corporation & others (5)	n.d.	n.d.	—	—
Severity (2)	0.10	0.12	0.11	0.08
Construction	0.10	0.12	0.11	0.08
Concessions	0.00	0.03	0.02	0.00
Services (4)	—	—	—	—
Corporation & others (5)	n.d.	n.d.	—	—

Note: For comparability, 2020 is restated following the sale of Industrial Services in December 2021, and Thiess, following the sale of a 50% interest in December 2020 and its equity method in 2021.

(1) Frequency Rate (LTIFR): Number of lost-time 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) Data for 2022 have been restated with the perimeter changes and methodology variation for the year 2023.

(4) Given that Clece does not work with subcontractors, the indicators for the Services activity are reduced to 0.

(5) 2022 includes data from Corporation and real estate activities. In 2023, data from Corporation, real estate and energy activities are included.

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 2023, 89.4% of the Group's contractors received training in the reporting year and 100% throughout their relationship with the ACS Group. In

addition, in the companies of the Dragados Group, 289,879 hours of training were given to contractors, an increase of 43.6% over the previous year. 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.

4.3.3. MANAGEMENT OF HEALTH AND SAFETY RISKS

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 are the ones that develop these policies in accordance with each of their characteristics and needs, but always maintaining the common management principles described in the Occupational

Health and Safety Policy, focused on the objective of zero accidents.

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

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 that forms part 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, and reducing the rate of accident rates for internal employees in Health and Safety. 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 an 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 4.3. 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



MACKAY UGL WORKSHOP, AUSTRALIA - © CIMIC

4.4. REGULATORY COMPLIANCE

4.4.1. 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 organizations. Bearing the content of both these rules in mind, in December 2021 ACS's Board of Directors approved its Corporate Governance Policy in which reference was already made to the organization's Global Compliance Management System, which aims to implement a model that respects the Group's highly decentralized management structure, allows the Audit Committee of the Spanish listed parent company's Board 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. A continuous process of interacting between organizational elements is thus defined to establish Policies, Objectives and Processes so that it can efficiently and sustainably comply with its obligations in the long term, generating evidence of the organization's commitment to compliance and taking into account the needs and expectations of all its 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, these are its main elements:

- 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.



General Compliance Policy

- 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 Organization 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.

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

To promote the adoption of their own compliance management model by subsidiaries, which can be understood as robust, ACS Group's parent implements a double control system:

- Implementation and development of a homogeneous standards system for subsidiaries that aims to ensure that all Group subsidiaries have a certified compliance management system or, at least, one that can be understood as certifiable. This system will make it possible to detect those subsidiaries that have deficiencies and that do not reach the minimum level of homogeneity of the group. This will include a risk control system represented by the subsidiaries as a whole that, in turn, will make it possible to detect where there is greater vulnerability to indirect risks from subsidiaries.
- 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 ACS Group's highly decentralized management model, the Group's parent company promotes



the adoption of its own specific compliance management model by each of the subsidiaries, although aligned with common regulatory standards and Policies. In this sense, the use of a tool such as the Global Compliance Report among the Group's companies to assess the risks that each of their independent compliance management systems represent for the parent company should be understood. The parent company thus has, at least, a mechanism for reporting and understanding the risks to which it is exposed so that its directors can comply with their general duty of oversight and proper care.

With this information, it can operate with the indirect risks arising from the subsidiaries, implementing and developing a second line of internal control, in addition to the specific systems of the subsidiaries.

This allows medium-intensity control without daily involvement in the compliance management of the subsidiary that is based on a system of reports from the subsidiary to the Parent. The homogeneous reporting system at group level provides the basis for the existence of due control by the parent company over the subsidiaries, promoting the adoption of their own compliance management systems by the subsidiaries, without prejudice to the supervision and control function that corresponds to the parent company.

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 2023, includes the following sections:

- I. Criminal and anti-bribery compliance obligations.
- II. Compliance personnel and responsibilities.
- III. Business Partners. External care and risk assessment.
- IV. Compliance training and communication.
- V. Controls, targets and resources.
- VI. Audit and monitoring.
- VII. Whistleblower channel.
- VIII. Internal investigation procedure.
- IX. Disciplinary regime.
- X. Breaches, analyses and corrective actions.
- XI. Competition law.
- 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 and anti-bribery matrix, which includes both the risks to which the individual listed 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. In September 2022, the

new matrix of risks and controls in the criminal and anti-bribery area of the Group's parent company was added to this matrix of risks and controls in the area of tax compliance.

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

4.4.3. 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.



Compliance policies and procedures in the ACS Group

Fulfilling the objectives set by the Compliance Committee for 2023, the organization's internal rules have been reviewed and updated, making major improvements that include:

- **Approval of a new ACS Group Community Investment, Sponsorship, Patronage and Philanthropic Donations Policy.** The ACS Group has had a Social Action Policy since 2012, which required an update of both its format and content. This Policy was approved to bring the Group in line with the new internal and external requirements.
- **Approval of a new International Sanctions Compliance Policy.** Due to regulatory changes and the increasing importance of international sanctions, this Policy was developed to ensure integrity and respect for international trade rules within the ACS Group, in line with its core values.
- **Updating of the Supplier Contracting Procedure,** to comply with the new security and audit requirements for IT contracts.
- **Approval of the Compliance Obligation Identification and Impact Assessment Procedure,** which develops the system for managing compliance obligations, including the guidelines that are implemented and that make the management system robust.
- **Amendment of the Statement of Compliance Annex to the Code of Conduct for Business Partners,** as a consequence of the approval of the International Sanctions Compliance Policy.
- **Approval of the Policy and Procedure for Using Technological Media,** in compliance with the Spanish Data Protection Act [Ley Orgánica 3/2018, de 5 de diciembre, de Protección de Datos Personales y Garantía de los Derechos Digitales].

- **Updating of the ACS Whistleblowing Channel Operation Policy and renaming of the Procedure for managing reports received through the ACS Whistleblowing Channel**, following the entry into force of the new Whistleblower Protection Act and international standard ISO 37002:2021.
- Approval of the Policy on Participation in and Monitoring of Sector Associations, within the framework of the growing interest on the part of stakeholders, specifically sustainability and ratings indexes, in learning about how the ACS Group manages its participation in sector associations and how it monitors and supervises them. The interest in this issue comes, on the one hand, from the need to ensure that the Group, through its participation in these associations, is adhering to its compliance policies, and on the other hand the need to assess whether the associations it participates in are aligned with the Group's policies and principles.

4.4.4. 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 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 2023, all the objectives set by the Committee in terms of criminal Compliance and anti-bribery were achieved, mainly by improving and strengthening the risk matrix and the criminal and anti-bribery controls, by updating the determination of applicability of the risks and the controls associated with each type of offence, and verifying the effectiveness of those controls, to ultimately decrease the current residual risk corresponding to each offence described in the model.

The update and review of the risk matrix and criminal and anti-bribery controls was carried out from May to September 2023, 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 audit and Aenor's certification reports. Furthermore, following the entry into force of Organic Law 3/2023, of 28 March, amending the Spanish Criminal Code [Ley Orgánica 10/1995, de 23 de noviembre, del Código Penal] with regard to animal abuse, and Organic Law 4/2023, of 27 April, amending the Criminal Code with regard to offences against sexual freedom, the Spanish Criminal Procedure Act [Ley de Enjuiciamiento Criminal] and the Spanish Criminal Liability of Minors Act [Ley Orgánica 5/2000, de 12 de enero, reguladora de la responsabilidad penal de los menores], the Catalogue of Prohibited Conduct and parameters of behaviour expected of ACS were duly updated and the new criminal offences by legal entities were introduced and updated 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 actors and 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 the Group's companies, the Board approved, in compliance with the strategic objectives set in the General Compliance Policy, the Compliance Policy for Third Parties at its meeting held on 27 February 2023.

→ **Policy to comply with international sanctions imposed on third parties**

In relation to the prohibition against acts of corruption, which is included in the ACS Group Code of Conduct, ACS Group companies must 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.

Of special note in this regard is the Board's approval of the new ACS Group Community Investment, Sponsorship, Patronage and Philanthropic Donations Policy on 27 February 2023, which complies with the certifiable standards in criminal and anti-bribery matters, anti-money laundering and countering the financing of terrorism, and with the new Spanish and EU legislation on corporate due diligence and reporting on sustainability (the proposed EU Corporate Due Diligence and Corporate Sustainability Reporting Directives) and the various requirements of our stakeholders.

4.4.5. 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 transversally through its Global Compliance Management System, which articulates, among other internal rules, those aimed at ensuring compliance and supervision of Human Rights in all ACS Group Divisions, configuring the Group's Human Rights Due Diligence management system (the "System"), which consists of the following policies and procedures:

- 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.



Human Rights Policy

- 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:



Corporate Protocol on Due Diligence in regard to Human Rights

- i. 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.
- ii. Chapter XIV 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.
- iii. 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 submitted to the Audit Committee of the ACS Group's 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. This helps identify, prevent, mitigate, monitor and rectify any possible adverse effects on human rights related to ACS's activity (due to causing them, contributing to them and/or being directly or indirectly associated with them), and defines the procedures for potential victims of that conduct and/or their legitimate representatives to file any complaints or claims.

The results obtained in Chapter XIV of the Global Compliance 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 for all ACS Group Divisions to continuously extend and strengthen their processes in both direct transactions and the global value chain.

In 2023, 83.4% of the ACS Group's operations were assessed in terms of human rights over the life of the project, advancing towards the target set by the ACS Group in the 2025 Sustainability Master Plan - namely, assessing 100% of its internal operations by 2025.

In 2023, 20 complaints were filed against subsidiaries of the ACS Group for human rights violations. In all the cases, these complaints were filed by workers, former workers or contractors in relation to labour issues or discrimination, all of them in the United States. Of the 20 complaints, only two remain active as of March 2024, with the remaining 18 having been resolved without legal sanctions for any of the Group's subsidiaries, demonstrating that the existence of these complaints is not indicative of guilt in any given matter and does not imply any significant risk.

In 2023, the Protocol's guidelines were strengthened in the area of detecting and remediating adverse impacts that the Group may have contributed to within the scope of its

4.4.6. 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 contains information on the 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 4.1 of this report.

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

In October 2023, an independent expert conducted 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.

responsibility. The identification and assessment of the adverse effects in this level will therefore be configured in accordance with the Human Rights Policy and the Corporate Due Diligence Protocol, so that the best prevention, mitigation and remediation measures can be put in place.

In 2023, 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 was the progress in human rights made by HOCHTIEF, the main company of the ACS Group in terms of turnover, whose initiatives are discussed in its 2023 Annual Report.

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

- a. The Environmental Policy of ACS, Actividades de Construcción y Servicios S.A., applicable to all Group companies
- b. The 2025 PDS - 2025 Sustainability Master Plan
- c. Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020, on the EU 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 the Spanish Climate Change and Energy Transition Act [*Ley 7/2021, del 20 de mayo, de cambio climático y transición energética*] introduced the obligation to disclose 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 Disclosures (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 for all divisions of the ACS Group to extend and continuously strengthen their processes in both direct transactions and the global value chain.

4.4.7. 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, with the main tool being the Information Security Master Plan that is aligned first with the business objectives and on the other hand with the Information Security Policy itself.



Information Security Policy

In 2023 this Master Plan changed to respond to current risk situations, with a particular focus on implementing security

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 use the National Institute of Standards and Technology (NIST) cybersecurity framework as its basis, which consists of five simultaneous and continuous duties: Report, Protect, Detect, Respond, and Recover, divided into 150 controls, which are a guide for effectively protecting information systems against cyber-attacks, focusing efforts on those parties that require greater attention.

4.4.8. 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.



Competition Policy and Compliance Protocol

In 2023 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, the whistleblower channel, the compliance officer, the risk map, the control matrix and the disciplinary system/incentive system among others.
- b. The 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 Policy and Protocol were taken into account.

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 and Premature deletion from the Competition Register due to self-cleaning (a practical guide)* from the German competition authority (Bundeskartellamt).
- Australia: The Australian Competition and Consumer Commission's *Competition and Consumer Compliance Program*.
- Canada: The Competition Bureau of Canada's *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.

- A. 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 of them 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.

4.4.9. TAX COMPLIANCE

In 2023, 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.
- Review of UNE 19602: 2019 on Tax Compliance Management Systems, 2023.

- Tax compliance training plan.
- Tax risk and control matrix.
- Tax Compliance risk monitoring 2023.
- 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.



WEST GATE TUNNEL PROJECT, AUSTRALIA - © CIMIC

4.4.10. TRAINING

2023

Scope of the training plans regarding the company's human rights, ethics, integrity, conduct or compliance procedures (% of employees)	99.9%
Number of employees trained in Human Rights, Ethics, Integrity, Conduct in the year or other compliance policies and procedures	122,146

In line with the Training Matrix approved by the Compliance Committee for 2023, a series of videos were produced on subjects of interest in Compliance, most of them with the help of external advisors specialised in the field, such as:

- The proposed EU corporate sustainability due diligence directive.
- The new framework for non-financial reporting on sustainability. The CSRD Directive 2022/2464 of the European Parliament and of the Council of 14 December 2022.
- The impact of the Whistleblower Protection Act on the ACS Whistleblowing Channel, by KPMG.
- Cybersecurity objectives to be met in 2023-2024, by ACS's Corporate Chief Information Security Officer.
- The New Code of Cybersecurity Good Governance, by ECIJA Abogados and ACS's Corporate Chief Information Security Officer.
- Organisational Governance and Compliance Culture, by ECIJA Abogados and the ACS Compliance Director.

- Tax Compliance in the Organisational Governance model, by PwC.
- The Compliance function within the organisation, by PwC and the ACS Compliance Director.
- The CNMV's Code of Best Practices for Institutional Investors and their Asset Managers, by ECIJA Abogados.

These videos were published on the employee training website and on the intranet and sent to all the Board Members.

In addition, on 25 September 2023, a lecture was given to the entire organisation by a Professor of White Collar Crime and Corporate Law and an Associate of Corporate Defence, on Criminal Liability of Legal Entities: cascading criminal liability, the Global Compliance Report and corrective actions. In this presentation, the Committee's experience in monitoring the Compliance System of the subsidiaries through the Global Compliance Report between 2021 and 2023 was introduced for the first time, with the data anonymised. The same presentation was given to the full Board of Directors on 14 December 2023. The full Board of Directors is ensured annual compliance risk training.

4.4.11. CHANGES IN THE INTERNAL AND EXTERNAL CIRCUMSTANCES OF THE ORGANISATION

The annual compliance monitoring report for 2023, submitted to the Audit Committee at its meeting held on 29 February 2024, included the following changes in the legal or regulatory context considered to be circumstances relevant to the organisation:

i. In terms of external factors:

Regulatory and policy changes in 2023:

- 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, and amending Regulation (EU) 2019/2088. From 1 January 2023, non-financial companies obliged to disclose the share of their economic activities that are or are not aligned the taxonomy's climate targets will have to make public a set of key performance indicators.
- The CNMV's Code of Best Practices for Institutional Investors, Asset Managers and Proxy Advisors in relation to their duties in respect of assets entrusted or services provided, published on 22 February 2023, the main objective of which is to encourage responsible, long-term oriented investment by institutional investors, asset managers and proxy advisors, so as to promote the sustainability of the entities in which they invest.
- Organic Law 6/2022, of 12 July, which supplemented the Spanish Equal Opportunities and Anti-Discrimination Act [*Ley 15/2022, de 12 de julio, integral para la igualdad de trato y la no discriminación*], and amending the Criminal Code; ACS's Catalogue of Prohibited Conducts and Parameters of Expected Behaviour were duly updated.
- The Spanish Rules Facilitating the Use of Financial and Non-Financial Information for the Prevention, Detection, Investigation and Prosecution of Criminal Offences [*Ley Orgánica 9/2022, de 28 de julio, por la que se establecen normas que faciliten el uso de información financiera y de otro tipo para la prevención, detección, investigación o enjuiciamiento de infracciones penales*], amending the Spanish Autonomous Region Financing Act [*Ley Orgánica 8/1980, de 22 de septiembre, de Financiación de las Comunidades Autónomas*] and other related provisions, and amending the Criminal Code. In particular, ACS's Catalogue of Prohibited Conduct and Parameters of Expected Behaviour were duly updated.

- The Spanish Comprehensive Guarantee of Sexual Freedom Act [*Ley Orgánica 10/2022, de 6 de septiembre, de garantía integral de la libertad sexual*], which amended the Criminal Code by introducing, among other aspects, criminal liability for legal persons for sexual harassment offences and crimes against moral integrity. Due to that Act's amendments to the Criminal Code, ACS's Catalogue of Prohibited Conducts and Parameters of Expected Behaviour were duly updated.
 - Organic Law 11/2022, of 13 September, amending the Criminal Code with regard to reckless driving of motor vehicles and motorcycles. As a result, ACS's Catalogue of Prohibited Conduct and Parameters of Expected Behaviour were duly updated.
 - Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022, as regards corporate sustainability reporting (CSRD), amending Directive (EU) 2014/95 of the European Parliament and of the Council of 22 October 2014. To this end, the Directive requires companies within its scope to report their non-financial information in accordance with certain common standards.
 - Organic Law 14/2022 of 22 December on the transposition of European directives and other provisions for the adaptation of criminal legislation to European Union law, and reform of offences against moral integrity, public disorder and smuggling of dual-use weapons [*Ley Orgánica 14/2022, de 22 de diciembre, de transposición de directivas europeas y otras disposiciones para la adaptación de la legislación penal al ordenamiento de la Unión Europea, y reforma de los delitos contra la integridad moral, desórdenes públicos y contrabando de armas de doble uso*], which entered into force on 12 January 2023, which reformed certain provisions of the Criminal Code, including its section 311 to add a new paragraph punishing those who impose illegal terms on workers by hiring them under formulas other than employment contracts, or that maintain them contrary to administrative requirements or sanctions. As a result of this Law, ACS's Catalogue of Prohibited Conduct and Parameters of Expected Behaviour were duly updated.
 - The Spanish Whistleblower Protection and Anti-Corruption Act [*La Ley 2/2023, de 20 de febrero, reguladora de la protección de las personas que informen sobre infracciones normativas y de lucha contra la corrupción*], which transposed the (EU) Whistleblowing Directive. In this sense, the Transitional Provision Two of that Act established a deadline for organisations to adapt themselves to the Act, depending on their size. In section 4.4.13, the adaptation of the Ethical Channel to this legislation is described in detail.
 - Organic Law 3/2023, of 28 March, amending the Criminal Code with regard to animal abuse, which came into force on 18 April 2023, extending the catalogue of offences for which legal persons may be liable to include offences relating to animal abuse. As a result, ACS's Catalogue of Prohibited Conduct and Parameters of Expected Behaviour were duly updated.
 - Organic Law 4/2023, of 27 April, amending the Criminal Code with regard to offences against sexual freedom, the Criminal Procedure Act and the Criminal Liability of Minors Act. As a result of this Law, ACS's Catalogue of Prohibited Conduct and Parameters of Expected Behaviour were duly updated.
 - The European Sustainability Reporting Standards (ESRS) following the Corporate Sustainability Reporting Directive 2022/2464 of 14 December 2022 (CSRD), published on 9 June 2023, which follows the proposed CSRD and encompasses environmental, social and governance issues, including cross-cutting and thematic standards.
 - The Draft EU Corporate Sustainability Due Diligence Directive (CSDD Directive) published in February 2022 and that received its last preliminary approval on 14 December 2023, and is pending final enactment in 2024, introduces obligations for corporate managers with regard to human rights and environmental due diligence. In this sense, ACS has been following the draft directive to bring itself in line with it as much as possible before its entry into force, which is not expected before 2025.
- Changes in the socio-political environment in 2023:
- Current conflicts, such as Russia's invasion of Ukraine, the conflict between Israel and Gaza or the situation in the Red Sea: not only have they led to great geopolitical instability, but they have also brought with them an energy crisis that has had a major impact on many other economic sectors to be taken into account. The ACS Group has not overlooked this situation, and on 20 February 2023 the ACS Compliance Committee approved a new International Sanctions Compliance Policy in development of the ACS Code of Conduct.
- Changes in the economic environment in 2023:
- The Russian invasion of Ukraine: in the same sense as the previous paragraph, this war has had global economic consequences that have amplified several of the effects of the Covid-19 pandemic. In this sense, the prices of energy products, food and raw materials have risen, impairing the productive system and threatening growth and social stability.

Changes in terms of social and cultural uses in 2023:

- These are not considered relevant changes.

ii. In terms of internal factors:

Structural changes in 2023:

- There were minor internal structural changes in terms of adding ACS's Risk Director as a new member of the Compliance Committee. In this regard, the current composition of the Committee was updated in the following internal

documentation: (i) Compliance Committee Regulations; (ii) Global Compliance Management System Guiding Document; (iii) Criminal and Anti-Bribery Compliance Policy; and (iv) General Compliance Policy.

Changes to the activity of the Organisation:

- These are not considered relevant changes.

Changes to geographical areas:

- These are not considered relevant changes.

4.4.12. 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 its internal rules, the Board of Directors' duties include setting the Company's general policies and strategies and, in particular, defining its risk management and control policy, including tax risks, and supervising its internal reporting and control systems, including the Global Compliance Management System, since it is the mechanism for controlling compliance risks.

To perform these duties, the Board is supported by the Audit Committee, which is entrusted by both the Law and the Board's Rules with supervising and assessing the effectiveness of the systems for managing financial and non-financial risks related to the Company and the Group, including operating, technological, legal, social, environmental, political and reputational risks and risks related to corruption and, therefore, supervising and assessing 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, it has taken charge of regularly assessing its effectiveness, changing it, if necessary, when it becomes aware, through 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.

Implementing all of this will not only imply complying with the obligations and principles voluntarily taken on in the internal regulations and, in particular, in the Code of Conduct, in the Corporate Governance Policy and in the General Compliance Policy, but will also involve exercising the duty of care required by commercial legislation and complying with the best standards in matters of governance that demand responsible management of organisations.

Also, since the rules that are part of the regulatory body of the Compliance Management System were adapted in July 2022 to the Proposed Corporate Sustainability Due Diligence Directive (CSDD), having the Board implement and promote the Global Compliance Management System will also allow ACS to comply with the due diligence obligations required of organisations such as the Group 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 Global Compliance Management System thus plays a relevant role in the organisation's governance, as an element aimed at minimising risks, objectifying processes, aligning interests and, ultimately, improving ACS's sustainability as an organisation. However, the reality is that the success of the Global Compliance Management System that was implemented in ACS depends, to a large extent, on the awareness and impetus that all members of the organisation can give it, and especially on the leadership exercised by the Board of Directors, acting as the driving force behind the Group's culture of compliance.

The “Corporate Governance” heading in Section 5 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 evaluating the corporate governance system.

4.4.13. CONTROL AND MONITORING MEASURES

Established communication and complaints channels

Communication and/or whistleblowing channels are presented as tools that allow organisations to channel communications, as well as queries or complaints related to suspected irregularities, which are often only known to certain employees of the organisation itself or to outsiders. In this way, these channels enable organisations, as the entity closest to the reported events, to be aware of them, investigate them and respond proactively.

ACS is aware of this reality and of the importance of providing the appropriate tools to the members of its environment to report any infringement in a safe and trustworthy environment for whistleblowers.

ACS’s Whistleblowing Channel is in line with the Whistleblower Protection Act, which transposed Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law. In the context of ACS’ culture of compliance, an ever-present objective is to remain aligned with the best practices in each area. Therefore, the regulation of ACS’s Whistleblowing Channel is also aligned with the ISO 37002:2021 international standard on Whistleblowing Management Systems, as are most of the ACS Group companies, based on the principles of trust, impartiality and protection, with a broader protection regime than the laws cited above, bringing ACS’s practices closer to the highest expectations of society in general, and of its stakeholders in particular.

In this regard, in addition to being reflected in the ACS Group’s Code of Conduct in relation to breaches of the Groups values and how to report them, the ACS Whistleblowing Channel has specific internal regulations governing it: (i) Operating Policy of the ACS Whistleblowing Channel; and (ii) Procedure for managing reports received through the ACS Whistleblowing Channel; the latest versions of both documents were approved by ACS’s Board on 27 July 2023.



Code of Conduct



Whistleblowing Channel Operating Policy

With regard to managing the Channel, the ACS Compliance Committee has been appointed by the Board to be in charge of the Whistleblowing System, and the Compliance Director has been appointed to be the individual representative before the Independent Whistleblower Protection Authority.

ACS encourages all members of its organisation or those who suspect or know of violations related to ACS to use this or other internal reporting channels to bring their concerns to ACS’s attention.

Furthermore, ACS always informs any potential whistleblowers that there are also external channels for reporting to the competent authorities and, where appropriate, to the institutions, bodies or agencies of the European Union, citing, for this purpose, the access information in its own Whistleblowing Channel Operating Policy.

As established in the Operating Policy for its Whistleblowing Channel, ACS urges directors, executives and employees who maintain links with Group companies - regardless of the legal nature of their relationship - and those who are not employees but become aware of the existence of any infringement in their professional relationship with ACS, to report it to the Organisation.

The Procedure for managing reports received through the ACS Whistleblowing Channel develops the content of the Operating Policy of the ACS Whistleblowing Channel, ratifying ACS’s firm will to guarantee conduct that adheres to both its rules and its ethical standards, establishing the necessary mechanisms to carry out the internal processing of any reports received. In this regard, ACS considers that having various internal channels available broadens the range of possible reports in terms of subject matter or seriousness, and that they need to be classified internally to manage them best, taking into consideration the parameters of (i) urgency; (ii) the persons involved; or (iii) the entity affected. These criteria help to identify and deal appropriately with the type of reports received, as set out in greater detail in the ACS Whistleblower Report Management Procedure.

In terms of processing reports, ACS is aligned with the international standard ISO 37002:2021, dividing the procedure for managing and investigating the reports received into four (4) phases: (i) Receipt of reports of wrongdoing; (ii) Assessment of reports of wrongdoing (triage); (iii) Handling of reports of wrongdoing; and (iv) Resolution of the cases.

All stages of ACS’s investigation procedure must comply with the following principles and safeguards: (i) Principle of trust and confidentiality; (ii) Principle of objectivity; (iii)

Principle of impartiality and presumption of innocence; (iv) Principle of compliance with applicable law and sufficiency of means; (v) Principle of proportionality and subsidiarity; and (vi) Protection of bona fide whistleblowers.

The ACS Whistleblowing Channel allows complaints to be made anonymously. Through the digital platform of the Whistleblowing Channel, whistleblowers can stay in contact with the organisation, keeping their anonymity and tracking the case. ACS also allows whistleblowers to designate a preferred means of communication to receive information on the status of their report or to contact the whistleblower for further information and/or clarification. For both anonymous and non-anonymous reports, ACS guarantees confidentiality and that there will be no reprisals and/or prejudicial conduct against the whistleblower, offering the necessary protection and support from the moment the report is filed when appropriate.

ACS relies on an external technology provider, NAVEX, to receive whistleblower reports. Through this provider, a preliminary analysis is carried out to prevent conflicts of interest if a member of the Compliance Committee is involved. Likewise, all the reports that are received can be traced and monitored for their appropriate treatment in their management and custody.

ACS processes personal data to process and investigate reports submitted through the Whistleblowing Channel in accordance with current legislation. Whistleblowers can asset their data protection rights at Avda. Pío XII, 102, 28036, Madrid, Spain or by email at 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 the Whistleblowing Channel.

Changes to the ACS Group's Whistleblowing Channel:

- Through the Group's website - Whistleblowing Channel - Compliance - ACS Group-in a separate, easily identifiable section, accessible to all members of the ACS Group, as well as to all the Group's interlocutors and interested parties.
- By post to:

ACS Group Ethics Channel
Avda. Pío XII 102, 28036 Madrid, Spain.

- By telephone service 24 hours, 7 days a week, on the following numbers:

Country	Telephone number
Spain	900 876 841
Unites States	833 7781 528
Canada	833 7781 528
France	0 800 99 08 46
United Kingdom	0 800 077 3019

- Verbal and/or face-to-face communication:

ACS members are also able to submit queries, concerns or complaints through the following means: (i) To a direct superior or a member of ACS management; (ii) to a member of the Compliance Committee; and (iii) to the Compliance Department. Whistleblowers can also request a face-to-face meeting with the Compliance Committee, or any of its members, within seven (7) days of when they requested the meeting.

Queries and complaints received in 2023

- Actividades de Construcción y Servicios, S.A.

In 2023, four (4) reports were received in the Whistleblowing Channel of ACS, Actividades de Construcción y Servicios, S.A.

Of these reports, two (2) were joined together in the same file due to their interconnection, and the ACS Compliance Committee, in accordance with its Whistleblower Report Management Procedure, proceeded to obtain an external expert opinion. After the reports were assessed by the external consultant, it was decided not to open an investigation in the absence of evidence and as the facts did not constitute an infringement. This report had no significant impact on the year.

In the last quarter of 2023, one (1) anonymous report and one (1) non-anonymous report were received through the Whistleblowing Channel. Although the preliminary analysis of both considered referring them immediately to the Compliance Committee of one of the ACS Group companies for processing as the competent body, as established in the Operating Policy of the ACS Whistleblowing Channel and the ACS Whistleblower Report Management Procedure, this report did not have any significant impact on the year.

- Clece Group:

CLECE has a Whistleblowing Channel accessible on its website: Integrity and Conduct, Whistleblowing Channel | Clece. The Operating Policy of the Whistleblowing Channel has also been published (ES_Política de Funcionamiento del Canal Ético V Junio 2023 - Clece). In addition, Clece has a Whistleblowing System Procedure published on its intranet. In this regard, one of the members of the Compliance Body is identified as the person in charge of the Whistleblowing System. In 2023, work was done to align the internal regulations governing the Channel with the Whistleblower Protection Act and the ISO 37002:2021 Standard on Whistleblower Management Systems.

In 2023, the Clece Group's Whistleblowing Channel received 168 reports between queries and complaints of the following types: 68% of the reports related to labour issues, 18% to breaches of the Code of Ethics, 14% were alleged cases of harassment at work and 8% were complaints and claims.

None of the reports received had a significant impact on the year.

In addition, in 2023, through other means of communication, Clece's Compliance Body became aware of the opening of a sanctioning proceeding in the area of Competition before a regional authority, and the appropriate follow-up was carried out.

– Dragados Group:

The Dragados Group has a Whistleblowing Channel accessible on its website: EthicsPoint - Dragados S.A. Likewise, its Whistleblowing Channel Operating Policy (Dragados Whistleblowing Channel Operating Policy) has also been published. In addition, Dragados has a Procedure for Managing Whistleblowing Reports. Under that Policy, Dragados' Board has appointed its Compliance Committee to be in charge of the Dragados Group's Whistleblowing System, and the Compliance Director is the individual appointed for this purpose. In 2023, work was done to align the internal regulations governing Dragados' Channel with the Whistleblower Protection Act and the ISO 37002:2021 Standard on Whistleblower Management Systems.

In 2023, Dragados received 29 reports: 21% related to labour issues, 3% related to insider information, 52% related to sexual harassment, 10% related to contractual and billing issues, and 14% of the reports related to other issues.

None of the reports received had a significant impact on the year.

– Iridium Group:

Iridium has a Whistleblowing Channel accessible through its Iridium/ACS Infra EthicsPoint website. It also has an Internal Whistleblowing System Policy, accessible on its website: [Politica_sistema_interno_informacion.pdf](#) ([iridiumconcesiones.com](#)), and with a Whistleblowing and Irregularities Investigation Procedure. In those documents, the Iridium Compliance Committee is included as the competent body for managing the Channel.

In 2023, work was done to align the internal regulations governing Iridium's Whistleblowing Channel with the

Whistleblower Protection Act and the ISO 37002:2021 Standard on Whistleblower Management Systems.

As regards the reports received, no reports were received in 2023.

None of the reports received had a significant impact on the year.

– Hochtief:

The German organisation has a Whistleblowing Channel called the "HOCHTIEF Whistleblower system", accessible through its website: [hochtief - Home](#) ([integrityline.com](#)), with a document called the HOCHTIEF Whistleblower System Rules of Procedure that regulates the operation and guarantees of the Channel. That document details the roles and responsibilities for managing the Channel, with the Head of Corporate Compliance as supervisor and an employee from the Corporate Compliance team in charge of managing the Channel. They are additionally supported by three Case Managers. Likewise, in relation to the process of managing the reports received through Hochtief's Whistleblowing Channel, work was carried out to align it with the ISO 37002:2021 Standard on Whistleblower Management Systems.

In 2023, Hochtief received a total of 206 reports. Of the 206 reports, 6 were related to possible violations of anti-corruption law and competition law. Of these, four cases were concluded without any indications and two have not yet been conclusively resolved. However, so far there is no evidence of any misconduct on the part of HOCHTIEF employees. Almost all of the other reports had to do with human resources issues.

None of the reports received had a significant impact on the year.

In addition to these reports received through whistleblowing channels, reports were also submitted and resolved outside these channels, both through legal channels and other procedures, as explained in section 4.4.5 of this report and in note 36.02 of the ACS Group's Consolidated Financial Statements.

4.4.14. RISK MANAGEMENT IN COMPLIANCE ISSUES

Section 4.2 of this chapter describes the model of dual control of compliance risk and specifies the parent company's duties of diligence with respect to the subsidiaries, which translates into implementing and developing a homogeneous system of standards through the Group Policies, with the objective of all the subsidiaries having a certified compliance management system or, at least, one that can be understood as certifiable. This initial control is complemented with a second-level control: half-yearly monitoring to detect cases where breaches or infringements have been reported or compliance risks have materialised or been realised, while also monitoring whether the subsidiary has adequately reacted in that specific case by detecting systemic deficiencies, taking corrective actions and the steps taken to resolve them (internal investigations and their results, modification of rules, improvement of controls, etc.).

In 2023, the Compliance Division carried out planned actions on operating and strengthening the ACS Group's Global Compliance Management System and thereby reducing its compliance risks, as part of the objectives set by the parent's Compliance Committee.

The main actions aimed at achieving this objective focused on assessing new criminal risks and updating the matrix of criminal and anti-bribery risks and controls, as well as implementing this customised control tool in all the Divisions; updating the matrix of tax risks and controls; the new version of the matrix of IT and cybersecurity controls; specialised training by the Compliance Division given to all members of the organisation, including the full Board of Directors; adapting the questionnaire; and implementing a new version of the matrix of IT and cybersecurity controls

of the Global Compliance Report to the Whistleblower Protection Act; half-yearly monitoring of Compliance risk materialisations through the information reported by all the Group's Divisions in the Global Compliance Report; and remediation plans, which in the second half of the year very significantly included face-to-face training and dissemination activities on the functioning of the transversal Compliance model of the Group's parent company, based on ISO 37301, in various divisional head offices in all the continents where the Group is present, which at 31 December 2023 had resulted in a significant reduction of compliance risks in all ACS Group companies, which have strengthened their Due Diligence systems in the areas of Human Rights, Environment, Cybersecurity, Tax Compliance, Criminal Compliance and Anti-Bribery and Competition.

Here the importance of the new post of Risks Director should be highlighted, which was introduced in the first half of the year, and who was also appointed as a member of the Compliance Committee. The Risks Director reports, in line with the Organisation's corporate governance model, to both the Chief Executive Officer and the Audit Committee.

Along these same lines, the ACS Group's management of compliance risks in 2023 stood out for its constant detection and work on opportunities for continuous improvement, with the aim of continuing to promote a robust environment in Compliance matters, uniform in all ACS Group Divisions. In this context, the coordinated action of all the Group's companies in Spain for the certification of the UNE 19603:2023 Standard for Compliance Management Systems in the area of Free Competition in 2024 is particularly noteworthy.



NEPEAN HOSPITAL RECEPTION, AUSTRALIA - © CIMIC

4.5. STAKEHOLDER RELATIONS

The ACS Group defines stakeholders as groups with the capacity to have an influence on the achievement of the organisation’s objectives or that may be affected by its activities. The basic principles of action followed by the ACS Group in its relations with its stakeholders and the environment are based on complying with the prevailing

national and international legislation, as well as with the sustainability commitments that the ACS Group has taken on voluntarily and that are included in the Group's Sustainability Policy.

The figure below indicates the main stakeholders with which 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, engagement and actively listening to 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 have been defined by the ACS Group in its "Policy on Reporting Economic-Financial, Non-Financial and Corporate Information and Contacts and Engagement with Stakeholders", which aims

among other issues, to establish a general framework for promoting 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 communication strategy, guaranteeing equitable treatment of interlocutors and also establishing direct and indirect means of disseminating relevant economic, financial and corporate information that ACS mandatorily and voluntarily 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 significant events. 	<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 AND INVESTORS</p> <p>Natural persons, legal entities and entities with capital interests or shareholdings in the ACS Group.</p> <p>The Group has a Shareholder, Institutional Investor, Asset Manager, Financial Intermediaries and Voting Advisor Communication, Contact and Engagement Policy, and shareholders' right to information is set out in various provisions of the Company's Shareholders' 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>PEOPLE</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 4.2 of this report.</p>	<ul style="list-style-type: none"> - Group websites and Public reports. - Ethics Channel. - Intranet. - Labor 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.
<p>PARTNERS AND SUPPLIERS</p> <p>Persons or companies that provide their services or products to the ACS Group and form 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>COMMUNITY AND ENVIRONMENT</p> <p>All those individuals, local communities, NGOs, industry associations, media, etc., that form 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 2023, 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 2023, as shown in the Group's Consolidated Balance Sheet, included in the Economic Financial Report published along with this report, totalled EUR 1.77 million. For more information, see section 4.9 of this report.

In addition, the ACS Group actively participates in industry associations, working groups and discussion forums.

The aim of this participation is to promote the sectors in which ACS and its Group participate, and to establish dialogue initiatives to improve relationships with its stakeholders. To delineate this participation, on 27 July 2023 the ACS Group's Board approved the "Industry Association Engagement and Tracking Policy", which sets out the procedure to be followed by ACS and its Group in selecting and participating in these associations, so as to comply with the principles established by national and international law, and those voluntarily assumed by ACS and its Group in its internal regulations.



Industry Association Engagement and Tracking Policy

Some of the industry associations and organisations in which ACS Group companies participate are: The Spanish Chamber of Commerce; CEOE; Global Compact: SEOPAN; Association Européenne pour la Promotion de la Electricité

Solaire; General Contractors Association/Az Chapter; Construction Industries of Massachusetts; FTBA TransPAC; MIT Climate and Sustainability Consortium, buildingSMART International; German Society for Concrete and Construction Technology (DBV); German Sustainable Building Council (DGNB e.V.); Transparency International Deutschland e.V.; Associated General Contractors of America; New York Building Congress, Inc.; Building Trades Employers' Association; Subcontractors Trade Association; American Road & Transportation Builders Association, Australian Constructors Association; Australasian Railway Association; Australian Mines and Metals Association; Master Builders Association; The Australian Chamber of Commerce in Hong Kong; Massachusetts Institute of Technology (MIT); Deutscher Beton- und Bautechnik Verein e.V.; Essener Unternehmensverband e.V.; ZIA Zentraler Immobilien Ausschuss e.V.; CBI Center Building and Infrastructure Engineering, 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/sustainability/commitments>.

The amount allocated to these industry associations in 2023 is detailed in the table below:

2023

Value of financial and in-kind contributions made by the organization to associations (trade associations, business associations, etc.)(1)(€)	5,221,463
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(1) Includes contributions made by ACS, Actividades de Construcción y Servicios.

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:

- Transmitting the Company's overall corporate strategies, as well as those specific to each of the Company's business areas, to the outside world.
- Projecting the Group's business reality 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, 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	2022	2023
Shareholders & Investors		
Meetings organized by Investor Relations	184	129
Calls/emails from shareholders answered	1,196	1,144

4.6. GIVING BACK 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 and its impact on society, 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 that goes beyond its business activities, to contribute to the well-being of the society, allocating resources to community investment, sponsorship and patronage initiatives and philanthropic donations (non-profit), both through Group companies and through the Foundation, which is managed autonomously.

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, which ACS and its Group contribute to.



Policy Governing Community Investments, Sponsorship, Patronage, and Charitable Giving

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.



6.3.5 Contribution to attaining the Sustainable Development Goals

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 non-profit entity that is independent from the ACS Group that, under the leadership of its Board of Trustees, fulfils its founding purposes, giving some of the benefits obtained by the ACS Group back to society, 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 2023 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.



ORLANDO AIRPORT INTERMODAL TERMINAL, USA - © TURNER

4.6.1. SOCIAL ACTION OF ACS GROUP COMPANIES

In 2023, 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 that it wishes to participate in, 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 ACS's 2025 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	2022	2023
Cash funds allocated to Social Action (€ mn) (1)	7.2	6.7
Monetary estimate of in-kind contributions to Social Action (€ mn) (2)	1.3	1.4
Estimated number of people benefited by social action	78,940	72,544
Number of citizen awareness courses or activities carried out (road safety, environment, efficiency, social integration,...) (3)	112	148
Number of volunteers (employees) who have participated in these awareness-raising activities (3)	147	210
Number of foundations or NGOs that received grants/support during the year (3)	369	385
Number of events (conferences, exhibitions, sporting events, etc.) sponsored during the year. (3)	15	21
Time employees have spent this year volunteering during the workday (h) (3)	15,505	16,193

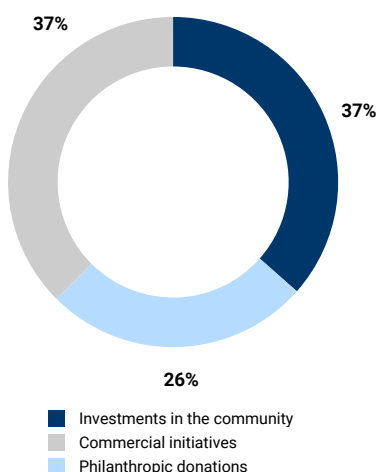
(1) The year 2022 includes the contribution of 1 million euros made by ACS to Cáritas Madrid Futuro-Ukraine.

(2) Includes administration expenses in 2022 and 2023 of € 0.9 mn and € 1 mn respectively, as well as the monetary estimate of time used by employees for volunteer activities in working hours in 2022 and 2023 of € 0.3 mn and € 0.4 mn respectively.

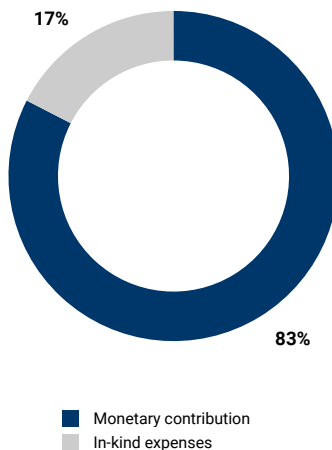
(3) Scope of data of 23.61% and 22.18% of sales in 2022 and 2023.



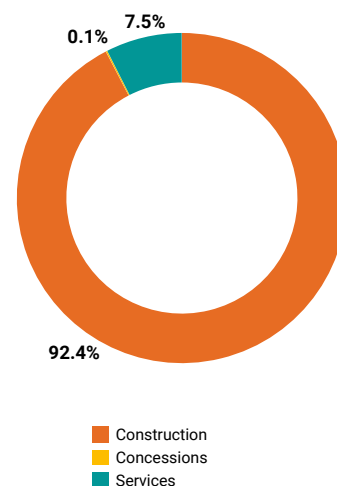
INVESTMENT BY TYPE OF ACTION



INVESTMENT BY TYPE OF CONTRIBUTION



INVESTMENT BY BUSINESS AREAS*



*The 1.01 million for 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 2023 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.

EXAMPLES OF INITIATIVES BY ACS GROUP COMPANIES IN SOCIAL ACTION:

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.

After a break due to the pandemic, a team of ten employees were able to travel back to Rwanda during the reporting year and work with the local community to build a footbridge. The Kukasedurugu bridge, almost 120 metres long, built in northern Rwanda, facilitates river crossings for some 1,600 people from the surrounding communities. Thus, since the start of the partnership in 2010, HOCHTIEF has helped build 29 bridges in Honduras, Guatemala, El Salvador, Nicaragua and Rwanda, benefiting more than 95,275 people from the local communities and getting 284 employees from across the HOCHTIEF Group involved, who have described the experience as very rewarding. The projects thus contribute to employee loyalty and motivation. HOCHTIEF will continue these activities in 2024.

TURNER'S COLLABORATION WITH HABITAT FOR HUMANITY



In 2023, Turner employees once again collaborated with Habitat for Humanity. For the Home Builders Blitz 2023, three houses were built in Antelope Valley, near Los Angeles, in the space of two weeks. Several construction companies participated in the Home Builders Blitz, with up to 100 volunteers working on site each day. They also donated the necessary building materials.

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 arising in the 'Clece community,' employees, family members of employees and users of the services managed by the company.

In 2023, in addition to activities and collaborations with other entities, 5 essential lines of action were developed:

- **Employment project:** a social and work integration project in which, in addition to promoting the employment of people in groups at high risk of social exclusion, attaining employment improvements (increased working hours and greater job stability) for people with special needs.
- **Social emergency:** aid to people or families suffering from extreme situations. We worked on these projects individually and sought 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 carrying out essential procedures such as processing documentation, claims, wills and inheritances, fines, taxation, divorces, debts... The service is carried out through partnerships with various universities.
- **Mental and Emotional Health:** This project was launched at the beginning of the year and was a great success right from the start. Through a partnership with the Salud y Persona Foundation, we were able to provide psychological and emotional support to our beneficiaries who requested it.

In 2023, 396 people were direct beneficiaries of this project, with the participation of 60 volunteers working directly in the projects, 98 partners and 75 donors.

Among the projects carried out by Corazón y Manos in 2023, it is worth mentioning that the first promotion of the "Viviendas con Corazón" ["Houses with a Heart"] project has begun.

The project consists of providing housing for women who are victims of gender-based violence and have no family to care for them while they are trained (with scholarships) to become accredited as home assistants. The project ends with an employment contract for the project beneficiaries. The project is programmed on a promotion-by-promotion basis.

Each development has three beneficiaries (as many as can fit in the dwelling). Each promotion lasts five months, with three months of theoretical training, one month of practical training and one month to live in the house while working under the employment contract, so the beneficiaries can acquire minimum savings to be able to start their independent life. The first promotion of the project has started with three women who have been living in the house since 1 December 2023 and who began their theoretical training on 12 December.

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 second year in which Clece has carried out this initiative, more than 20 selection technicians travelled on different routes and interviewed more than 2,600 candidates.



EMPLOYMENT ROUTES , GRANADA, SPAIN - © CLECE

VULNERABLE COMMUNITIES WORKSHOPS (DRAGADOS)



All the companies that make up the Dragados Group foster a culture of inclusion, diversity and equal opportunities that guarantee the respect and protection of Human Rights in their sphere of action. These basic principles are set out in the Code of Conduct.

The Group's relationship with its employees, and its employees' relationship with each other and with society is based on fulfilling commitments to, among others, equal opportunities and non-discrimination.

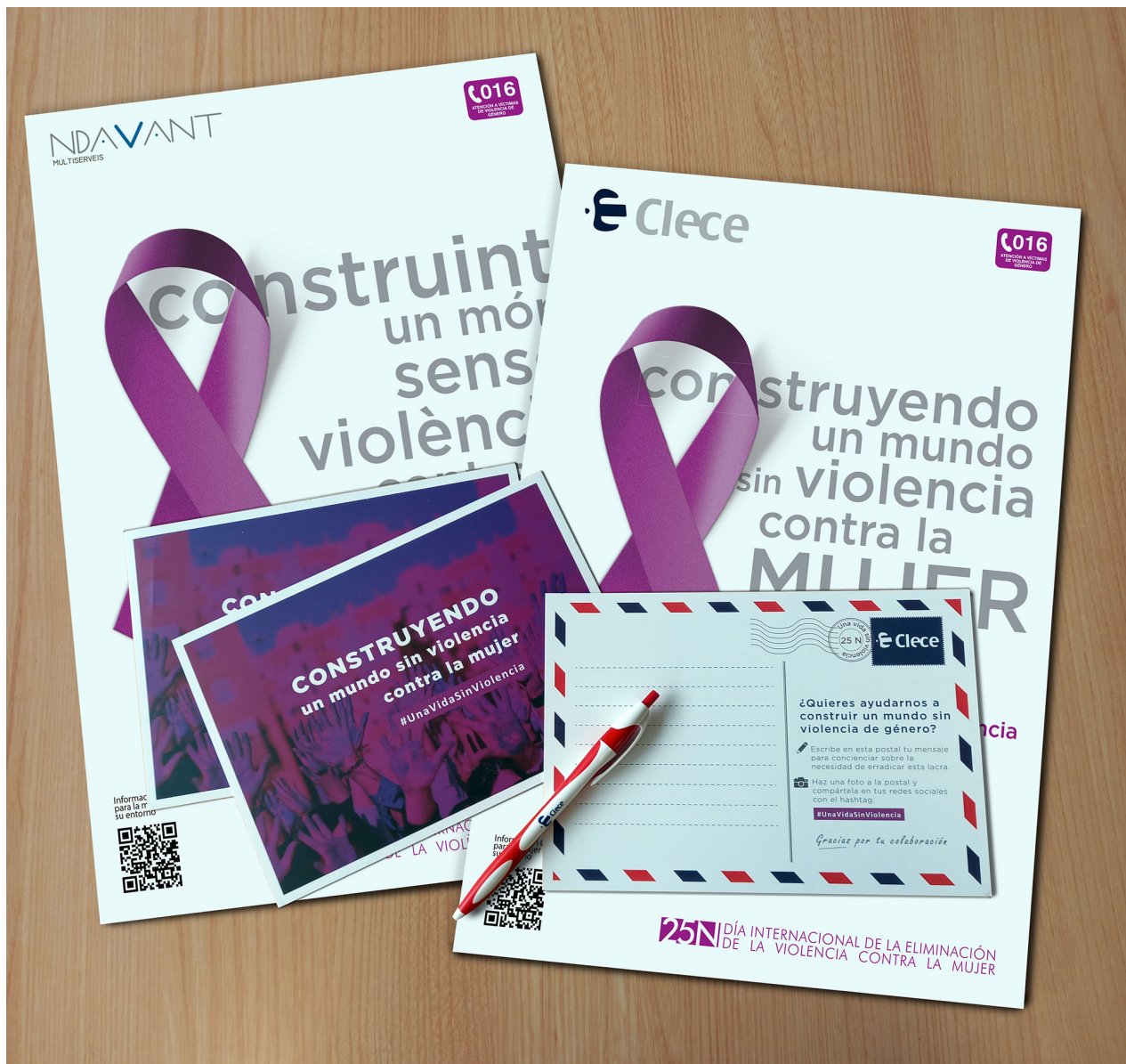
In this regard, Dragados España collaborates with various Foundations and Associations to fulfil these commitments in the area of volunteering. Specifically, a project is being carried out with the Strengthening School [Escuela de Fortalecimiento] of the Integra Foundation.

This year, as in the previous year, employees from Dragados Spain's Human Resources Department helped provide several job search workshops aimed at groups at risk of social exclusion. There were 12 workshops of a practical nature, with role-playing, CV reviews or job interviews with the aim of improving the employability of people at risk of severe social exclusion. In total, 135 people were trained in 2023.



THE BAY PARK CONVEYANCE PROJECT, NEW YORK, USA - © DRAGADOS

INTERNATIONAL DAY FOR THE ELIMINATION OF VIOLENCE AGAINST WOMEN (CLECE)



In 2023, Clece organised the ninth "A Life without Violence, A Life with Respect" campaign, 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 their categorical rejection of gender-based violence.

In 2023, 25 November fell on a Saturday, which made it difficult for the company to mobilise to celebrate the event. To alleviate this difficulty, a "week against gender-based violence" was held between 20 and 26 November. During that week, all the company's internal communication channels were used to send out different messages to raise awareness about violence against women and to support the victims. In addition, banners and posters were placed in the offices and workspaces commemorating the event. Numerous customers allowed and provided space on their premises to display the posters and communication material.

As a distinctive communication element of the 2023 campaign, 31,000 postcards were distributed with the slogan "BUILDING a world without violence against women", referring to the slogan used by the United Nations. The postcard urged people to write a message on it in support of women victims of violence and upload it to social media with the hashtag "UnaVidaSinViolencia" (A LifeWithoutViolence).

4.6.2. SOCIAL ACTION OF THE ACS FOUNDATION

The Foundation is a non-profit independent foundation 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 governance of its Board of Trustees, the ACS Foundation gives part of the profits obtained by the ACS Group back to society, thus fulfilling its 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:

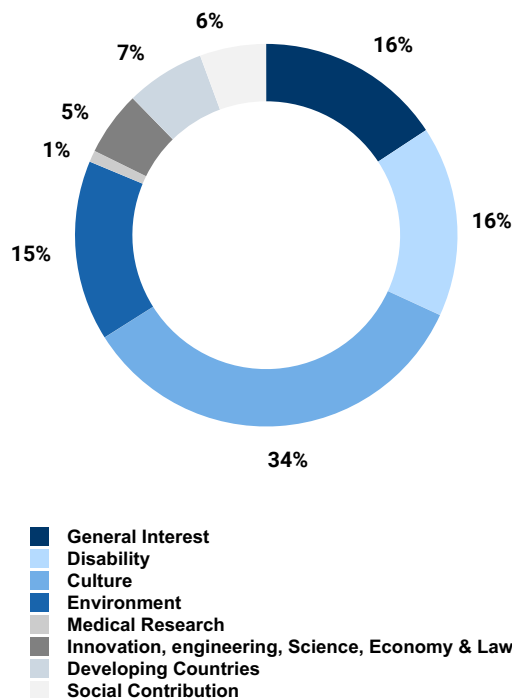
- a. Universal Accessibility
- a. Work and social training and integration
- a. Integration through sport

- 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 2023, the ACS Foundation allocated EUR 6.2 million to its foundational activities:

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



EXAMPLE OF ACS FOUNDATION INITIATIVES

ACS FOUNDATION MEDICAL RESEARCH PROGRAMME

As part of its Medical Research Programme, in 2023 the ACS Foundation signed 26 Finalist Agreements with 25 healthcare institutions to promote research projects and treatments for a wide range of diseases.

Of these projects, 9 are related to brain diseases and 8 focus on basic or clinical cancer research.

The Foundation also collaborates especially in the field of paediatrics, and this year it signed an agreement with the Aladina Foundation to build the new La Paz Children's Oncology Hospital in Madrid and the three agreements signed with the Niño Jesús University Children's Hospital with three different objectives: research and treatment of paediatric tumours, and the humanisation of the hospital itself (through Parques Reunidos).

The ACS Foundation has also collaborated through other Agreements with the families and environments closest to the patients, which are important in prolonged treatment.

In 2023, this Medical Research Programme grew by 28% compared to 2022.





4.7. 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.

In this regard, the Board of Directors of the ACS Group approved the Code of Conduct for Business Partners, updated in latest version 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 79,110 suppliers and contractors that the ACS Group worked with in 2023, 87.0% accepted by signing the ACS Group's Code of Conduct for Business Partners, or have a procedure similar to it. In addition, in 2023, 19.3% 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.



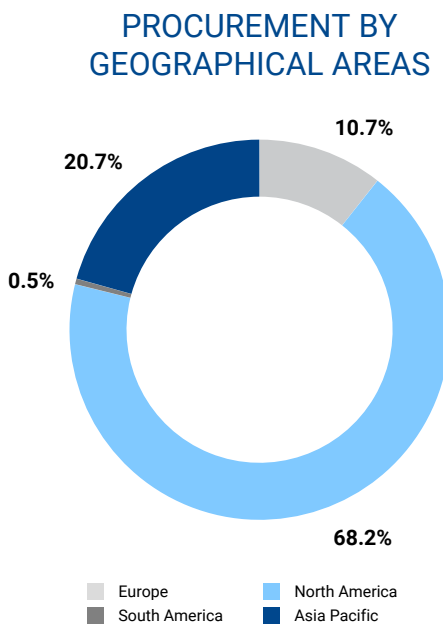
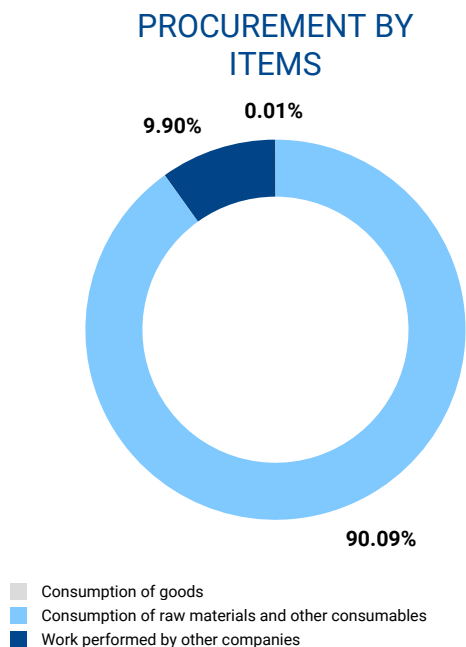
Code of Conduct for Business Partners



COGITEON SCIENCE CENTER, CRACOW - © HOCHTIEF

4.7.1. THE SUPPLY CHAIN OF THE ACS GROUP

	2023
No. of suppliers and contractors	79,110
Total procurements (mn €)	24,462
% Local suppliers	89.5%
Expenditure proportion with local suppliers	86.5%



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 2023 reached the 79,110 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 2023, 89.5% 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 minimizes 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 decentralized 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 favoring 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.



SUPPLY CHAIN MANAGEMENT AT DREXEL UNIVERSITY, USA - © SOURCEBLUE

SOURCEBLUE (TURNER)

The supply chain and logistics are fundamental to the success of projects in the data centre sector, projects for batteries for electric vehicles and other high-tech sectors in which the ACS Group is developing and expanding its activity. To address these challenges, SourceBlue, Turner's supply chain specialist company, was created to provide customers with strategic relationships, digital systems and logistics expertise that give them greater security in the sourcing of equipment and products, improving procurement times and costs. The experience of SourceBlue's supply chain experts, as well as the early involvement of designers and engineers, facilitates collaboration from design to delivery. SourceBlue is currently focused on developing an expansion plan to offer its services globally to all Group companies, and also to external companies. To expand SourceBlue's capabilities, HOCHTIEF is developing its presence in the Asia-Pacific region by creating a logistics hub to accelerate the development of the Group's digital capabilities.



SUPPLY CHAIN MANAGEMENT, USA - © SOURCEBLUE

4.7.2. APPROVAL AND EVALUATION SYSTEM BASED ON ECONOMIC AND SUSTAINABILITY CRITERIA

The ACS Group's responsible supply chain management model begins with the process of approving suppliers and subcontractors, in which their compliance with the fundamental criteria established by the ACS Group to form part of the Group's supply chain is assessed. Within these criteria, not only the economic and technical aspects of suppliers are evaluated, but also different aspects of sustainability, so that suppliers' evolution in terms of sustainability can be assessed to comply with the objectives and principles of the ACS Group, and to identify potential risks that may arise in the value chain.

Thus, companies that represent 87.7% of the ACS Group's procurement costs have a formal system for approving their 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, as well as other sustainability factors related to the ACS Group's sustainability objectives or compliance with other internal policies.

To perform this approval, the Group's companies carry out different processes, from external evaluation platforms to questionnaires sent to suppliers and computerised evaluation and approval platforms.

Both technical/economic and ESG factors are considered in this approval and evaluation. The weight of ESG factors in

the approval process varies according to companies' activities and areas of action, but the average weighted weight of these factors exceeded 38.6% in 2023, with the performance and evolution of ESG indicators being one of the factors to be considered in the approval and selection process. 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 2023, 65.4% the suppliers that the Group worked with adhered to the 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.

If non-compliances or risks are detected, the relevant corrective measures are applied, adapted to the circumstances of each case. In most cases, suppliers are given the possibility to remedy these deficiencies within a certain period of time. If the required minimum levels are not reached, this may lead to their exclusion from the contracting system. When the breaches detected are considered serious, they can immediately terminate the contracts.

SAFE, RESPONSIBLE AND SUSTAINABLE PROCUREMENT (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.

4.7.3. SIGNIFICANT SUPPLIERS ANALYSIS

The ACS Group's companies carry out an analysis to identify the critical suppliers in their supply chains. The Group defines a significant supplier as a supplier for whom the percentage of procurement or subcontracting expenditure is significantly higher than the average for the rest of the company's suppliers, suppliers of critical components and/or suppliers that cannot be replaced, as well as suppliers in which a pre-analysis has identified the possibility of potential risks in relation to sustainability or ESG issues.

Classifying suppliers as significant considering both economic/technical aspects (critical suppliers) as well as significant suppliers in ESG matters, is a process that was established in 2023 and is still in the process of implementation in the different ACS Group companies.

Therefore, companies that represent 86.2% of the Group's procurement expenses have designed processes to identify their critical suppliers. Meanwhile, in companies representing 48.8% of the Group's procurement expenditure, pre-analysis processes have been defined to identify suppliers with potential sustainability risks. To determine significant ESG suppliers, a preliminary analysis is carried out on the suppliers identified as potentially high risk due to:

- Country-specific risk: risk of negative environmental, social and governance impacts related to a country's political, social, economic, environmental or regulatory situation.
- Sector-specific risk: risk of negative environmental, social and governance impacts related to the distinctive characteristics of a sector in terms of employment status, energy consumption, resource intensity, emissions or pollution potential.
- Commodity/commodity-specific risk: risk of negative environmental, social and governance impacts related to a commodity's supply chain structure, labour situation, land use and resource intensity, energy consumption, emissions, material toxicity or pollution potential.

Within these suppliers, those that may have substantial risks of impacts on some of these aspects are identified:

- Environmental aspects: the risk of negative impacts related to environmental issues, including but not limited to greenhouse gas emissions, energy consumption, water consumption, resource efficiency, pollution, waste or biodiversity.
- Social aspects: risk of negative impacts related to social issues, including but not limited to human rights and labour rights, such as child labour, forced labour, discrimination, freedom of

association, the right to collective bargaining, working hours, remuneration, occupational health and safety, or the rights of local communities.

- Governance aspects: the risk of negative impacts related to governance issues, including but not limited to corruption, bribery, conflicts of interest or anti-competitive practices.

As a result of these processes, the main data on the analysis of the significant suppliers (critical in technical and economic terms, most significant in terms of ESG) are as follows:

- Of the ACS Group's total suppliers, 6,352 are suppliers considered critical in technical and economic terms. These suppliers represent 72.5% of the total expenditure of the Group's companies with critical suppliers. Practically all of these suppliers consider the ACS Group to be a key customer in their activity
- Of the total number of ESG significant suppliers, 116 suppliers were identified in this first year of analysis.⁹

Given the importance of analysing the supply chain for managing risks for the company, the ACS Group companies identify their direct critical suppliers (tier-1 critical suppliers). In 2023, the ACS Group evaluated the 4,003 tier-1 critical suppliers in terms of sustainability of the 6,352 identified tier-1 critical suppliers, representing 61.9% of the total. Of these 4,003 critical tier-1 suppliers assessed, a 17.7% of them at risk in terms of sustainability, and the lack of certificates, breaches or other risks detected is understood as such. The increase in suppliers considered to be at risk is mainly due to the entry into force of the German Supply Chain Act (Lieferkettensorgfaltspflichtengesetz/LkSG) in 2023, which has affected the consolidated analysis of Hochtief's suppliers and that has led to a deeper and broader analysis of what are considered sustainability risks. Most of these risks are minor and have only led to remediation measures that have already been carried out.

Thus, depending on the risks detected, the reasons for the negative assessment are analysed and initiatives and remediation plans are proposed to strengthen the identified areas of improvement that include, among other things, training and collaboration activities. Serious breaches can lead to the immediate termination of contracts or agreements relating to suppliers.

By 2023, 90.47% of significant tier-1 suppliers had been evaluated throughout their relationship with the Group.

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

⁹ Scope of the data: 14.7% of procurement expenses

suppliers), and the tier-2 suppliers that may have ESG risks. The number of these suppliers identified in 2022 was

99,394 technically and economically critical suppliers and 4 ESG-significant suppliers.¹⁰

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 at national level:

	2022	2023
	Days	
Average period of payment to suppliers	45	47
Ratio of transactions paid	49	51
Ratio of transactions pending payment	33	29
	Thousands of Euros	
Total payments made	1,457,990	1,669,836
Total payments pending	406,991	452,547

In addition, the information required by Spanish Law 18/2022, of 28 September, on the creation and growth of companies (Ley 18/2022 de Creación y Crecimiento de Empresas) regarding invoices paid within a period less than the maximum established in the regulations on late payment at national level is detailed as follows:

	Period 2022	Period 2023
Monetary amount paid in thousands of euros in a period lower than the maximum established in the late payment regulations	1,445,426	1,642,687
Percentage of total monetary payments made to suppliers	99.1%	98.4%
Number of invoices paid in a period lower than the maximum established in the regulations on late payment.	469,581	503,213
Percentage over total number of invoices paid to suppliers	97.5%	97.7%



¹⁰ Scope of the data: 14.7% of procurement expenses

4.7.4. RISK MANAGEMENT ON SUPPLY CHAIN ISSUES

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 possible improper practices of the suppliers of a company pose a potential risk that, if it materialises, may hinder their 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 this, the Code of Conduct for Business Partners establishes the basic principles of action that Partners 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 also 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: Procurement/Subcontracting</p> <p>The main risks associated with this material issue that forms part 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 79,110 suppliers and contractors that the ACS Group worked with in 2023, 87.0% accepted by signing the ACS Group's Code of Conduct for Business Partners, or have a procedure similar to it.</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 was 38.6% in 2023</p> <p>By 2023, 90.47% of significant tier-1 suppliers had been evaluated.</p> <p>By 2023, 80.7% of the new suppliers had been evaluated.</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



4.8. COMMITMENT TO QUALITY WITH THE CUSTOMER

4.8.1. 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

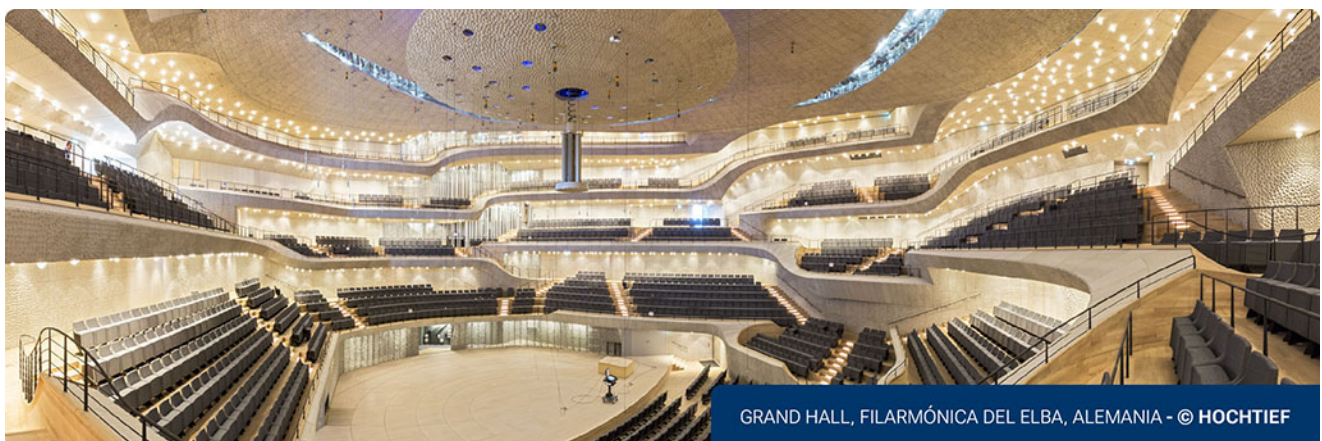
The percentage of production certified in accordance with ISO 9001 was 68.1% in 2023.

It is important to bear in mind the weight of ACS Group's activity in the US and Canada (62% of total sales in 2023),

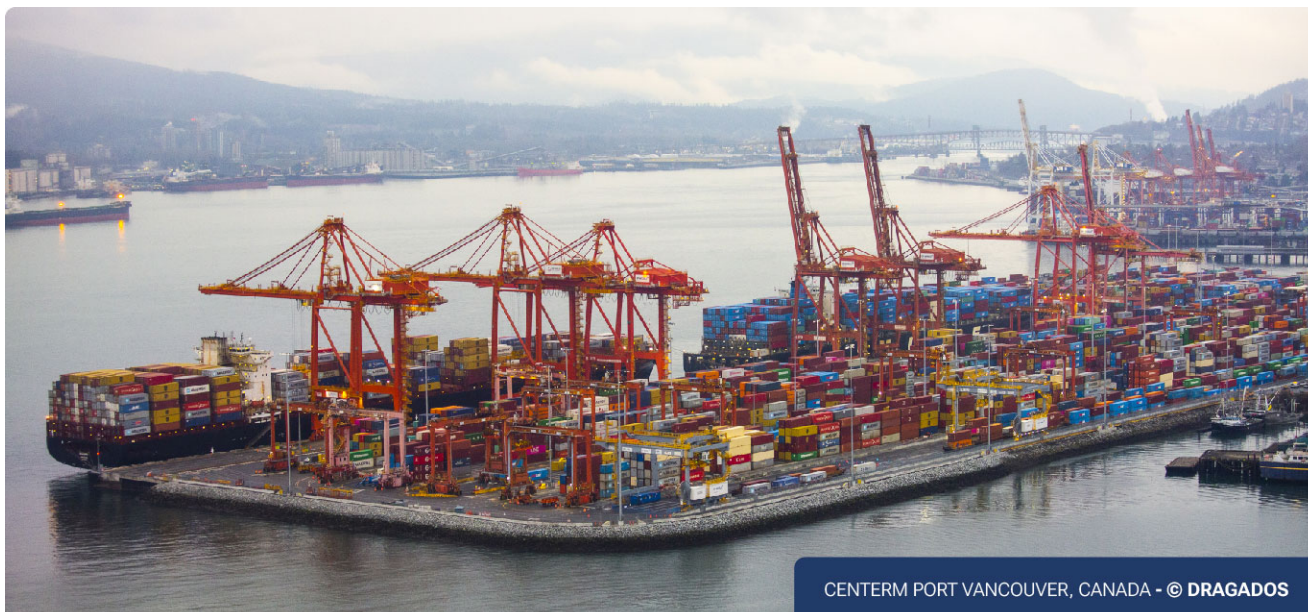
since this type of certificate (ISO 9001) is not the predominant certificate in quality management systems in this region.

ISO 9001 certified production	2022	2023
Construction	65.2%	66.9%
Concessions	13.2%	7.1%
Services	98.0%	98.0%
Total ACS Group	66.7%	68.1%

Other management indicators	2022	2023
Number of quality audits	11,915	13,077
Number of quality audits per million euros of turnover	0.36	0.37
Investment in measures to promote and improve Quality (mn euros)	2.9	3.1
Intensity of investment in measures to promote and improve Quality (euros investment/ mn euros turnover)	87.5	87.7



GRAND HALL, FILARMÓNICA DEL ELBA, ALEMANIA - © HOCHTIEF



CENTERM PORT VANCOUVER, CANADA - © DRAGADOS

4.8.2. 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

Clece continues to be committed to a humanised model of care focused on the users of its social services, based on two main pillars which are the foundations of its methodology: person-centred care and professional-centred care.

In 2023 a significant effort was made to implement this model in our Clece Vitam residential centres, of which the following premises can be highlighted: the user as the protagonist of their own life and the centre of care, the team of professionals as the facilitator of the achievement of the objectives of the individualised care plan and the community as a space for care, wellbeing and prevention of isolation. It should be noted that the model was implemented in 18 of the 20 existing centres in Spain, and in 2024 it will be implemented in the remaining 2 centres and the 3 centres in Portugal. To verify the effective implementation of a model that guarantees the highest quality of care for users, a quantitative evaluation methodology was developed to assess the degree of maturity of the model, based on a scorecard of key processes that are crucial to the excellent functioning of a care home. Depending on the results obtained according to the established ranking table, each residential centre will obtain one of the three seals that determine the level of maturity of the implementation and the evaluation period: Excellence, Evolution and Challenge. The last two seals establish a plan of compulsory actions that will allow each centre to develop until it achieves the top seal.

In addition, the first Integral Recovery Centres for women victims of gender-based violence obtained ISO 9001 and 14001 certification for 2023, with an overall satisfaction score of 8.95 for the service and care received.

The results of the satisfaction surveys completed (4,044) by users and their families in social and educational services show a high overall rating of the services provided, obtaining an average of 8.05 in residential services and 8.92 in educational services out of a maximum of 10, with the most highly rated items being the care provided by health/educational staff and Communication and Information for family members.

With the aim of reducing automated and dehumanised processes when interacting with users, and to increase awareness and humanised treatment towards them, Clece has spent the last five years working to create a Manual of Good Practices for Humanisation in Home Assistance Services. In 2023 and in collaboration with Proyecto HUCI, an organisation dedicated exclusively to making health services more humane, this manual was completed, which will be an international benchmark for all Home Assistance Services that want to humanise their services. Work is already underway with SAD Madrid on its implementation and forthcoming certification.

CUSTOMER SATISFACTION

ACS's second key customer relationship management policy is measuring customer satisfaction and establishing plans for making improvements. Therefore, companies representing 97.2% of the Group's sales have defined a system for measuring customer satisfaction.

Likewise, companies representing 19.7% of the Group's sales have established formal measurement systems for customer complaints and claims (19.1% in 2022). 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 2023, 1,282 complaints were received, of which, 95.7% were resolved in the reporting period.

In the area of educational services, the Koala Nursery Schools continue to focus on improving safety and on allergy prevention, an area of utmost importance for public health and individual well-being. As proof of this commitment, we were recently awarded the ATX Allergy Protection Award for the best nursery school, Gloria Fuertes in Málaga, in the Roots of Care category. In addition, the educational project developed in schools in Castilla y León merits special recognition for its remarkable empathy and understanding of the needs of allergic children and their families.

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 of the Group's values is confidentiality. ACS Group companies' contracting and customer relationship departments promote responsible use of information, therefore 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.



SEWER OVERFLOW FACILITIES, BROOKLYN, USA - © DRAGADOS



4.9. TAX INFORMATION

ACS GROUP CORPORATE TAX POLICY

ACS has had a Tax Policy since 2015 and the latest version of this document 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.

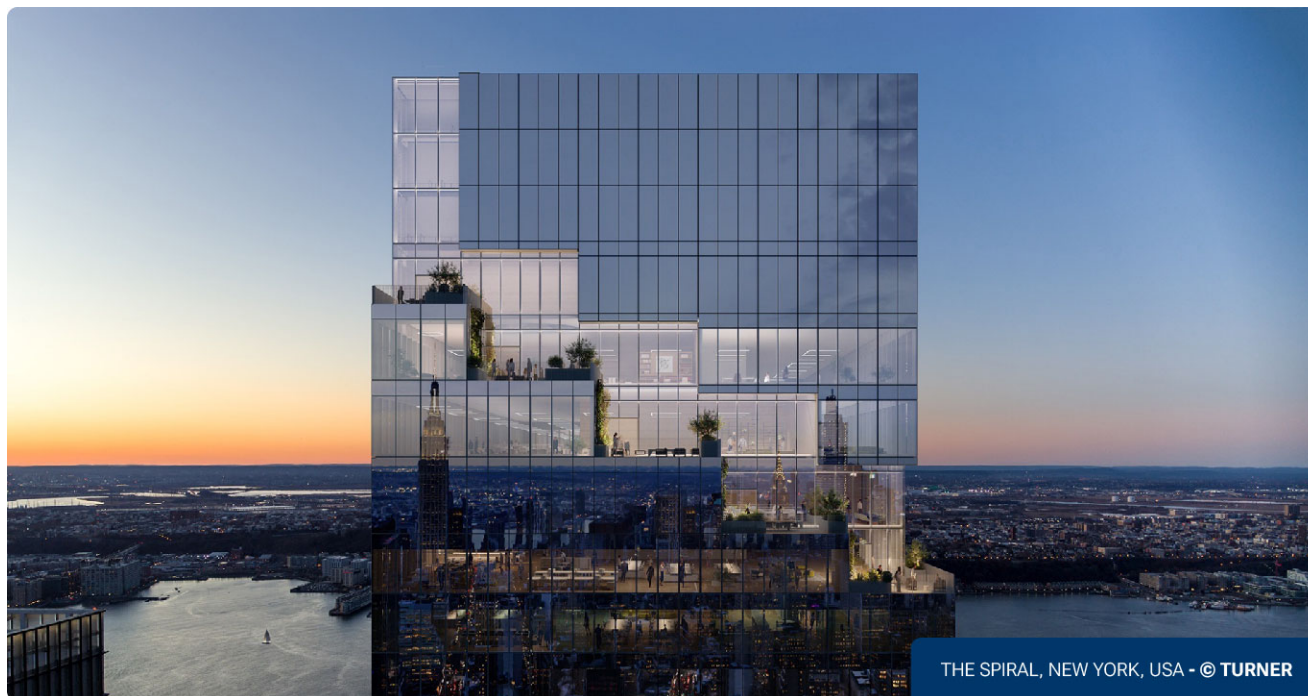
In particular, in Spain in 2010, ACS signed the Code of Best Tax Practices promoted by the Spanish tax authorities (*Agencia Estatal de la Administración Tributaria*) and, in application of it, voluntarily provides that Agency the Annual Fiscal Transparency Report, with special emphasis on the Group's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

Another principle of this policy is not incorporating (or acquiring) companies based in territories that the Spanish State considers uncooperative tax jurisdictions or tax havens, unless they are necessary for carrying out 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 that are residents of these jurisdictions 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, the ACS Group obtained certification in UNE 19602:2019 on Tax Compliance Management Systems, and this certification was renewed in 2023.





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 2022 and 2023 (amounts in thousands of euros):

TAXES PAID 2023						
Country	TOTAL	Profits tax paid (1)	Other taxes paid (2)	Taxes collected	Pre-tax profit (3)	Subsidies received
Spain	1,007,547	140,056	381,753	485,738	460,374	192
United States	829,362	93,285	230,350	505,727	195,484	
Australia	516,879	-1,196	225,763	292,313	107,469	
Germany	198,777	7,964	34,130	156,683	37,810	
United Kingdom	49,743	2,709	14,334	32,700	-37,206	54
Canada	45,301	11,777	7,330	26,195	-27,157	
Mexico	36,843	23,031	69	13,744	-7,293	
Poland	24,619	6,233	8,036	10,350	-23,809	
Peru	23,177	3,219	1,171	18,788	600	
New Zealand	20,954		833	20,122	-45,606	
Portugal	12,245	214	4,292	7,740	898	
Hong Kong	11,509	5,126	4,091	2,293	17,955	
Czech Reoublic	11,139	2,002	6,930	2,206	4,384	
India	10,568	2,474	1,693	6,401	10,043	
Others(*)	48,769	9,069	14,418	25,276	59,028	
Unattributable consolidation adjustments & equity method results (4)					374,255	
TOTAL	2,847,432	305,963	935,193	1,606,276	1,127,229	246
Income from discontinued operations, taxes and minority interest					-347,106	
RESULT OF PARENT COMPANY					780,123	

(*) 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 2022						
Country	TOTAL	Profits tax paid (1)	Other taxes paid (2)	Taxes collected	Pre-tax profit (3)	Subsidies received
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	
Others (*)	1,591	-18,414	-35,764	55,769	-103,961	
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.

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



2.7. Efficient Risk Management



4.10. 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 it provides.

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 25.8 million in 2023. 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 25.8 MILLION EUROS IN RESEARCH IN 2023

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 2023, THE ACS GROUP HAD 243 PROJECTS IN PROGRESS AND IN THE LAST 10 YEARS THE GROUP'S COMPANIES HAVE REGISTERED A TOTAL OF 48 PATENTS.

The ACS Group's capabilities were strengthened and complemented through the alliances 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 2023, THE ACS GROUP DEVELOPED 58 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 creating 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

APPLICATION OF THE DIGITAL TWIN TO CONSTRUCTION PROCESSES (VIAS)

Digitalisation is changing the way projects are planned, built, and managed. BIM is a collaborative working methodology based on 3D models that provides everyone involved in construction with the views and tools they need to carry out each phase in the most efficient way. This methodology offers its full potential when its features are exploited in real time, and when data can be captured in an automated, or at least partially automated, manner. Compared to a "static" BIM model, a "Digital Twin"—which is nothing more than processing the BIM model dynamically—can provide valuable information to improve production processes, such as up-to-date data on resources during construction (facilitating control over personnel, material and machinery), an up-to-date cost forecast based on the detailed actual development as the work progresses, etc.

In this line of work, VIAS aims to develop the potential of the Digital Twin, monitoring the critical parameters that condition the evolution of the work as a tool for planning works and resources, offering greater flexibility and productivity. In addition, efforts are being made to implement specific functionalities focused on improving worker safety through automatic risk detection, and other technologies such as virtual reality and augmented reality are being tested.

For automated - or at least partially automated - data capture, which is one of the main keys to progress in this line, drones and laser scanners with some ground mobility are used, as well as fixed sensors to monitor the parameters that are defined as critical. By comparing the captured information with the starting model, deviations are detected and finally the underlying BIM is updated. Automating this workflow as much as possible, which currently still has a large manual component, is another key to extending the application, and is currently a priority line of development.

VIAS is focusing on developing this technology both for its construction and maintenance of linear infrastructures and for its building works, having developed several use cases for this purpose.

For railway works, the digital twin is being equipped with new capabilities by combining it with geographic information systems (GIS) in view of the need to incorporate linear spatial referencing to manage the information. The latest advances in BIM-GIS integration and the BIM Railway Classification System SFCclass V2 - developed within the scope of the Railway Innovation Hub (RIH) - will be very useful tools to accelerate the evolution in this line of work, promoting the development of digital twins applied to railway infrastructures, and thus the digitisation of their construction and maintenance processes.



BIM IMPLEMENTATION, VIAS, SPAIN - © DRAGADOS

DIGITUN PROJECT (DRAGADOS)

The DIGITUN Project: "DIGITALIZED FIRE SAFETY FOR RESILIENT UNDERGROUND CRITICAL TRANSPORT INFRASTRUCTURES" is part of the 2022 call for PUBLIC-PRIVATE PARTNERSHIP PROJECTS within the Digital World, industry, space and defence thematic priority and was co-funded by the Ministry of Science and Innovation as part of the State Programme to Promote Scientific and Technical Research and its Transfer, of the 2021-2023 State Plan for Scientific and Technical Research and Innovation, within the framework of the Recovery, Transformation and Resilience Plan. The project is being implemented from 2023 to 2026, coordinated by DRAGADOS, with the participation of Catalonia Polytechnic University (UPC) and Sener.

The main objective of the project is to increase the level of protection in tunnels against extreme fires, and to identify and quantify the level of damage to the tunnel lining after a fire, to determine the most sustainable repair/reinforcement work.

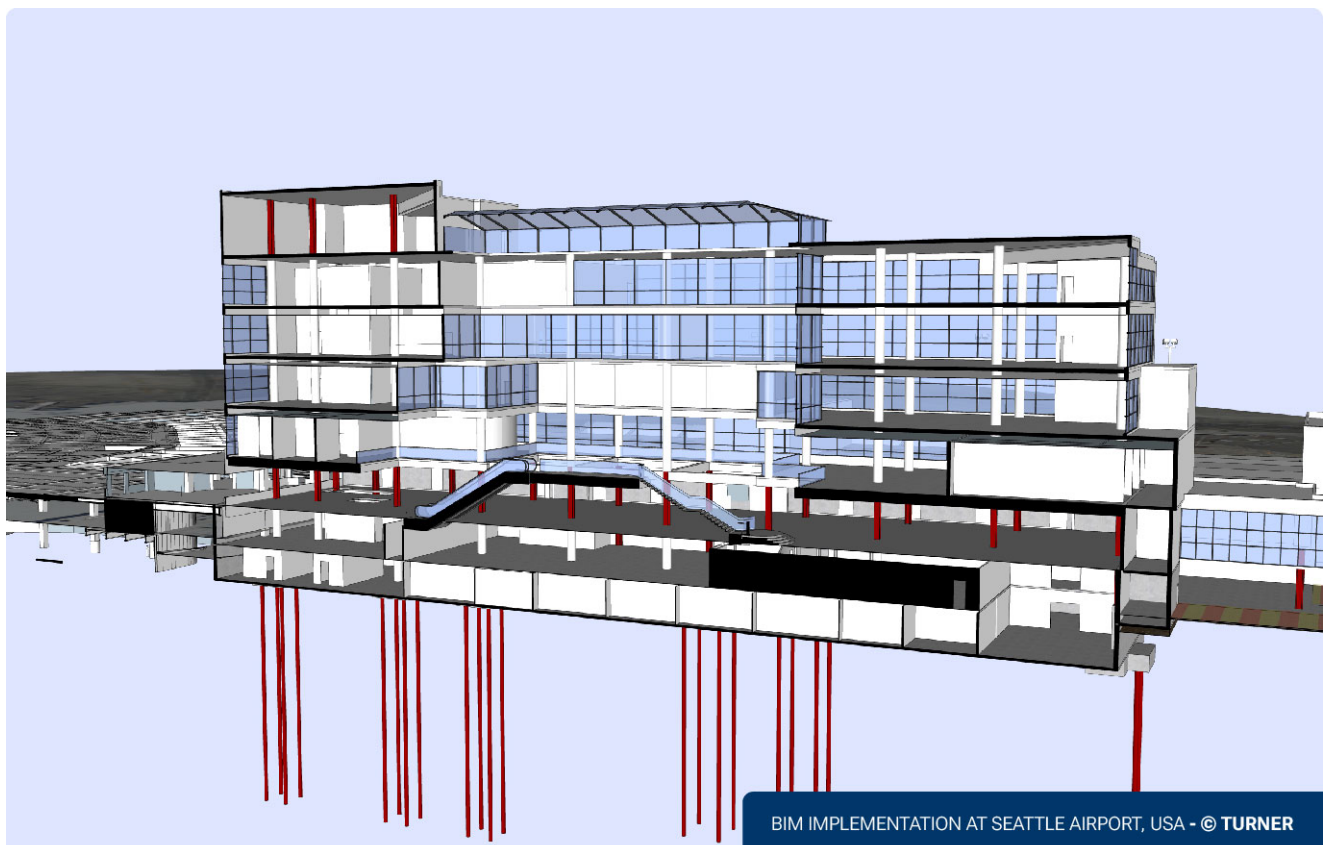
Since this sensor and AI-based system can be installed in both existing tunnels and new tunnels, there is excellent market potential for this new technology to be developed in the context of DIGITUN.

To this end, the project is using industrial expertise and technological assets (sensors and smart platforms) and advanced structural reliability models to improve the structural assessment of tunnels after a fire and to optimise the repair/demolition strategy in terms of sustainability (environmental and economic).

More specifically, the project proposes using wireless sensors to record the temperatures reached inside fibre-reinforced concrete elements (precast segments and shotcrete supports) under real fire conditions. Once calibrated and validated, a methodology will be developed, based on using these temperature sensors, for structural fire repair and/or reinforcement, i.e. increasing the level of safety against extreme fires, which allows, through an intelligent digital platform, to record, correlate, analyse and visualise the data obtained from the wireless sensors in real time, for subsequent decision-making related to repair/reinforcement operations, thus being able to evaluate and quantify the sustainability performance (economic, environmental and social) of the digitised concrete tunnel linings.

Determining the traceability in a fire event, when the tunnel lining has to be repaired or demolished, not only facilitates the diagnosis, but also enhances the recyclability of the materials.

In a complementary way, critical production operations (demoulding, steam curing process) will be optimised to improve productivity and quality control during the manufacturing of concrete coverings based on real-time temperature readings provided by wireless sensors, avoiding premature damage due to cracking, before installing segments during curing (stockpiled segments), storage and transport due to severe environmental conditions.



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.

Nexplora combines 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.

In 2023, 250 Turner experts and partners participated in the eighth Turner Innovation Summit. One of the main themes was: "From Artificial Intelligence (AI) to Intelligence Augmentation (IA)". Practical application of the Nexplora DeliverEze platform, which facilitates the delivery processes in large projects.

Nexplora DeliverEze

Nexplora DeliverEze is a streamlined delivery scheduling platform that allows field teams, suppliers and all other parties involved in the on-site delivery process to schedule, track and manage their deliveries all in one place. DeliverEze was initially developed as a project-based system for Turner and was used to closely track and manage supplier deliveries in government works. Version 1 was launched in November 2021 and was used in 16 Turner projects with a total of 250 users. As a result of the initial release, Nexplora was able to gather valuable feedback from both project teams and suppliers and thus obtain important information for the enhancements of version 2.

Since October 2023, this new version has been used in four internal projects involving a total of 60 users from Turner, Flatiron and Leighton Asia. DeliverEze has already contributed considerable value to these projects: For example, the platform helped streamline communications with suppliers, minimise delays due to on-site frictions and mitigate safety risks during the delivery process. Nexplora will improve these aspects in future iterations and thus extend its reach across the Group and beyond.

Nexplora Concrete

Nexplora Concrete, a digital solution for concrete ordering, delivery, quality control and documentation, is currently being implemented on two major construction projects in New South Wales, Australia, involving CPB Contractors: The first project, the M12 West motorway, is a NEWest Alliance venture. The second project, the Perth Metronet, will improve the region's transportation network. The Nexplora solution connects everyone involved in all phases of the concrete life cycle. It thus serves to optimise the entire concrete construction site. In December 2023, the pilot phase of Nexplora Concrete deployment began for both projects. Both projects are using the QR code functionality in Nexplora Concrete to manage data digitally.

The system was upgraded to interface seamlessly with Australia's four major concrete suppliers, ensuring a smooth and collaborative workflow between all those involved. Since the beginning of 2023, Nexplora concrete has been successfully used in 15 HOCHTIEF projects. Recently, the solution has also been equipped with a real-time cross-project evaluation function with Microsoft Power BI.

DYNAMIC VIRTUAL REPRESENTATION OF CONSTRUCTION PROJECTS: BIM AND DIGITAL TWIN (HOCHTIEF)

Innovative technologies continue to affect the landscape of the construction sector, and at the forefront of this evolution are two interconnected technologies as a foundational pillar: Building Information Modelling (BIM) and digital twins. These advanced digital tools combine not only to transform how buildings are designed and built, but also to revolutionise their operational efficiency and life cycle management. Integrating these tools marks a paradigm shift in the way structures are conceptualised, created and maintained, promising maximum precision, foresight and optimisation throughout the life cycle of a building. BIM, which fits in seamlessly, prepares the ground with comprehensive data, while digital twins use real-time information to create a dynamic replica. Together, they streamline the entire life cycle of a structure, providing not only greater efficiency, but also predictive information for proactive maintenance.

With the help of software, the three-dimensional plans are linked with additional data such as time and cost schedules. 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. At HOCHTIEF, the subsidiary HOCHTIEF 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.

4.11. 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 sets out a list of activities that contribute substantially to one or more of the objectives. These activities are contained in documents called Delegated Acts which include the technical criteria that an activity must comply with.

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:
 - i. 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.
 - ii. 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.
 - iii. 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 the Taxonomically-eligible and Taxonomically-aligned activities within its business based on 2023 data on climate change mitigation and adaptation targets following the European Commission's Delegated Regulation (EU) 2021/2139 of 4 June 2021, as well as the different FAQs published by the European Commission in 2022 and 2023 regarding the interpretation of the Delegated Regulation.

Similarly, in 2023 the Taxonomically-eligible activities of the objectives of pollution prevention and control; transition to a circular economy; sustainability and protection of water and marine resources and protection and restoration of biodiversity and ecosystems, were analysed and reported on based on Delegated Regulation (EU) 2023/2486 of the European Commission of 27 June 2023. 2024 will see the reporting of taxonomically-aligned activities within these four objectives, following the technical criteria mentioned in that Delegated Regulation.

4.11.1. ELIGIBILITY EVALUATION

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 Delegated Regulation (EU) 2020/852, Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2023/2486 were identified. In cases where the activity falls under more than one environmental objective, the criterion of classifying the activities under the objective of contributing to the mitigation of climate change has been established.

Thus, the analysis of the eligibility of the four new objectives in 2023 of pollution prevention and control; transition to a circular economy; sustainability and protection of water and marine resources; and protection and restoration of biodiversity and ecosystems has not entailed significant changes or the addition of new activities with respect to those reported in the previous year:

Group 4. Energy

To calculate their eligibility, the projects carried out by the ACS Group related to the construction and operation of electricity generation facilities using photovoltaic solar technology (activity 4.1), concentrated solar power technology (activity 4.2), wind power (activity 4.3) and hydroelectric power (activity 4.5) were taken into account.

The ACS Group also carries out projects related to activities that do not have a material impact on the Group's indicators in terms of eligibility, but their contribution was analysed, such as projects related to activities 4.9 Transmission and distribution of electricity, 4.10 Storage of electricity and 4.29 Generation of electricity from gaseous fossil fuels.

Group 5. Water supply, water treatment, waste treatment and decontamination

To calculate their eligibility, the projects carried out by the ACS Group relating to the construction, extension and operation of water collection, treatment and distribution systems (activity 5.1.); renovation of water collection, treatment and distribution systems (activity 5.2.); construction, extension and operation of centralised waste water systems, including collection (sewer networks) and treatment (activity 5.3.) were taken into account.

The ACS Group also carries out projects related to renovating wastewater collection and treatment (activity 5.4), which, although not material in terms of impact, were taken into account when reporting on the eligibility indicators.

Group 6. Transport

This is the second largest group within the ACS Group's eligibility indicators. To calculate the eligibility of this group, the projects carried out by the ACS Group related to building, modernising, maintaining and operating infrastructure for personal mobility, including building roads, motorways, bridges and tunnels and other infrastructure for pedestrians and bicycles (activity 6.13); Construction, modernisation, operation and maintenance of surface and underground railways, as well as railway bridges and tunnels, stations, terminals, service facilities and safety and traffic management systems (activity 6.14); construction, modernisation, maintenance and operation of infrastructures for urban mobility and transport (activity 6.15) and construction, modernisation and operation of infrastructures necessary for airport operations (activity 6.17).

The ACS Group also carries out projects related to infrastructure for maritime and river transport (activity 6.16) which, although not material in terms of impact, were taken into account when reporting on the eligibility indicators.

It is important to highlight, in relation to the road infrastructures considered within activity 6.15 "Infrastructure enabling low-carbon road transport and public transport", the ACS Group's strategic vision and position with respect to the European Environmental Taxonomy is that these infrastructures are eligible because of their potential contribution to climate change mitigation by facilitating the transition to low-carbon mobility through the incorporation of complementary infrastructures and solutions that enable zero-emission mobility. Therefore, the ACS Group's German subsidiary, Hochtief, has reported in accordance with this criterion. This is why the ACS Group's eligibility data has been included in point 6.3.2 of the Additional Indicators of this Consolidated Directors' Report, considering roads as eligible.

However, following the restrictive and literal interpretation of the European Commission's Delegated Regulation (EU) 2021/2139, the ACS Group has opted to report road infrastructures as non-eligible in its Consolidated Non-Financial Statement.

The ACS Group will continue to analyse the clarifying documents published by the competent bodies in 2024 that could clear up uncertainties in the interpretation of this criterion.

Group 7. Building construction and property development activities

This is the group with the greatest weight in the ACS Group's eligibility indicators. To calculate the eligibility of this group, the projects carried out by the ACS Group related to the developing construction projects of residential and non-residential buildings, and building complete residential or non-residential buildings (activity 7.1), and construction and civil engineering works or preparation of renovation works for existing buildings (activity 7.2) were taken into account.

The ACS Group also carries out projects related to activity 7.6 Cells for green energy transmission grids, which although not material at the impact level, were taken into account in the reporting of the eligibility indicators.

Activities in other groups

The results of the eligibility analysis also showed other activities carried out by the ACS Group that fall under the following activities:

- Activity 9.3: Professional services related to the energy efficiency of buildings.
- Activity 14.2: Flood risk prevention and protection infrastructures.

4.11.2. ALIGNMENT ASSESSMENT

Once the taxonomically eligible activities were identified, the multidisciplinary teams of each of the subsidiaries, coordinated by the sustainability area, analysed the requirements under Commission Delegated Regulation (EU) 2021/2139,

which establishes the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity does no significant harm to any of the other environmental objectives.

This analysis to determine the activities that comply with this Delegated Regulation (EU) 2021/2139, and that are therefore considered taxonomically aligned, was carried out in the ACS Group by the different subsidiaries at 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 criteria established in the Regulation based on contribution and activity.

To assess compliance with the technical criteria and collect evidence to support them in the different projects, questionnaires were sent to the different project managers, either through internal systems or through online digital solutions, such as the tool developed at HOCHTIEF by its innovation company, Nexlore. 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 determined whether the technical selection criteria were in line with the thresholds required under the 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 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 and 2023. In the case of projects carried out 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. Thus, this internal verification confirmed that the projects meet the technical criteria of substantial contribution and the criteria of doing no significant harm.

For the analysis of compliance to verify whether the activity is carried out in accordance with the minimum guarantees (minimum social safeguards) established in Article 18 of Regulation (EU) 2020/852 of the European Parliament and of the Council, the ACS Group has an internal compliance regulations that apply to all the companies included in the ACS Group's scope of consolidation, as well as to its business partners. These regulations include the ACS Group's Code of Conduct, its Code of Conduct for Business Partners, its Human Rights Policy, Human Rights Due Diligence Protocol, Criminal and Anti-Bribery Compliance Policy, its Corporate Tax Policy, and its Competition Compliance Policy and Protocol.

In the case of activities that are aligned due to their substantial contribution to the mitigation objective, it was analysed transversally that the projects do no significant harm (DNSH). The ACS Group has adopted a robust, science-based methodology based on using climate analysis tools to identify risks and opportunities at project, individual asset or supply chain level, thus improving the Group's climate risk assessment, identification and evaluation capabilities, as described in section 4.1.1. The fight against climate change. With the methodology developed and considering the coping capacity measures implemented by the Group's various subsidiaries, it was possible to demonstrate at the geo-localised project level that all the Group's taxonomy eligible activities (construction) meet the technical criteria of doing no significant harm (DNSH) in their adaptation.



4.1.1. The fight against climate change

In a cross-cutting manner, only the DNSH of adaptation was analysed with the environmental risk analysis. The rest of the DNSH was analysed on a project-by-project basis for each aligned activity. Thus for the most significant taxonomically-aligned activities, more detailed information is provided regarding their compliance with the technical screening criteria for determining whether the activity makes a substantial contribution to climate change mitigation or adaptation, as set out for each activity in Delegated Regulation (EU) 2021/2139 and the criteria for determining whether the activity does significant harm to any of the other environmental objectives. Both the alignment analysis and the necessary evidence have been audited by external auditors.

It is important to consider that for an activity to be aligned, it only needs to contribute substantially to one of the environmental objectives. Thus, internal audits have shown that there is no double counting resulting from this fact, assigning each project to an objective of substantial contribution.

6.14. Infrastructure for rail transport

To ensure that the projects are making a substantial contribution to climate change mitigation, each project was analysed in terms of its purpose, ensuring that it meets the technical criteria and that the infrastructure is not dedicated to transporting or storing fossil fuels.

To ensure that the projects do no significant harm to the other environmental objectives, the necessary evidence was requested and analysed for each project, such as Environmental Impact Assessments and annual reports on compliance with environmental monitoring plans, chronological waste management files, management plans detailing the measures implemented to mitigate noise, vibrations and dust or the conservation of water quality or biodiversity, among other documentation.

7.1. Construction of new buildings

To ensure that projects make a substantial contribution to climate change mitigation, each project was analysed in terms of its purpose, ensuring that it meets the technical criteria, mainly through the Energy Efficiency Certificates.

To ensure that the projects do no significant harm to the other environmental objectives, the necessary evidence was requested and analysed for each project, such as the technical data sheets of the installed equipment, chronological waste management files, management plans detailing the measures implemented to mitigate noise, vibrations and dust or the conservation of water quality or biodiversity, among other documentation.

6.15. Infrastructure that allows low-carbon transport by road and public transport

To ensure that the projects are making a substantial contribution to climate change mitigation, each project was analysed in terms of its purpose, ensuring that it meets the technical criteria and that the infrastructure is not dedicated to transporting or storing fossil fuels.

To ensure that the projects do no significant harm to the other environmental objectives, the necessary evidence was requested and analysed for each project, such as Environmental Impact Assessments and annual reports on compliance with environmental monitoring plans, chronological waste management files, management plans detailing the measures implemented to mitigate noise, vibrations and dust or the conservation of water quality or biodiversity, among other documentation.

4.11.3. 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.

4.11.4. 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 turnover 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).

Turnover 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 the environmentally sustainable ones (which comply with the taxonomy) based on the criteria of mitigating and adapting to climate change, as well as the eligible but not environmentally sustainable (non-aligned) activities identified in the ACS Group's portfolio. The denominator contains the total balance of the ACS Group's Turnover as expressed in the Income Statement of the ACS Group's Consolidated Financial Statements.

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 percentage 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. Similarly, in accordance with the FAQ 17 October 2023, property, plant and equipment in projects are included under assets held for sale. The CapEx considered includes related additions resulting from business combinations according to the accounting criteria for business combinations.

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 (OpEx)

The share 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 were used 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.



THE KLARMAN INPATIENT BUILDING, BOSTON, USA - © TURNER

4.11.5. 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.

Taxonomically Eligible/Aligned Activities ACS Group Criterion consideration road infrastructure NOT eligible	2023			2022		
	% eligible activities/ total	% aligned activities/ total	% aligned activities/ total eligible	% eligible activities/ total	% aligned activities/ total	% aligned activities/ total eligible
Revenue	54.8%	12.4%	18.4%	59.4%	11.6%	16.3%
Capex	23.0%	10.3%	30.8%	16.7%	10.5%	38.8%
Opex	43.5%	12.8%	22.8%	38.3%	12.7%	24.9%

	Year 2023					
	Proportion of revenues/total revenues 2023		Proportion of Capex/total Capex 2023		Proportion of Opex/total Opex 2023	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective	Taxonomy-aligned by objective	Taxonomy-eligible by objective	Taxonomy-aligned by objective	Taxonomy-eligible by objective
CCM	12.4%	54.8%	10.3%	23.0%	12.8%	43.5%
CCA	0.05%	0.01%	—%	—%	—%	—%
WTR		—%		—%		—%
CE		—%		—%		—%
PPC		—%		—%		—%

It is important to highlight, in relation to the road infrastructures considered within activity 6.15 "Infrastructure enabling low-carbon road transport and public transport", the ACS Group's strategic vision and position with respect to the European Environmental Taxonomy is that these infrastructures are eligible because of their potential contribution to climate change mitigation by facilitating the transition to low-carbon mobility through the incorporation of complementary infrastructures and solutions that enable zero-emission mobility. Therefore, the ACS Group's German subsidiary, Hochtief, has reported in accordance with this criterion. This is why the ACS Group's eligibility data has been included in point 6.3.2 of the Additional Indicators of this Consolidated Directors' Report, considering roads as eligible.

However, following the restrictive and literal interpretation of the European Commission's Delegated Regulation (EU) 2021/2139, the ACS Group has opted to report road infrastructures as non-eligible in its Consolidated Non-Financial Statement.

The ACS Group will continue to analyse the clarifying documents published by the competent bodies in 2024 that could clear up uncertainties in the interpretation of this criterion

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 the context of EU law. 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.

In 2023, the ACS Group adapted its reporting in terms of alignment and eligibility for the adaptation objective following FAQ No. 5 of October 2022 and FAQ No. 18 of October 2023. Taking into account the publication of interpretation guides, Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 and the European Commission's explanatory notes, the information published in 2022 has been restated to make the data comparable.

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 the projects are currently in may also make it difficult to obtain certain evidence, since the project may be in too early or late a phase to provide the necessary evidence.

Therefore, as indicated by the European Union, the fact that an activity or project is not 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 that are certified as sustainable (EUR 14,087 million in 2023,

representing 42.2% 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.

In conclusion, the eligibility of the ACS Group's activities based on the objectives set by the European taxonomy shows the Group's ability to contribute to achieving the Group's objectives.

In the coming years, the ACS Group expects to continue to make progress in the taxonomic analysis of its projects, thanks to the experience acquired in the reports, 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 that sets out the strategic priorities and 12 commitments regarding sustainability. Aspects related to the Taxonomy were integrated in the preparation of the Plan to adapt the Group's internal methodology and processes to the requirements of the Regulation. This is evidenced by the objective, among others, of working toward Climate Neutrality by 2045, which contributes directly to the climate change mitigation and adaptation objectives identified as a priority by the European Commission.



CAMPBELLTOWN HOSPITAL, AUSTRALIA - © CIMIC

REVENUE

Economic Activities	Code	Absolute revenues 2023 (EUR MN)	Proportion of revenues/total 2023	Substantial contribution criteria					
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Electricity generation using solar photovoltaic technology	CCM 4.1	107.6	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2	44.4	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM 4.3	91.7	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5	338.2	0.9%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM 4.9	35.0	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	5.9	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of water collection, treatment and supply systems	CCM 5.2	31.6	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of waste water collection and treatment	CCM 5.3	133.3	0.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of waste water collection and treatment	CCM 5.4	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for personal mobility, cycle logistics	CCM 6.13	42.3	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14	2,489.7	7.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	369.4	1.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low carbon water transport	CCM 6.16	21.1	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Low carbon airport infrastructure	CCM 6.17	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	498.3	1.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	205.9	0.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Flood risk prevention and protection infrastructure	CCA 14.2	17.0	0.0%	N/EL	Y	N/EL	N/EL	N/EL	N/EL
Environmentally sustainable activities (taxonomy-aligned) A1		4,431.3	12.4%	12.4%	0.05%	0.0%	0.0%	0.0%	0.0%
of which: enabler		2,973.2	8.3%	8.3%	0.05%	0.0%	0.0%	0.0%	0.0%
Of which: transition		205.9	0.6%	0.6%					

Economic Activities	Code	Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of revenues 2022	Enabling activity (E)	Transitional activity (T)
		Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water (Y/N)	Pollution (Y/N)	Circular Economy (Y/N)	Biodiversity (Y/N)	Minimum safeguards (Y/N)			
A. TAXONOMY-ELIGIBLE ACTIVITIES											
A.1. Environmentally sustainable activities (taxonomy-aligned)											
Electricity generation using solar photovoltaic technology	CCM 4.1	Y	Y	Y	Y	Y	Y	Y	0.0%		
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2	Y	Y	Y	Y	Y	Y	Y	0.1%		
Electricity generation from wind power	CCM 4.3	Y	Y	Y	Y	Y	Y	Y	0.3%		
Electricity generation from hydropower	CCM 4.5	Y	Y	Y	Y	Y	Y	Y	0.8%		
Transmission and distribution of electricity	CCM 4.9	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	Y	Y	Y	Y	Y	Y	Y	0.0%		
Renewal of water collection, treatment and supply systems	CCM 5.2	Y	Y	Y	Y	Y	Y	Y	0.2%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3	Y	Y	Y	Y	Y	Y	Y	0.4%		
Renewal of waste water collection and treatment	CCM 5.4	Y	Y	Y	Y	Y	Y	Y	0.0%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Infrastructure for rail transport	CCM 6.14	Y	Y	Y	Y	Y	Y	Y	6.5%	E	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	Y	Y	Y	Y	Y	Y	Y	0.9%	E	
Infrastructure enabling low carbon water transport	CCM 6.16	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Low carbon airport infrastructure	CCM 6.17	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Construction of new buildings	CCM 7.1	Y	Y	Y	Y	Y	Y	Y	1.5%		
Renovation of existing buildings	CCM 7.2	Y	Y	Y	Y	Y	Y	Y	0.6%		T
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Flood risk prevention and protection infrastructure	CCA 14.2	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Environmentally sustainable activities (taxonomy-aligned) A1		Y	Y	Y	Y	Y	Y	Y	11.6%		
of which: enabler		Y	Y	Y	Y	Y	Y	Y	7.6%	E	
Of which: transition		Y	Y	Y	Y	Y	Y	Y	0.6%		T

Economic Activities	Code	Absolute revenues 2023 (EUR MN)	Proportion of revenues/total 2023	Substantial contribution criteria					
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity

A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)

Electricity generation using solar photovoltaic technology	CCM 4.1	6.3	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM 4.3	3.4	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5	1.8	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM 4.9	117.4	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Storage of electricity	CCM 4.10	80.2	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	CCM 4.29	129.6	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	157.1	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of water collection, treatment and supply systems	CCM 5.2	30.5	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of waste water collection and treatment	CCM 5.3	159.7	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of waste water collection and treatment	CCM 5.4	9.5	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for personal mobility, cycle logistics	CCM 6.13	35.4	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14	975.0	2.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	535.0	1.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low carbon water transport	CCM 6.16	8.3	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Low carbon airport infrastructure	CCM 6.17	3.7	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	14,170.9	39.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	3,125.2	8.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	2.7	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	34.3	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Flood risk prevention and protection infrastructure	CCA 14.2	2.5	0.0%	N/EL	EL	N/EL	N/EL	N/EL	N/EL
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.		19,588.3	54.8%	54.8%	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL (A.1 + A.2)		24,019.6	67.2%	67.2%	0.1%	0.0%	0.0%	0.0%	0.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Revenue of taxonomy-non-eligible activities (B)		11,716.8	32.8%						
TOTAL (A + B)		35,736.4	100%						

Economic Activities	Code	Do no significant harm criteria (DNSH)					Taxonomy-aligned to taxonomy-eligible proportion of revenues 2022	Enabling activity (E)	Transitional activity (T)
		Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water (Y/N)	Pollution (Y/N)	Circular Economy (Y/N)			

A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)

Electricity generation using solar photovoltaic technology	CCM 4.1						0.4%	
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2						0.0%	
Electricity generation from wind power	CCM 4.3						0.0%	
Electricity generation from hydropower	CCM 4.5						0.0%	
Transmission and distribution of electricity	CCM 4.9						0.3%	
Storage of electricity	CCM 4.10						0.0%	
Electricity generation from fossil gaseous fuels	CCM 4.29						0.1%	
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1						0.7%	
Renewal of water collection, treatment and supply systems	CCM 5.2						0.1%	
Construction, extension and operation of waste water collection and treatment	CCM 5.3						0.4%	
Renewal of waste water collection and treatment	CCM 5.4						0.0%	
Infrastructure for personal mobility, cycle logistics	CCM 6.13						0.0%	
Infrastructure for rail transport	CCM 6.14						2.7%	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15						1.9%	
Infrastructure enabling low carbon water transport	CCM 6.16						0.1%	
Low carbon airport infrastructure	CCM 6.17						1.0%	
Construction of new buildings	CCM 7.1						43.5%	
Renovation of existing buildings	CCM 7.2						8.0%	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6						0.0%	
Professional services related to energy performance of buildings	CCM 9.3						0.1%	
Flood risk prevention and protection infrastructure	CCA 14.2							
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.							59.4%	
TOTAL (A.1 + A.2)							70.9%	

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Revenue of taxonomy-non-eligible activities (B)

TOTAL (A + B)

CAPEX

Economic Activities	Code	Absolute CapEx 2023 (EUR MN)	Proportion of CapEx/total 2023	Substantial contribution criteria						
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	
A. TAXONOMY-ELIGIBLE ACTIVITIES										
A.1. Environmentally sustainable activities (taxonomy-aligned)										
Electricity generation using solar photovoltaic technology	CCM 4.1	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2	0.9	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM 4.3	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM 4.9	0.2	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of water collection, treatment and supply systems	CCM 5.2	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of waste water collection and treatment	CCM 5.3	4.1	0.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of waste water collection and treatment	CCM 5.4	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for personal mobility, cycle logistics	CCM 6.13	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14	56.0	7.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	12.5	1.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low carbon water transport	CCM 6.16	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Low carbon airport infrastructure	CCM 6.17	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	0.6	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	–	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
Environmentally sustainable activities (taxonomy-aligned) A1		74.4	10.3%	10.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
of which: enabler		68.7	9.5%	9.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Of which: transition		0.0	0.0%	0.0%						

Economic Activities	Code	Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of CapEx 2022	Enabling activity (E)	Transitional activity (T)
		Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water (Y/N)	Pollution (Y/N)	Circular Economy (Y/N)	Biodiversity (Y/N)	Minimum safeguards (Y/N)			
A. TAXONOMY-ELIGIBLE ACTIVITIES											
A.1. Environmentally sustainable activities (taxonomy-aligned)											
Electricity generation using solar photovoltaic technology	CCM 4.1	Y	Y	Y	Y	Y	Y	Y	0.0%		
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2	Y	Y	Y	Y	Y	Y	Y	1.7%		
Electricity generation from wind power	CCM 4.3	Y	Y	Y	Y	Y	Y	Y	0.1%		
Electricity generation from hydropower	CCM 4.5	Y	Y	Y	Y	Y	Y	Y	0.3%		
Transmission and distribution of electricity	CCM 4.9	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	Y	Y	Y	Y	Y	Y	Y	0.0%		
Renewal of water collection, treatment and supply systems	CCM 5.2	Y	Y	Y	Y	Y	Y	Y	0.3%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3	Y	Y	Y	Y	Y	Y	Y	0.3%		
Renewal of waste water collection and treatment	CCM 5.4	Y	Y	Y	Y	Y	Y	Y	0.0%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Infrastructure for rail transport	CCM 6.14	Y	Y	Y	Y	Y	Y	Y	7.0%	E	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	Y	Y	Y	Y	Y	Y	Y	0.8%	E	
Infrastructure enabling low carbon water transport	CCM 6.16	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Low carbon airport infrastructure	CCM 6.17	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Construction of new buildings	CCM 7.1	Y	Y	Y	Y	Y	Y	Y	0.0%		
Renovation of existing buildings	CCM 7.2	Y	Y	Y	Y	Y	Y	Y	0.0%		T
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Environmentally sustainable activities (taxonomy-aligned) A1		Y	Y	Y	Y	Y	Y	Y	10.5%		
of which: enabler		Y	Y	Y	Y	Y	Y	Y	7.9%	E	
Of which: transition		Y	Y	Y	Y	Y	Y	Y	0.0%		T

Economic Activities	Code	Absolute CapEx 2023 (EUR MN)	Proportion of CapEx/total 2023	Substantial contribution criteria					
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity

A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)

Electricity generation using solar photovoltaic technology	CCM 4.1	2.6	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM 4.3	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM 4.9	129.1	17.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from fossil gaseous fuels	CCM 4.29			EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	0.6	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of water collection, treatment and supply systems	CCM 5.2	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of waste water collection and treatment	CCM 5.3	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of waste water collection and treatment	CCM 5.4	2.3	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for personal mobility, cycle logistics	CCM 6.13	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14	16.2	2.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	2.3	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low carbon water transport	CCM 6.16	0.8	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Low carbon airport infrastructure	CCM 6.17	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	12.6	1.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	0.4	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.		167.1	23.0%	23.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL (A.1 + A.2)		241.5	33.3%	33.3%	0.0%	0.0%	0.0%	0.0%	0.0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of taxonomy-non-eligible activities (B)		483.9	66.7%						
TOTAL (A + B)		725.4	100%						

Economic Activities	Code	Do no significant harm criteria (DNSH)					Taxonomy-aligned to taxonomy-eligible proportion of CapEx 2022	Enabling activity (E)	Transitional activity (T)
		Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water (Y/N)	Pollution (Y/N)	Circular Economy (Y/N)			

A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)

Electricity generation using solar photovoltaic technology	CCM 4.1					3.1%		
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2					0.0%		
Electricity generation from wind power	CCM 4.3					0.0%		
Electricity generation from hydropower	CCM 4.5					0.0%		
Transmission and distribution of electricity	CCM 4.9					4.3%		
Electricity generation from fossil gaseous fuels	CCM 4.29					0.0%		
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1					0.0%		
Renewal of water collection, treatment and supply systems	CCM 5.2					0.0%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3					0.2%		
Renewal of waste water collection and treatment	CCM 5.4					0.0%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13					0.0%		
Infrastructure for rail transport	CCM 6.14					2.5%		
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15					3.1%		
Infrastructure enabling low carbon water transport	CCM 6.16					0.0%		
Low carbon airport infrastructure	CCM 6.17					0.0%		
Construction of new buildings	CCM 7.1					2.9%		
Renovation of existing buildings	CCM 7.2					0.4%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4					0.0%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6					0.0%		
Professional services related to energy performance of buildings	CCM 9.3					0.0%		
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.						16.7%		
TOTAL (A.1 + A.2)						27.2%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

CapEx of taxonomy-non-eligible activities (B)

TOTAL (A + B)

OPEX

Economic Activities	Code	Absolute Opex 2023 (EUR MN)	Proportion of Opex/total 2023	Substantial contribution criteria					
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (taxonomy-aligned)									
Electricity generation using solar photovoltaic technology	CCM 4.1	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM 4.3	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM 4.9	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	0.5	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of water collection, treatment and supply systems	CCM 5.2	1.6	0.3%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of waste water collection and treatment	CCM 5.3	2.6	0.5%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of waste water collection and treatment	CCM 5.4	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for personal mobility, cycle logistics	CCM 6.13	1.2	0.2%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14	36.7	6.8%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	14.2	2.6%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low carbon water transport	CCM 6.16	0.6	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Low carbon airport infrastructure	CCM 6.17	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	9.4	1.7%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	2.4	0.4%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	—	0.0%	Y	N/EL	N/EL	N/EL	N/EL	N/EL
Environmentally sustainable activities (taxonomy-aligned) A1		69.2	12.8%	12.8%	0.0%	0.0%	0.0%	0.0%	0.0%
of which: enabler		52.7	9.8%	9.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Of which: transition		2.4	0.4%	0.4%					

(1) In the year 2022 and 2023 an Opex of 57.4 mn and 66.1 mn respectively has been included in which the alignment and eligibility has been based on a reasoned estimate based on the results obtained in the rest of the Opex amount.

Economic Activities	Code	Do no significant harm criteria (DNSH)							Taxonomy-aligned to taxonomy-eligible proportion of Opex 2022 Minimum safeguards (Y/N)	Enabling activity (E)	Transitional activity (T)
		Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water (Y/N)	Pollution (Y/N)	Circular Economy (Y/N)	Biodiversity (Y/N)				
A. TAXONOMY-ELIGIBLE ACTIVITIES											
A.1. Environmentally sustainable activities (taxonomy-aligned)											
Electricity generation using solar photovoltaic technology	CCM 4.1	Y	Y	Y	Y	Y	Y	Y	0.0%		
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2	Y	Y	Y	Y	Y	Y	Y	0.0%		
Electricity generation from wind power	CCM 4.3	Y	Y	Y	Y	Y	Y	Y	0.0%		
Electricity generation from hydropower	CCM 4.5	Y	Y	Y	Y	Y	Y	Y	0.0%		
Transmission and distribution of electricity	CCM 4.9	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	Y	Y	Y	Y	Y	Y	Y	0.1%		
Renewal of water collection, treatment and supply systems	CCM 5.2	Y	Y	Y	Y	Y	Y	Y	1.1%		
Construction, extension and operation of waste water collection and treatment	CCM 5.3	Y	Y	Y	Y	Y	Y	Y	0.5%		
Renewal of waste water collection and treatment	CCM 5.4	Y	Y	Y	Y	Y	Y	Y	0.0%		
Infrastructure for personal mobility, cycle logistics	CCM 6.13	Y	Y	Y	Y	Y	Y	Y	0.1%	E	
Infrastructure for rail transport	CCM 6.14	Y	Y	Y	Y	Y	Y	Y	5.2%	E	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	Y	Y	Y	Y	Y	Y	Y	1.0%	E	
Infrastructure enabling low carbon water transport	CCM 6.16	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Low carbon airport infrastructure	CCM 6.17	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Construction of new buildings	CCM 7.1	Y	Y	Y	Y	Y	Y	Y	4.4%		
Renovation of existing buildings	CCM 7.2	Y	Y	Y	Y	Y	Y	Y	0.3%	T	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	Y	Y	Y	Y	Y	Y	Y	0.0%	E	
Environmentally sustainable activities (taxonomy-aligned) A1		Y	Y	Y	Y	Y	Y	Y	12.7%		
of which: enabler		Y	Y	Y	Y	Y	Y	Y	6.4%	E	
Of which: transition		Y	Y	Y	Y	Y	Y	Y	0.3%	T	

(1) In the year 2022 and 2023 an Opex of 57.4 mn and 66.1 mn respectively has been included in which the alignment and eligibility has been based on a reasoned estimate based on the results obtained in the rest of the Opex amount.

Economic Activities	Code	Absolute Opex 2023 (EUR MN)	Proportion of Opex/total 2023	Substantial contribution criteria					
				Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity

A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)

Electricity generation using solar photovoltaic technology	CCM 4.1	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from wind power	CCM 4.3	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transmission and distribution of electricity	CCM 4.9	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	1.0	0.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of water collection, treatment and supply systems	CCM 5.2	2.6	0.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction, extension and operation of waste water collection and treatment	CCM 5.3	8.7	1.6%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renewal of waste water collection and treatment	CCM 5.4	0.5	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for personal mobility, cycle logistics	CCM 6.13	2.3	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure for rail transport	CCM 6.14	18.6	3.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	10.0	1.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Infrastructure enabling low carbon water transport	CCM 6.16	0.7	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Low carbon airport infrastructure	CCM 6.17	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	173.8	32.2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	16.1	3.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	–	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.		234.6	43.5%	43.5%	0.0%	0.0%	0.0%	0.0%	0.0%
TOTAL (A.1 + A.2)		303.8	56.3%	56.3%	0.0%	0.0%	0.0%	0.0%	0.0%

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Opex of taxonomy-non-eligible activities (B)	235.9	43.7%
TOTAL (A + B)	539.7	100%

(1) In the year 2022 and 2023 an Opex of 57.4 mn and 66.1 mn respectively has been included in which the alignment and eligibility has been based on a reasoned estimate based on the results obtained in the rest of the Opex amount.

Economic Activities	Code	Do no significant harm criteria (DNSH)						
		Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water (Y/N)	Pollution (Y/N)	Circular Economy (Y/N)	Biodiversity (Y/N)	Minimum safeguards (Y/N)

A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)

Electricity generation using solar photovoltaic technology	CCM 4.1							0.0%	
Electricity generation using concentrated solar power (CSP) technology	CCM 4.2							0.0%	
Electricity generation from wind power	CCM 4.3							0.4%	
Electricity generation from hydropower	CCM 4.5							0.0%	
Transmission and distribution of electricity	CCM 4.9							0.0%	
Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1							0.8%	
Renewal of water collection, treatment and supply systems	CCM 5.2							0.2%	
Construction, extension and operation of waste water collection and treatment	CCM 5.3							2.0%	
Renewal of waste water collection and treatment	CCM 5.4							0.0%	
Infrastructure for personal mobility, cycle logistics	CCM 6.13							0.1%	
Infrastructure for rail transport	CCM 6.14							5.1%	
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15							1.2%	
Infrastructure enabling low carbon water transport	CCM 6.16							0.3%	
Low carbon airport infrastructure	CCM 6.17							0.0%	
Construction of new buildings	CCM 7.1							22.8%	
Renovation of existing buildings	CCM 7.2							5.4%	
Installation, maintenance and repair of renewable energy technologies	CCM 7.6							0.0%	
Professional services related to energy performance of buildings	CCM 9.3							0.0%	
Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) A.2.								38.3%	
TOTAL (A.1 + A.2)								51.0%	

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Opex of taxonomy-non-eligible activities (B)

TOTAL (A + B)

(1) In the year 2022 and 2023 an Opex of 57.4 mn and 66.1 mn respectively has been included in which the alignment and eligibility has been based on a reasoned estimate based on the results obtained in the rest of the Opex amount.

4.12. CONTENTS OF THE CONSOLIDATED NON-FINANCIAL STATEMENT

The scope of each of the non-financial management indicators can be found in annex 6.3.6. 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	4.0. The ACS Group's business model in 2023 4.0.1. Sustainability strategy and trends Page 76-77	GRI 2-6 (2021)
Markets of operation	Yes	4.0. The ACS Group's business model in 2023 Page 76	GRI 2-1 (2021) GRI 2-6 (2021)
Aims and strategies of the organisation	Yes	4.0.1. Sustainability strategy and trends Page 77	GRI 2-1 (2021) GRI 2-22 (2021)
Main factors and trends that may affect their future performance	Yes	4.0.1. Sustainability strategy and trends 4.0.2. Risks Page 77-79	GRI 3-3 (2021) GRI 2-22 (2021)
Reporting framework used	Yes	4.0.1. Sustainability strategy and trends Page 77	GRI 1 (2021)
Principle of Materiality	Yes	4.0.1. Sustainability strategy and trends Page 77	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	4.0.2. Risks 4.1.5. Risk management in environmental issues Page 78-79;115-116	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	4.1. Environment 4.1.5. Risk management in environmental issues Page 82;115-116	GRI 3-3 (2021)
Environmental assessment or certification procedures	Yes	4.1. Environment Page 82	GRI 3-3 (2021)
Resources devoted to environmental risk prevention	Yes	4.1.5. Risk management in environmental issues Page 115	GRI 3-3 (2021)
Application of the precautionary principle	Yes	4.1. Environment Page 82	GRI 2-23 (2021)
Quantity of provisions and guarantees for environmental risks	Yes	4.1.5. Risk management in environmental issues Page 116	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	4.1.1. The fight against climate change 4.1.1.4. Targets and monitoring indicators Page 83-84;95	GRI 3-3 (2021) GRI 305-5

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
Circular economy and waste prevention and management			
Measures to prevent, recycle, reuse, other forms of recovery and waste disposal	Yes	4.1.2 Circular economy: sustainable use of resources and waste management Page 104;106-107	GRI 306-1 GRI 306-2 GRI 306-3 a 306-5
Actions to combat food waste	No		
Sustainable use of resources			
Water consumption and water supply in accordance with local limitations	Yes	4.1.3 Efficient and responsible use of water resources Page 110	GRI 303-1 a 303-3 GRI 303-4 GRI 303-5
Consumption of raw materials and measures adopted to improve the efficiency of their use	Yes	4.1.2 Circular economy: sustainable use of resources and waste management Page 104-105	GRI 301-1 GRI 301-2
Direct and indirect consumption of energy	Yes	4.1.1. The fight against climate change Page 100	GRI 302-1 GRI 302-2 GRI 302-3
Measures taken to improve energy efficiency	Yes	4.1.1. The fight against climate change Page 95;98	GRI 3-3 (2021) GRI 201-2
Use of renewable energies	Yes	4.1.1. The fight against climate change Page 100	GRI 302-1
Climate Change			
Greenhouse Gas Emissions	Yes	4.1.1. The fight against climate change Page 95-97	GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4
Measures adopted to adapt to the consequences of climate change	Yes	4.1.1. The fight against climate change Page 89-90	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	4.1.1. The fight against climate change Page 98	GRI 3-3 (2021) GRI 305-5
Protection of biodiversity			
Measures taken to preserve or restore biodiversity	Yes	4.1.4. Protection of biodiversity Page 112	GRI 3-3 (2021) GRI 304-3
Impacts caused by activities or operations in protected areas	Yes	4.1.4. Protection of biodiversity Page 112-113	GRI 3-3 (2021) GRI 304-3

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	4.0.2. Risks 4.2.4. Risk Management in HR Questions Page 78-79;134	GRI 3-3 (2021)
Employment			
Total number and distribution of employees based on diversity criteria (gender, age, country, etc.)	Yes	4.2. ACS Group employees Page 118	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	4.2. ACS Group employees Page 118-120	GRI 2-7 (2021)
Number of dismissals by gender, age and professional classification	Yes	4.2. ACS Group employees Page 120	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	4.2.2. Equal opportunities, diversity and inclusion Page 129-130	GRI 3-3 (2021)
Wage gap, remuneration for equal or average jobs in the company	Yes	4.2.2. Equal opportunities, diversity and inclusion Page 129-130	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	4.2.2. Equal opportunities, diversity and inclusion Page 128	GRI 3-3 (2021)
Introduction of employment disconnection policies	Yes	4.2.3. Organisation of work and social relationships Page 131	GRI 3-3 (2021)
Employees with disabilities	Yes	4.2.2. Equal opportunities, diversity and inclusion Page 127	GRI 3-3 (2021) GRI 405-1
Organisation of work			
Organisation of work time	Yes	4.2.3. Organisation of work and social relationships Page 131	GRI 3-3 (2021)
Number of hours of absenteeism	Yes	4.2.3. Organisation of work and social relationships Page 132	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	4.2.3. Organisation of work and social relationships Page 131	GRI 3-3 (2021) GRI 403-3
Health and safety			
Occupational health and safety conditions	Yes	4.3. Occupational health and safety Page 135-136	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	4.3.2 Safety statistics Page 141;143	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	4.2.3. 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	4.2.3. Organisation of work and social relationships Page 132	GRI 3-3 (2021)
Percentage of employees covered by collective bargaining agreement, by country	Yes	4.2.3. 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	4.2.3. 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	4.2.1. Professional Development Page 123	GRI 404-2
The total number of training hours by professional category	Yes	4.2.1. Professional Development Page 124	GRI 3-3 (2021) GRI 404-1
Universal accessibility of disabled persons			
Universal accessibility of disabled persons	Yes	4.2.2. Equal opportunities, diversity and inclusion Page 127	GRI 3-3 (2021)
Equality			
Measures adopted to promote equal treatment and opportunities between women and men	Yes	4.2.2. Equal opportunities, diversity and inclusion Page 126;128	GRI 3-3 (2021)
Equality plans, measures taken to promote employment, protocols against sexual and gender-based harassment	Yes	4.2.2. Equal opportunities, diversity and inclusion Page 126	GRI 3-3 (2021)
The anti-discrimination and, where applicable, diversity management policy	Yes	4.2.2. Equal opportunities, diversity and inclusion Page 126	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	4.0.1. Sustainability Strategy and Trends 4.0.2. Risks Page 77-79	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 possible abuses committed	Yes	4.4.5. Human Rights Page 149-150	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	4.4.5. Human Rights Page 150	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	4.4.5. Human Rights Page 149-150	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	4.0.2. Risks Page 78	GRI 3-3 (2021)
Corruption and bribery			
Measures adopted to prevent corruption and bribery	Yes	4.4.4. Prevention of corruption and bribery Page 148	GRI 3-3 (2021) GRI 2-23 (2021) GRI 2-26 (2021) GRI 205-2 a 205-3
Measures to combat money laundering	Yes	4.4.4. Prevention of corruption and bribery Page 148	GRI 3-3 (2021) GRI 2-23 (2021) GRI 2-26 (2021) GRI 205-2 a 205-3
Contributions to foundations and non-profit entities	Yes	4.6. Giving back to society Page 163	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	Sí	4.0.1. Sustainability Strategy and Trends 4.0.2. Risks Page 77-79	GRI 3-3 (2021)
Company commitments to sustainable development			
The impact of the company's activity on employment and local development	Yes	4.6. Giving back to society Page 163	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	4.6. Giving back to society 4.7.1. The supply chain of the ACS Group Page 163; 172	GRI 3-3 (2021) GRI 413-1 GRI 413-2 GRI 411-1
Relations with local community agents and dialogue with local communities	Yes	4.5. Stakeholder relations Page 160-161	GRI 2-29 (2021) GRI 413-1
Association or sponsorship actions	Yes	4.6. Giving back to society Page 169	GRI 3-3 (2021) GRI 201-1

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
Subcontracting and suppliers			
Inclusion of social, gender equality and environmental issues in the procurement policy	Yes	4.7. Suppliers and contractors Page 171	GRI 3-3 (2021)
Consideration of social and environmental responsibility of suppliers and subcontractors in relations with them	Yes	4.7. Suppliers and contractors Page 171-172	GRI 2-6 (2021) GRI 308-1 GRI 414-1
Supervisory systems and audits and their results	Yes	4.7.4. Risk Management on Supply Chain Issues Page 177	GRI 2-6 (2021) GRI 308-2 GRI 414-2
Consumers			
Measures for consumer health and safety	Yes	4.8.2. Customer relations Page 179	GRI 3-3 (2021) GRI 416-1
Complaint systems, complaints received and their resolution	Yes	4.8.2. Customer relations Page 180	GRI 3-3 (2021) GRI 418-1
Tax information			
Profit obtained by country	Yes	4.9. Tax Information Page 182	GRI 3-3 (2021) GRI 207-4
Profits tax paid	Yes	4.9. Tax Information Page 182	GRI 3-3 (2021) GRI 207-4
Public subsidies received	Yes	4.9. Tax Information Page 182	GRI 201-4
European Union Taxonomy			
European Union Taxonomy	Yes	4.11 European Union Taxonomy Page 188-206	





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5 Corporate Governance



SCIENCE AND ENGINEERING COMPLEX ON HARVARD'S ALLSTON CAMPUS, BOSTON, USA - © BRAD FEINKNOFF

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5.1. CORPORATE GOVERNANCE OF THE ACS GROUP

5.1.1. PRINCIPLES

The Company's corporate governance is developed from **principles** based on **corporate values** (integrity, excellence, confidence, sustainability and profitability) included in its Code of Conduct, which are part of the Group's culture since its inception, and implemented through a set of rules and procedures that, among other aspects, govern the structure and functioning of the Company's management bodies, as well as the relationships between these bodies and their members, executives and shareholders, so that directors and executives create long-term sustainable value for shareholders and the Company.

In particular, the **corporate principles**, based on these values and inspired by the Good Governance Code, are as follows:

- **Promotion of shareholder participation** ensuring equal of treatment, protecting the exercise of their rights and fostering shareholder confidence in the Company.
- **Appropriate and diverse composition of the Board and its committees and adequate and proportionate remuneration for its members** to attract and retain directors with the desired profiles and remunerate their dedication, qualifications and responsibility.
- **Efficient, organised and participatory functioning of the Board and its committees, avoiding inefficient action** and the generation of **conflicts of interest, misrepresentation** and opportunistic or **short-term thinking**.
- Promotion of **reporting transparency**, informing shareholders and the market in general of all information of their interest in relation to the Company and its Group, in accordance with the principles of transparency, accuracy of the information and speed of dissemination.
- **Company commitment to ethical and sustainable action**, which, in accordance with the ESG criteria, will aim to improve society, generating wealth to guarantee the well-being of the people it ultimately serves.
- Consolidation of a **drive for innovation**, development and continuous improvement to achieve maximum quality.
- **Compliance with current law and the internal corporate governance regulations of ACS and its Group** and ongoing updating in accordance with good governance recommendations, principles and best practices.

The Company's corporate governance configuration also takes into account the **principles and targets established by national and international bodies** in order to improve governance of the Company through effective performance, responsible management and ethical conduct in the Company and its Group.

5.1.2. CORPORATE GOVERNANCE SYSTEM

The above Principles and their application to the corporate governance practises of the Company and its Group are reflected in the Company's **corporate governance regulations**, which are essentially included in:

- The corporate texts, which consist of the Company By-laws, which establish the fundamental rules and principles guiding the organisation and functioning of the Company and its management bodies, and are implemented through the **General Shareholders' Meeting By-Laws** and the **Rules of the Board of Directors**.
- The **corporate policies** aimed at establishing the principles and criteria that must serve as a basis for the governance model of the Company and its Group and how they conduct their activities.
- The **ACS Group Code of Conduct**, the highest rule, which presides over all of the organisation's internal regulations, encompassing the entire Group, which is mandatory for all directors, executives and employees with ties to the Group's companies.
- The **Compliance policies and procedures** that constitute the Global Management System described in section 5.4 above, which establish and implement ACS' commitment to compliance with the laws, regulatory requirements, industry codes, internal regulations, good governance standards, generally accepted best practices, ethics and the expectations of its stakeholders.

ACS GROUP GOVERNANCE REGULATIONS



5.2. EVOLUTION OF THE CORPORATE GOVERNANCE SYSTEM IN 2023

In 2023, ACS continued to implement and improve its Corporate Governance System, which the Global Compliance Management System is part of, always based on the general framework established by the Corporate Governance Policy approved by the Board of Directors on 16 December 2021, in accordance with section 529(ter)(1)(c) Corporate Enterprises Act and Article 5 of the Board's Rules, and also bearing in mind the content of both the ISO 37301 international standard on compliance management systems and the ISO 37000 standard on the governance of organisations.

Based on the criteria and guidelines that, in accordance with this Policy, should govern the organisation and operation of the Company's management bodies, and on the definition of the structure of the Group of companies led by ACS in accordance with a highly decentralised management model, new steps were taken to develop its Corporate Governance System, which respects the respective functional and responsibility areas of the various companies comprising the Group, taking into account, where appropriate, their status as listed companies, and ensuring that ACS's corporate interests are in line with those of these entities and with the needs and expectations of its shareholders and other stakeholders, while establishing communication and information exchange mechanisms for the necessary strategic coordination in the interest of all the companies comprising the ACS Group.

5.2.1. DIVERSITY WITHIN THE BOARD OF DIRECTORS

ACS also worked in 2023 to consolidate a competent and diverse Board of Directors. In particular, the Annual General Shareholders' Meeting held on 5 May 2023 resolved to re-elect Antonio Botella García, Emilio García Gallego and Catalina Miñarro Brugarolas, all of them as independent directors, and María Soledad Pérez Rodríguez, as proprietary director, and these resolutions were passed, with the votes in favour of 94% to 99% of the share capital present and represented at the meeting. It was also resolved to elect Lourdes Máiz Carro and Lourdes Fraguas Gadea to the Board, both with the category of independent directors, and these resolutions were passed with the vote in favour of more than 99.7% of the share capital present and represented at the meeting.

Through these re-elections and appointments, the Company's Board not only continues to have the necessary skills, expertise and experience to best perform the duties entrusted to it, but by adding the two new independent female directors, ACS's commitment to diversity was reinforced, with the Board going from 26.67% female directors in 2022 to 40% in 2023, and from 40% independent directors to 53.3%.

5.2.2. NEW BOARD REMUNERATION POLICY

The Annual General Shareholders' Meeting held on 5 May 2023 passed, with 97.037% of votes in favour of the share capital present or represented at the meeting, a new Director Remuneration Policy for the remainder of 2023 and for 2024, 2025 and 2026, in accordance with the reasoned proposal by ACS's Board and the report of the Remuneration Committee, in compliance with section 529 (novodecies) Corporate Enterprises Act.

Pursuant to section 217 Corporate Enterprises Act, the Policy determines remuneration within the system established under the bylaws and provides for the maximum amount of remuneration that the Company may pay annually to all its directors, both executive and non-executive, which will continue to apply during the term of the Policy unless the General Shareholder Meeting decides to change it in the future.

The main reason for approving the new Remuneration Policy was to adjust the remuneration of the executive directors to the new structure of the Board following the appointment of the new Chief Executive Officer at the General Meeting held on 6 May 2022 and the resignation of the Executive Deputy Chair at the Board of Directors' meeting of 23 March 2023.

And in particular, essentially based on the content of the previous Policy, the amendments introduced were mainly aimed at (i) eliminating references to the Executive Deputy-Chair; (ii) adapting the remuneration of the new CEO; (iii) adjusting the maximum limit with respect to the fixed remuneration that the annual variable remuneration of executive directors may reach if the pre-established objectives are exceeded; (iv) eliminating section E.1 relating to incentive plans derived from previous policies; and (v) incorporating certain minor technical adjustments and modifications.

In turn, as stipulated in section 529 (novodecies) Corporate Enterprises Act, the ACS Board Remuneration Policy has been applied since its approval by the General Shareholders' Meeting and, therefore, for the remainder of 2023 and for 2024, 2025 and 2026, although the General Shareholder Meeting may change it in accordance with the legally stipulated terms.



Remuneration
Policy



Director
Remuneration
Report

5.3. MANAGEMENT BODIES

5.3.1. GENERAL SHAREHOLDER’S MEETING

The ACS General Shareholders' Meeting, as the highest body for the expression of the Company's will, is the main channel for shareholder participation in the Company, and its decisions, taken in accordance with the provisions of the By-Laws and the General Shareholders' Meeting By-Laws, are binding for all shareholders. It approves the financial statements, distributes earnings, approves corporate management, and appoints and removes directors, and performs any other functions that may be determined by law or the By-Laws.

The Company has acted at all times in accordance with the principle of equal treatment of all shareholders who are on an equal footing, guaranteeing, inter alia, that they may exercise their right to information and to attend and vote at the General Meeting.

5.3.2. BOARD OF DIRECTORS

The ACS Board of Directors represents and manages the company as the body supervising and controlling its activity, and also takes on the responsibilities and decision-making powers on the management of the businesses. The Board represents the Company, conducts its businesses

and carries out any transactions that constitute its purpose or are related to it, in addition to its non-delegable functions in accordance with the Law and the By-Laws.

It is composed of individuals of renown and professional competence, who act with independent judgement in the performance of their duties. In this regard, ACS has a Diversity Policy which includes the projection onto the governing bodies of ACS and its Group of the diversity objectives and commitments and the mechanisms for monitoring and evaluating the policy approved by the Board.

At 31 December 2023, ACS’s Board had 15 members, a composition that is considered adequate for it to best carry out its duties, having taken into account the different requirements of suitability and diversity, as described in section 5.2.1 above.

In line with the spirit of continuous improvement in terms of corporate governance, the Board of Directors underwent an annual assessment, in accordance with its Rules, to identify areas for improvement and prepare action plans for their achievement and monitoring.

BOARD OF DIRECTORS MATRIX OF COMPETENCES

	Executive Chairman	CEO	Board Member 1	Board Member 2	Board Member 3	Board Member 4	Board Member 5	Board Member 6	Board Member 7	Board Member 8	Board Member 9	Board Member 10	Board Member 11	Board Member 12	Board Member 13
EXPERIENCE															
Sectorial	●	●		●	●	●	●		●	●		●			●
International	●	●		●	●		●		●			●	●	●	●
Academic	●	●	●		●	●	●	●	●		●				
Public Administration	●	●	●		●	●	●	●	●	●		●	●	●	●
KNOWLEDGE															
Accounting and Finance	●	●		●	●		●		●	●				●	●
Risks	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Operations	●	●				●			●			●			
Legal and fiscal			●	●	●		●			●			●	●	●
Technology and digital transformation		●		●			●								●
Human resources	●	●		●	●	●	●	●	●	●	●	●	●		●



TERMINAL C AT LAGUARDIA AIRPORT, USA - © TURNER

5.3.3. BOARD COMMITTEES

In order to make its functions more effective, the Board of Directors has the following committees, the members of which will be appointed taking into account the knowledge, skills and experience necessary for the better performance of their duties and in accordance with applicable regulations.

- **Executive Committee:** Delegated Committee of the Board of Directors that exercises, by delegation of the Board of Directors, all powers that correspond to the Board except those that are legally or statutorily non-delegable.
- **Audit Committee:** Internal Board Committee that is attributed, in accordance with the legal provisions and with the recommendations of the CNMV, functions relating to (i) the supervision of financial and non-financial information, internal control and internal audit and risk management and control, (ii) relations with the external auditor, as well as proposals for their selection, appointment, reelection and replacement and the preservation of their independence in the exercise of their functions, (iii) reporting on related transactions to be approved by the General Shareholders' Meeting or the Board of Directors and supervise the internal procedure established by the Company for those whose approval has been delegated by the Board in accordance with applicable law and (iv) reporting to the Board on all matters stipulated by Law, the By-Laws and in the Rules of the Board of Directors. It also oversees compliance with the Company's policies and rules on environmental, social and corporate governance matters, as well as with the internal codes of conduct.
- **Appointments Committee:** An internal committee of the Board that is attributed, in accordance with the legal provisions and with the recommendations of the CNMV, duties relating to (i) the composition of the Board; (ii) selecting directors and senior executives;
- (iii) reporting on and proposing nominations to the Board; (iv) leading the annual assessment of the Board; (v) designing and organising regular knowledge update programmes for the directors; and (vi) ensuring that any conflicts of interest will not impair the independence of the external advice provided to the Committee.
- **Remuneration Committee:** An internal committee of the Board that is attributed, in accordance with the legal provisions and with the recommendations of the CNMV, is attributed functions relating to (i) proposing to the Board the remuneration policy for directors and senior executives and regularly reviewing it; (ii) proposing the contractual terms of the executive directors and the contracts of senior executives with regard to remuneration; (iii) informing the Board of the individual determination of the remuneration of each Director; (iv) reporting on any proposals for multi-year plans that may be established; (v) verifying the information on remuneration of directors and senior executives contained in the corporate documents; and (vi) ensuring that potential conflicts of interest will not impair the independence of the external advice provided to the Committee.

In accordance with the Rules of the Board of Directors, the Audit Committee, the Appointments Committee and the Remuneration Committee establish an annual work plan that includes the main activities of them during the year, and prepare an annual report on their functioning during the year, including, among other matters, any significant activities carried out during the period, which is published on the corporate website upon the publication of the call for the Annual General Shareholders' Meeting.

5.4. THE COMPETENCE OF THE AUDIT COMMITTEE TO SUPERVISE AND ASSESS THE CORPORATE GOVERNANCE SYSTEM AND INTERNAL CODES OF CONDUCT

As indicated above, the ACS Audit Committee is responsible, among its functions, for supervising compliance with the Company's environmental, social and corporate governance policies and standards, as well as internal codes of conduct.

Within this function, and in compliance with the CNMV's 2022 recommendations on the "Corporate governance reports of securities issuing institutions admitted to trading on regulated markets", the Audit Committee approved, at its meeting held on 14 December 2023, the Report of the Audit Committee on the regular assessment and review of the corporate governance system. This report was also reflected in the Audit Committee Activity Report that will be approved and sent to the markets upon the call for the General Shareholder Meeting to be held in May 2024.

This report informed the Board that in 2023 the Committee continued with its **duties of supervising compliance with the Company's corporate governance rules and internal codes of conduct** and also carried out an ongoing assessment of the corporate governance system, analysing potential areas for improvement.

To this end, the Committee took particular note of: (i) the Corporate Governance Policy, (ii) the Economic, Financial,

Non-Financial and Corporate Information Communication Policy, and the Accounting and Implication Policy with Shareholders and Other stakeholders, (iii) the Directors Remuneration Policy, (iv) the Sustainability Policy, (v) the Code of Conduct, (vi) the Code of Conduct for Business Partners and (vii) the Securities Market Conduct Regulation.

In addition, the Commission assessed implementing the Protocol on Related-Party Transactions on the basis of the report issued by the Operations Committee, concluding that the Committee has carried out its functions satisfactorily and that the Protocol had been complied with.

In this regard, the Audit Committee notes that the corporate culture reflected in these Policies and Standards is aligned with the purpose and values included in the Code of Conduct.

Also in 2023, the Audit Committee analysed, with the support of the Compliance Committee, **amendments to a set of Policies and Procedures** and, among others, the Operating Policy of the Whistleblowing Channel and the Whistleblower Report Management Procedure to



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adapt them to the Whistleblower Protection Act; the new Policy and Procedure for using technological means in accordance with the obligations under section 87(3) Data Protection Act; and

the new Data Protection Policy, the Industry Association Engagement and Tracking Policy, the Community Investment Policy, the Sponsorship, Patronage and Philanthropic Donations Policy, and the Policy on Compliance with International Sanctions on Third Parties.

Similarly, in compliance with the Whistleblower Protection Act, ACS's Board unanimously resolved to nominate the Compliance Committee to be the Internal Head of the Information System, designating the Committee's Chair as its individual representative.

The Audit Committee was also informed, through the Compliance Director, of the review and updating of certain aspects of the ACS corporate website from the point of view of the corporate governance legislation and the good governance recommendations applicable to the Company.

Likewise, in 2023 the Audit Committee continued to assess the Sustainability Monitoring Reports of the ACS Group.

On the other hand, in compliance with its duty to evaluate and review the Company's Corporate Governance System, in 2023 the Audit Committee continued to permanently analyse the legislative changes in good governance to

proceed, if necessary, to review and/or update certain corporate rules.

In this regard, in 2023 the Audit Committee continued to study the new regulatory developments that could have implications for the Company's governance and, in particular, in relation to: (i) Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU as regards sustainability reporting by companies, and the "European Sustainability Reporting Standards" (ESRS) following that Directive, encompassing environmental, social and governance matters; (ii) the processing of the Draft Due Diligence Directive on human rights and the environment; (iii) the Code of Best Practices for Institutional Investors, Asset Managers and Voting Advisors in relation to their duties in respect of assets entrusted or services provided, passed by the CNMV on 22 February 2023; and (iv) Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investments and amending Regulation (EU) 2019/2088.

In conclusion, in 2023, ACS's Audit Committee understood, within the framework of its competence to supervise and evaluate the corporate governance system, that an effective Compliance Management system is a fundamental pillar of the Company's good governance.



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6 Annexes



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6.1. REPORTING PRINCIPLES

The non-financial information in this report has been reported in accordance with Global Reporting Initiative (GRI) Standards. This Report of the ACS Group was also prepared following the principles established within the framework of the International Integrated Reporting Council (IIRC¹¹ and the sector supplement of Construction and Real Estate of the Standards of the Global Reporting Initiative.

The Annual Integrated Report responds to the recommendations of the National Securities Market Commission included in Guidelines for preparing the management report for listed entities, as well as Law 11/2018 on disclosure of non-financial information and diversity information. This includes the consolidated non-financial statement, as part of the ACS Group Management Report.

In regard to the Group's financial and management information, the information broken down in the consolidated and individual financial statements audited and prepared by the Board of Directors and presented at the Shareholders Meeting was taken into account.

The issues relating to non-financial information identified as relevant for the ACS Group stakeholders and to which this report responds are the following (in order of importance):

- Occupational health and safety in employees and contractors
- Ethics and compliance
- Good corporate governance
- Financial solvency and value generation for shareholders and investors
- Equality, diversity and non-discrimination
- Attracting talent and professional development
- Transparency and dialogue with stakeholders
- Customer orientation and quality
- Investment and sustainable financing
- Innovation and Technology
- Fair remuneration and quality employment
- Respect for human rights
- Responsible management of the supply chain
- Sustainability strategy and governance
- Circularity in the sourcing of raw materials and in waste management
- Climate Change: transition to a low-carbon business model
- Environmental management and protection of biodiversity
- Local development and impact on the community
- Pollution
- Water management

Lastly, a limited audit of the non-financial information was carried out by an independent third party in accordance with the Revised ISAE 3000 standard, including the audit statement provided on pages 268-271 of this document. The ACS Group applied the following criteria to prepare this report:



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¹¹ For more information, see the website of the International Integrated Reporting Council <http://integratedreporting.org/>

PRINCIPLES TO DETERMINE THE CONTENT OF THE REPORT

Inclusion of stakeholders: the ACS Group identifies and manages relevant issues taking into account the expectations of its stakeholders. The Group therefore has dialogue mechanisms adapted to its relationship with each of its stakeholders (indicated in section 4.5 this report).

Sustainability context: The purpose of this report is to explain the management of the ACS Group in each of the three sustainability areas: economic, social and environmental. Throughout this report, information is supplied in relation to the context of each of these areas.

Relevance: The ACS Group has carried out an analysis of material issues; the methodology and results can be consulted in section 6.2 of this report. This report made it possible to determine the issues that are relevant for the ACS Group and its stakeholders.

Exhaustiveness: In the process of preparing this report, the coverage and scope thereof was clearly defined, giving priority to information considered to be material and including all significant events that took place in 2023, without omitting information of relevance to our stakeholders.

The scope of the report was determined along with its content. In the reporting years covered by this report, ACS Group took part in transformation processes that involved organizational and administrative changes, which resulted in a change in the scope of certain indicators. Therefore, it should be noted that 50% of Thies was sold in 2020 and most of the Servicios Industriales activities were sold in 2021, as reflected in Note 02.02 to the ACS Group's 2021 financial statements. Appendix 6.3.6 indicates the scope and coverage of each of the indicators reported. In addition, if there are any significant changes in coverage, they must be indicated in these chapters. In 2023, following best market practices, the ACS Group, in its objective of improving the completeness and coverage of the indicators, made its best estimate for the data from the Group's companies or projects for which, due to the lack of information management systems or omissions of information, it has not been possible to obtain real data. In these cases, this was indicated throughout the chapters. The ACS Group, in its objective of constant improvement, will continue to work to achieve a degree of coverage of 100%.

The relevant issues, the indicators included herein and the issues covered by the 2023 Annual Integrated Report offer an overview of the significant impacts on the economic, social and environmental fields and on the ACS Group's activities.

PRINCIPLES TO DETERMINE THE QUALITY OF THE REPORT:

Accuracy and clarity: This report contains tables, graphs and diagrams, the purpose of which is to make the report easier to understand. The information in the report is meant to be clear and accurate, so that the ACS Group's actions can be assessed. In addition, the use of technical terms whose meaning may be unknown to stakeholders has been avoided as much as possible.

Balance: This report includes both positive and negative aspects, in order to present an unbiased image and enable stakeholders to reasonably assess the Company's actions.

Comparability: As far as possible, the information included in this report has been organised in such a manner that stakeholders may interpret the changes undergone by the ACS Group with respect to previous years. Certain figures have been recalculated with the same scope as those reported in 2023 so that, whenever possible, they can be more comparable with other years. In regard to indicators that indicate that "it was not possible to recalculate the figures retroactively for certain indicators", the historically reported data is included for the purposes of information.

It is important to note that the ACS Group is in the process of improving the processes for collecting data in line with the targets set in its Sustainability Master Plan, to improve their scope, quality and uniformity.

These processes may lead, where possible, to restatement of the information from previous years to facilitate their comparability and correct interpretation.

In this regard, the following factors must be considered in the year-on-year comparisons of absolute data within the ACS Group:

- Changes in its business activities and structure: the ACS Group has a high level of geographical and activity diversification, which implies that year-on-year changes in the business mix, the organic growth of the business itself, the acquisitions or divestment carried out or external factors (such as the impact of COVID-19) may lead to substantial changes in the consumption or eco-efficiency indicators presented.
- Comparability of the activities and progress of the projects: the eco-efficiency indicators presented relate to the purchases or consumption carried out in the ACS Group projects, whether through its own projects or proportionally through projects in which it participates through joint ventures. The nature of the projects carried out by the ACS Group is very variable and each type of project has a different impact on eco-efficiency indicators. In the large projects carried out by the Group, the phase in which the projects are located also represents significant differences in consumption.
- Improvement in data quality: given the size and operational decentralization of the ACS Group, an improvement process is being carried out in the collection of data, as well as a homogenization of the processes and standards for their collection and reporting, which entails, where possible, restatement of previous years to show the same scope and methodology. This process is particularly significant in the indicators related to greenhouse gas emissions. The methodology for calculating the carbon footprint is in the process of continuous improvement and the ACS Group, in accordance with its 2025 Sustainability Master Plan, is improving the scope and quality of the data reported, especially in emissions of scope 3.

Reliability: the reliability of the information included in this 2023 Annual Integrated Report in regard to corporate social responsibility was audited by Deloitte, the firm responsible for auditing it. The audit statement is provided on pages 268-271.

Timeliness: The ACS Group is required report on the Group's performance on an annual basis. This Report relates to the Group's actions and activities in 2023 in the economic, social and environmental fields.

6.2. IDENTIFICATION OF MATERIAL ASPECTS

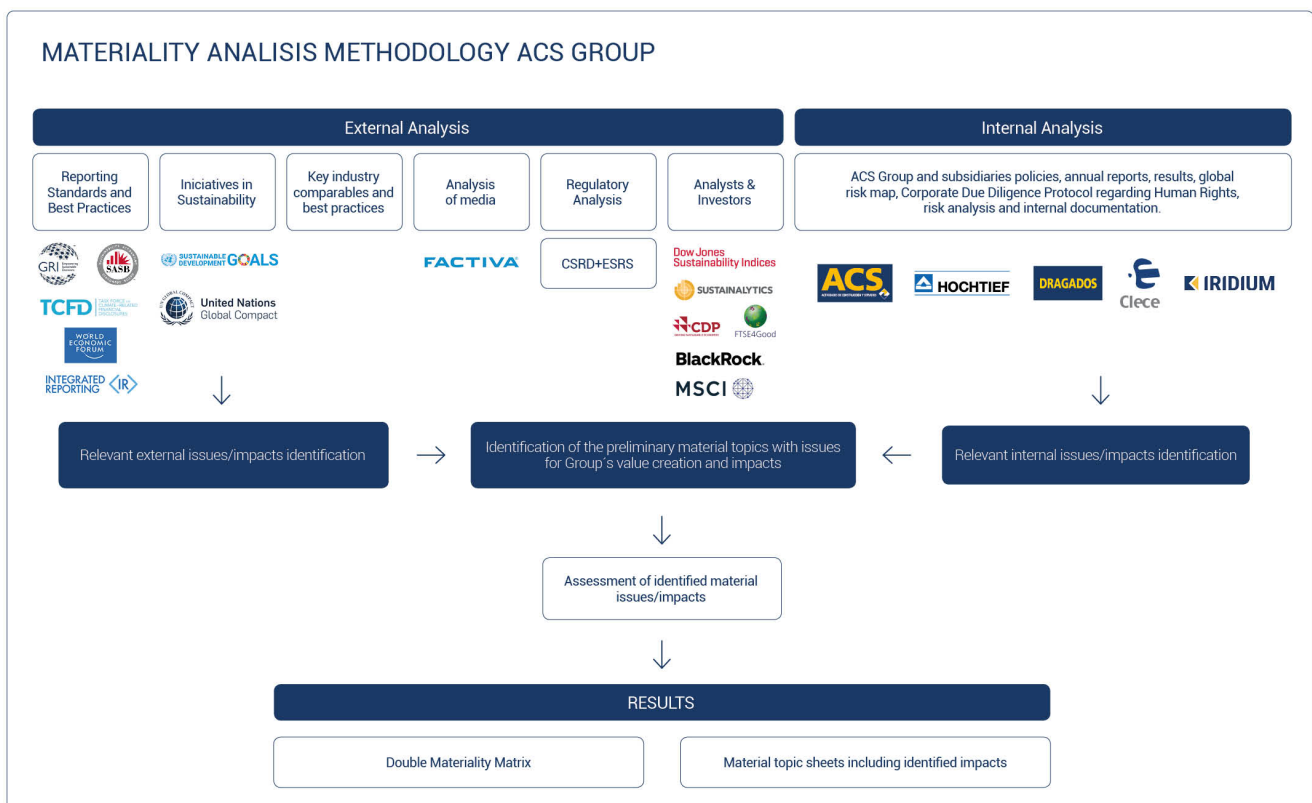
In accordance with the principles established by the GRI Standards to define the contents of the 2023 Integrated Report, the ACS Group introduced the concept of dual materiality for the first time in the 2022 report, identifying on the one hand the issues that are relevant for creating value for the ACS Group, as well as the level of impact that the ACS Group's activity may have on the economy, the environment and people, including human rights impacts.

This exercise was based on the issues already identified as relevant in the exhaustive review carried out in 2021, which served as the starting point for the ACS Group's strategic reflection process on sustainability (2025 Master Sustainability Plan), as well as the review carried out in 2022, which identified the impacts that the ACS Group's activities may have on the economy, the environment and people, including the impacts on human rights and how they fit into each of the material issues identified. For the 2023 report, the identification of material issues and sub-issues included in each of them was updated through a preliminary analysis of the Corporate Sustainability

Reporting Directive 2022/2464 of 14 December 2022 (CSRD), as well as the corresponding reporting standards included in this directive, called the European Sustainability Reporting Standards (ESRS).

Once the material issues were identified, contrast surveys were carried out with the ACS Group's management: both at corporate level and in the various ACS Group companies, to validate and assess the tentative relevant issues arising from the analysis of the documentation, both in terms of their importance for creating internal value and in terms of the impact that the Group's activity may have on the economy, the environment and society, including its impact on human rights. Lastly, the results were analyzed to identify and prioritize both the importance and the impacts.

In 2024, the ACS Group will continue to thoroughly deepen this dual materiality analysis, to adapt it to the methodology and requirements of Directive 2022/2464 of 14 December 2022 on corporate reporting on sustainability (CSRD), as well as its corresponding reporting standards (ESRS).



The results of weighting, by means of an arithmetic mean, the topics identified both at an internal (creation of value for the Group) and external (impacts of the ACS Group's activity) level were used to design a materiality matrix representing the results obtained based on their external and internal relevance, identifying and ranking 20 relevant issues for the ACS Group, which are described below:



The 20 material issues identified in the materiality matrix have been ordered in a hierarchy according to their overall relevance, as shown in the following table:

Issue Number	Description	TOTAL
1	Occupational health and safety for employees and contractors	4.8
2	Ethics and compliance	4.7
3	Good Corporate Governance	4.5
4	Financial solvency and generation of value for shareholders and investors	4.5
5	Equality, diversity and non-discrimination	4.5
6	Talent attraction and professional development	4.5
7	Transparency and dialogue with stakeholders	4.4
8	Customer focus and quality	4.3
9	Sustainable investment and financing	4.2
10	Innovation and Technology	4.2
11	Quality employment and fair compensation	4.2
12	Respect for human rights	4.2
13	Responsible supply chain management	4.1
14	Sustainability strategy and governance	4.1
15	Circularity in raw material procurement and waste management	4.1
16	Climate change: transition to a low-carbon business model	4.0
17	Environmental management and biodiversity protection	3.6
18	Local development and community impact	3.5
19	Pollution	3.2
20	Water management	3.1



The issues identified as relevant, the specific sub-issues assessed and the risks and impacts associated with the Integrated Report, as well as the management policies and approach of the ACS Group, are as follows:

Occupational health and safety in employees and contractors



DESCRIPTION AND SUB-TOPICS

Implementation of the measures necessary to ensure maximum health conditions and safety at work for both employees and contractors. Maintaining a preventive approach, establishing commitments, allocating resources and implementing measures and programmes aimed at the prevention and minimisation of occupational risks, establishing protective measures that enable the reduction of occupational accidents.

- Safe and healthy working environment
- Accidents and occupational diseases
- Occupational risk prevention Investment in health and safety
- Occupational health and safety system and certifications
- Health and safety training
- Accident-rate indices
- Absenteeism rate
- Monitoring of health and safety aspects in the supply chain
- Compliance with voluntary health and safety legislation and commitments

ASSOCIATED RISKS AND OPPORTUNITIES

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.

Ø Associated risk Risk Map: Health and safety, occupational risk prevention risks

Risks:

- High accident and occupational disease rates
- Loss of employee productivity
- Reputation risks

Opportunities:

- Reduction in operational costs
- Leadership position in health and safety
- Improved employee satisfaction.

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Prevention of occupational risks in work spaces, as well as health promotion outside the work environment.
- Promotion of occupational health and safety in the general economy through the monitoring of health and safety aspects in the supply chain.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		

REGULATORY AUTHORITIES

SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- 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



Ethics and compliance

DESCRIPTION AND SUB-TOPICS

Compliance with current national and international law in the countries in which the Group operates, as well as the specific commitments entered into voluntarily by the organisation. It also established guidelines to ensure ethical conduct in those unregulated business areas. Rejection of corruption, fraud, bribery and anti-competitive practices in the conduct of business.

- Compliance with the law, internal regulations and commitments made by the Group
- Penalties and fines received
- Prevention of criminal risk
- Measures to combat corruption, bribery and anti-competitive practices
- Prevention of money laundering
- Conflicts of interest
- Political contributions
- Code of Conduct and whistleblower channel/ethics channel
- Ethical conduct and integrity

ASSOCIATED RISKS AND OPPORTUNITIES

The lack of a preventive framework to prevent inappropriate conduct, even if it does not entail a legal breach, may compromise the Group's image. Organisations need to have the appropriate control mechanisms to guarantee the highest ethical standards from any natural or legal person acting on behalf of the ACS Group.

➤ Associated risk Risk Map: Compliance breach and Reputational risks

- | | |
|--|--|
| <p>Risks:</p> <ul style="list-style-type: none"> • Regulatory breach with the possibility of economic or criminal sanctions • Reputation risks • Conflict with stakeholders | <p>Opportunities:</p> <ul style="list-style-type: none"> • Minimisation of criminal offences • Strengthening the corporate image |
|--|--|

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Fostering stronger institutions through the fight against corruption, bribery and anti-competitive practices.
- Compliance with the law and internal codes that may affect social/environmental aspects.
- Transparency and non-discrimination in the processes of awarding contracts in which the Group participates.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- The ACS Group's Code of Conduct
- Code of Conduct for Business Partners
- Competition Policy and Compliance Protocol
- Enforcement and anti-bribery policy
- Treasury Stock Policy, Rules of Conduct in the Stock Exchange.
- Policy Governing Participation and Monitoring of Sector Associations
- Policy on Compliance with International Sanctions Imposed on Third Parties

Good corporate governance



DESCRIPTION AND SUB-TOPICS

Set of rules, principles and procedures that regulate the structure and functioning of the Company's management bodies, as well as the decision-making process to ensure the generation of shared value. The ACS Group has adopted a governance model composed of the General Shareholders' Meeting, the Board of Directors, and the Board's Delegated Committees, implementing the most demanding principles of corporate governance as a listed company.

- Structure and diversity of management bodies
- Capital structure
- Regulations and policies of management bodies
- Selection, professionalism, experience, training and independence of the Board
- Assessment of directors' performance
- Follow-up to the recommendations of Good Corporate Governance of reference entities
- Directors remuneration process

ASSOCIATED RISKS AND OPPORTUNITIES

The importance acquired in recent years by the appropriate and transparent management of listed companies for most stakeholders is essential for the success of the business. The difference in the return on equity in the medium term between well-governed and poorly governed companies is supported by empirical data. Good corporate governance is the basis for the operation of the markets and ensures the sustainable growth of the company, as it promotes credibility, stability and increases access to foreign credit. It includes the controls and balances that allow the highest management body of the organisation to have adequate control and supervisory responsibilities over key business matters.

Ø Associated risk Risk Map: Management of the concession/service/project

- | | |
|--|---|
| <p>Risks:</p> <ul style="list-style-type: none"> • Reputational risk before investors, shareholders and others • Internal crisis and weak governance model • Regulatory breach with the possibility of economic or criminal sanctions | <p>Opportunities:</p> <ul style="list-style-type: none"> • Increasing the company's credibility and stability. • It promotes access to foreign credit and ensures sustainable growth in the medium and long term. |
|--|---|

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Promotion of equal leadership opportunities at all decision-making levels of economic and public life.
- Potential economic/social/environmental impacts arising from the proper/inadequate management of the Company.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- Remuneration of the Board of Directors
- Company By-laws
- Shareholders' General Meeting By-laws
- Rules of Conduct in the Stock Exchange
- The ACS Group's Social Action Policy
- Diversity Policy
- Enforcement and anti-bribery policy



Financial solvency and value generation for shareholders and investors

DESCRIPTION AND SUB-TOPICS

The ACS Group's business model seeks to ensure maximum profitability for its shareholders and investors while pursuing global leadership, positioning itself as one of the main agents in the sectors in which it operates. To this end, a sound financial structure is necessary.

- Economic performance and attributable results
- Profit and return
- Long-term value generation for shareholders and investors
- Market competition, differentiation and new competitors
- Business leadership
- Purchases and sales
- Business diversification and expansion into new markets (Internationalisation of the business)
- Share in Joint Ventures
- Public - Private Partnership (PPP)

ASSOCIATED RISKS AND OPPORTUNITIES

The increasingly competitive and global environment in which the ACS Group operates involves large capital needs to successfully implement its projects, sound financial management to meet the challenges of the future while seeking to maximise profitability for its shareholders.

Ø Associated risk Risk Map: Inadequate investment strategy and Debt

- | | |
|--|--|
| Risks: | Opportunities: |
| <ul style="list-style-type: none"> Financial risks (liquidity, credit, currency, etc.) Devaluation of shares Breach of the growth targets set | <ul style="list-style-type: none"> Profitability Leadership Improvement of reputation |

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Generation of long-term economic value for shareholders and investors, as well as for local economies.
- Quality job creation.
- Contribution to economic growth and reduction of inequalities through compliance with tax obligations, tax transparency, taxation in income generating countries and cooperation with tax authorities.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS	
Renamed		
New		
STAKEHOLDER		
CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- General Risk Control and Management Policy
- Remuneration Policy

Equality, diversity and non-discrimination



DESCRIPTION AND SUB-TOPICS

Promotion of a working environment based on equal opportunities and diversity in all areas of the company, from staff selection processes to management and professional development programmes, applying fair and non-discriminatory criteria. Upholding non-discrimination based on sex, race, religion, age, sexual orientation, nationality.

- Equal opportunities for all
- Non-discrimination
- Protocols and channels against reporting discrimination and harassment
- Selection processes under equality and non-discrimination criteria
- Gender diversity
- Generational diversity
- Cultural diversity/race or ethnicity
- Presence of women in staff and retention and promotion of women in management positions
- Equality plans
- Multidisciplinary and diverse teams
- Wage gap

ASSOCIATED RISKS AND OPPORTUNITIES

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.

Ø Associated risk Risk Map: Attracting and retaining talent and employment relationships

- | | |
|---|---|
| Risks: | Opportunities: |
| <ul style="list-style-type: none"> Loss of key profiles for the organisation Reduction in economic growth Reputation risks | <ul style="list-style-type: none"> Increase in feeling of belonging Increase in efficiency Creation of more inclusive environments |

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Promoting the social and economic inclusion of all individuals, regardless of age, gender, disability, race, ethnicity, origin, religion or economic status or other status.
- Ensuring women's full and effective participation and equal leadership opportunities at all decision-making levels.
- Protection of employees in the event of discrimination and harassment.
- Employment protection of people, especially those in vulnerable situations.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS	
Renamed		
New		
STAKEHOLDER		
CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- The ACS Group's Code of Conduct
- Human Rights Policy
- Diversity Policy
- Remuneration Policy
- Talent Development and Assessment Policy
- Risk Control Policy



Attracting talent and professional development

DESCRIPTION AND SUB-TOPICS

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.

- Need for specialised talent: increasingly skilled workforce
- Total and voluntary turnover rate
- Labour climate surveys
- Employee satisfaction and commitment
- Internal promotions and intra-group transfers
- Professional development and career plans
- Performance evaluation
- Training programmes and investment
- Training adapted to employees (hard and soft skills)

ASSOCIATED RISKS AND OPPORTUNITIES

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.

Ø Associated risk Risk Map: Attracting and retaining talent and employment relationships

Risks:

- Loss of competition in the market
- High employee turnover
- Loss of talent

Opportunities:

- Reputational improvement
- Increase in employee commitment
- Development of corporate values

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Investment in training and professional development of workers to improve society.
- Work-life balance.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- The ACS Group's Code of Conduct
- Code of Conduct for Business Partners
- Human Rights Policy
- Diversity Policy
- Information Security Policy
- Remuneration Policy
- Talent Development and Assessment Policy
- Risk Control Policy



Transparency and dialogue with stakeholders

DESCRIPTION AND SUB-TOPICS

As part of the commitment to transparency in management, information from the Company is disclosed to stakeholders, with information being accessible, clear and truthful. Determining the sensitive information to be published, ensuring the veracity of the information provided and control over it has an impact on the Company's image. This transparency also requires stakeholders to make available the necessary channels of communication that make it possible to become aware of and respond to their expectations and thus establish relationships of trust with them.

- Strategy/Policy for communication with stakeholders
- Monitoring of financial and non-financial information
- Responsibilities and control points defined to ensure the quality of the information
- Verification of information
- Compliance with information disclosure requirements
- Communication channels with stakeholders
- Management of shareholder expectations
- Participation in institutions and associations

ASSOCIATED RISKS AND OPPORTUNITIES

Impartial, responsible, consistent and full communication with stakeholders makes it possible to establish relationships of trust that increase loyalty, offering opportunities, such as the supply of shared value products and services, which directly affect the development of the business. The associated risks may include conflict with stakeholders and impairment of the corporate image, which may negatively affect the execution of projects and the provision of services.

Ø Associated risk Risk Map: Management and Transparency in communicating relevant information to stakeholders (financial and non-financial)

Risks:

- Loss of trust
- Reduction in customer satisfaction
- Management of relations with stakeholders
- Loss of profitability

Opportunities:

- Protection of integrity
- Improvement of transparency
- Knowledge of customer needs

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Management of shareholder expectations.
- Promoting accessible, clear and sufficient information for social actors and local communities whose rights may be affected by ACS projects.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- Policy for Communication of economic-financial, non-financial and corporate information, and regarding Contacts and Relations with Shareholders and Other Stakeholders
- ACS Sustainability Policy
- Code of Conduct for Business Partners
- Human Rights Policy
- General Risk Control and Management Policy
- Corporate Tax Policy
- Environmental policy



Customer orientation and quality

DESCRIPTION AND SUB-TOPICS

Examining, managing, and responding to customers' expectations and needs to establish a product and service design methodology, based on offering the highest quality standards.

- Customer-oriented management
- Customer satisfaction
- Compliance with customer requirements
- Quality and safety of products and services
- Quality and safety systems and assessments
- Quality and safety product labelling
- Quality and safety certificates
- Claims management

ASSOCIATED RISKS AND OPPORTUNITIES

The organisation must act in accordance with quality standards, with the aim of identifying and meeting customers' needs and priorities. A bad assessment or a problem related to the health and safety of customers in the services provided results in potential risks for the Group, such as a decrease in sales and reputational risk.

Ø Associated risk Risk Map: Customer relations

Risks:

- Increase in costs associated with activities
- Reputation risks
- Reduction in activity

Opportunities:

- Reputational improvement
- Life cycle analysis: cost savings and efficiency improvements
- Competitive differentiation

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Management of the impact of the projects developed in environmental and social terms.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- The ACS Group's Code of Conduct

Investment and sustainable financing



DESCRIPTION AND SUB-TOPICS

Opening to new financing models based on ESG criteria in accordance with the requirements of financiers, analysts, and responsible investors, allowing companies to be key agents in the transition to a sustainable future.

- New financing models linked to sustainability (green bonds and loans)
- Classification of the portfolio with regard to ESG criteria (e.g.: EU Taxonomy)
- Sustainable investment and attraction of new responsible investors
- Assessment of ESG analysts and investors
- Requirements for investors, shareholders and financiers with ESG criteria
- Investment/purchase/sale decision making taking into account sustainability criteria

ASSOCIATED RISKS AND OPPORTUNITIES

The growing trend towards sustainability in financial markets opens up new investment flows that focus on ESG aspects. Therefore, sustainability performance allows the emergence of new sources of financing.

Ø Associated risk from Risk Map: Inadequate investment strategy

Risks:

- Capital loss
- Loss of competitiveness

Opportunities:

- Access to new forms of financing
- Irruption in new markets
- Reduced market volatility

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Redirection of financial flows to more sustainable activities that help to decarbonise the economy and invest in sustainable assets.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- The ACS Group's Code of Conduct
- The ACS Group's Sustainability Policy



Innovation and Technology

DESCRIPTION AND SUB-TOPICS

Environmental impairment due to the release of harmful substances or the alteration of natural conditions

- Innovation in the development of new products and services (in line with the new requirements: sustainability, innovation, digitalisation, etc.)
- Development of modern and innovative construction products and techniques (MMC)
- Investment in R&D+i
- Innovation for operational efficiency
- Building Information Modelling (BIM)
- Industry 4.0
- Intellectual property and patent management
- Innovation Hub

ASSOCIATED RISKS AND OPPORTUNITIES

Technological changes take place at such a fast speed that they require companies to adapt to them, in some cases as a competitive advantage and, in others, as a need for survival. Technological development must contribute to the management of resources and the achievement of the Company's objectives based on sustainability and knowledge as a driver of development. Innovation enables ACS to acquire a leading position vis-à-vis other competitors. However, the absence of technological and innovation plans may lead to a loss of competitiveness.

Ø Associated risk Risk Map: Loss of market competitiveness and innovation capacity.

Risks:

- Loss of efficiency
- Increase in competition
- Need for skilled labour

Opportunities:

- Increase in competitiveness
- Cost reduction
- Increase in the quality of services and products

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Worsened air quality due to the release of harmful substances or the alteration of natural conditions
- Land degradation, desertification and soil contamination during activities.
- Use of substances of concern during activities that may harm the environment.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		

REGULATORY AUTHORITIES

SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy

Fair remuneration and quality employment

DESCRIPTION AND SUB-TOPICS

Establishment of measures (work-life balance, remuneration, flexible hours, etc.) within the company that allow the relationship with its employees to be improved in order to increase their satisfaction in the work environment.

- Group remuneration policy and incentives for employees linked to their performance
- Decent salary
- Remuneration and pay gap
- Work-life balance
- New forms of work
- Organisation of work time
- Digital disconnection and time flexibility
- Employee benefits
- Freedom of association and collective bargaining
- Positioning on maintaining jobs vs. Collective layoffs

ASSOCIATED RISKS AND OPPORTUNITIES

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 employees' satisfaction and their sense of belonging.

Ø Associated risk Risk Map: Attracting and retaining talent and Labour relations.

Risks:

- Loss of talent and key profiles
- High rate of employee turnover and absenteeism, and therefore inefficiency in human resources
- Reduction of feeling of belonging

Opportunities:

- Increased control and operational quality
- Efficient strategic planning of human resources
- Reputational improvement

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Employment creation and economic growth.
- Fair wage for work of equal value, without any distinctions that guarantee a decent existence for workers and their families.
- Occupational health and safety.
- Working conditions in accordance with international regulations and standards, respecting the right to freedom of association and collective bargaining.
- Reconciliation of family life and employment.



DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		

REGULATORY AUTHORITIES

SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- The ACS Group's Code of Conduct
- The ACS Group's Social Action Policy
- Remuneration Policy



Respect for Human Rights

DESCRIPTION AND SUB-TOPICS

The protection, promotion and respect for Human Rights in the Company's direct and indirect operations, through the development of due diligence processes that prevent and mitigate the associated risks and their monitoring.

- Strict compliance with Human Rights
- Adherence to covenants and compliance with international conventions/treaties
- Voluntary business commitments in relation to Human Rights
- Protection of indigenous peoples and local communities
- Human Rights risk identification processes in direct transactions and value chain
- Eradication of child and forced labour
- Risk mitigation plans associated with compliance with Human Rights
- Systems that guarantee respect for Human Rights (policies, channels)
- Reports of cases of Human Rights violations

ASSOCIATED RISKS AND OPPORTUNITIES

Violation of Human Rights poses a risk and requires the establishment of a procedure to identify, prevent, mitigate and report. The Company must address the impact of business activity on Human Rights in its operations, activities and services in all territories in which it operates. Respect for Human Rights presents opportunities such as the establishment of decent work, improving the economic growth in the area.

Ø Associated risk Risk Map: Regulatory breach and violation of Human Rights

Riesgos:

- Incumplimiento regulatorio
- Menor operatividad
- Riesgo reputacional

Oportunidades:

- Establecimiento de relaciones comerciales seguras
- Mejora reputacional
- Crecimiento y expansión a nuevos mercados

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Respect for human rights both in company activities and in those of business partners.
- Business commitments in relation to human rights.
- Eradication of child and forced labour.
- Protection of indigenous peoples and local communities.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- The ACS Group's Code of Conduct
- Code of Conduct for Business Partners
- Human Rights Policy
- Corporate Protocol on Due Diligence in regard to Human Rights
- The Audit Committee Report

Responsible management of the supply chain



DESCRIPTION AND SUB-TOPICS

Ensuring that the company's suppliers and contractors comply with 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.

- Approval and selection of suppliers
- Code of Conduct for business partners
- 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

ASSOCIATED RISKS AND OPPORTUNITIES

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.

Ø Associated risk Risk Map: Procurement/Subcontracting

Risks:

- Increase in costs associated with activities.
- Loss of market share
- Loss of license to operate

Opportunities:

- Reputational improvement
- Competitive differentiation
- Increase in supplier and contractor loyalty

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Value creation in the local economy.
- Management of the environmental and social impact of the supply chain.
- Promotion of sustainable practices throughout the economy through the inclusion of ESG criteria and clauses in supply chain management.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- The ACS Group's Code of Conduct
- Human Rights Policy
- Corporate Protocol on Due Diligence in regard to Human Rights
- Environmental policy
- Risk Control Policy
- Code of Conduct Business Partners



Sustainability strategy and governance

DESCRIPTION AND SUB-TOPICS

Integrating environmental, social and governance (ESG) aspects into the business strategy as a key lever to PROMOTE the Group's objectives in the medium to long term. It encourages the development of sustainable solutions, including cross-cutting sustainability in company management and internal processes with defined responsible parties.

- Master Plan/Sustainability Strategy
- Sustainability Policy
- Integrating ESG aspects into business strategy
- Setting non-financial targets in the short/medium term
- ESG governance model and performance monitoring
- Highest party responsible for Sustainability at the Company (e.g.: Chief Sustainability Officer)
- Remuneration policy and variable remuneration linked to ESG targets

ASSOCIATED RISKS AND OPPORTUNITIES

The current economic model is in the process of transition to a sustainable economy, which makes the expectations of stakeholders much more demanding as regards sustainability. In this context, the growing need to adequately control and manage ESG matters requires a solid governance model for sustainability so as not to compromise the business objectives, monitoring the degree of progress in the ESG challenges that affect the company.

Ø Associated risk Risk Map: Regulatory breach/Compliance

Risks:

- Failure to adapt the business model
- Ineffective management of relevant aspects with the potential to affect the business
- Loss of competitiveness

Opportunities:

- Adequate response to the expectations of stakeholders and anticipation of new regulatory requirements.
- Development of new products and irruption in new markets.
- Public positions in key areas

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Potential social/environmental impacts arising from the proper/inadequate management of the Company.
- Contribution to the Group's Sustainable Development Goals (SDGs).
- Fulfilment of the Group's sustainability objectives, including social/environmental aspects

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		

REGULATORY AUTHORITIES

SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- The ACS Group's Sustainability Policy



Circularity in the procurement of construction materials and in waste management

DESCRIPTION AND SUB-TOPICS

Methodologies, processes, technologies and good practices that make it possible to minimise the use of resources, increasing waste recovery.

- Traceability of the origin and destination of raw materials and waste
- Consumption of responsible-source and recycled raw materials (e.g.: conflict minerals)
- Efficient use of natural resources
- Innovation in the development of new building materials
- Waste management, segregation at the source and destination of waste, especially construction and demolition waste (CDW).
- Reuse/recycling rate, especially of CDW.
- Circular economy strategy

ASSOCIATED RISKS AND OPPORTUNITIES

The incorporation of circular concepts into the production model makes it possible to reduce the intensive use of natural resources and the high pressure on the environment. Resource optimisation also increases operational and financial efficiency, in addition to reducing the waste generated.

Ø Associated risk Risk Map: Environment and circular economy

Risks:

- Failure to comply with the ACS environment policy
- Reputation risks
- Statutory breach
- Inefficient use of raw materials or conflict minerals

Opportunities:

- Reduction of risks arising from the purchase of raw materials
- Economic profitability

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Efficient use of natural resources.
- Minimisation and responsible management of waste generated.
- Traceability of raw materials.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		

REGULATORY AUTHORITIES

SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- Environmental policy
- Construction Materials Policy
- Risk Control Policy



Climate change: transition to a low-carbon business model

DESCRIPTION AND SUB-TOPICS

The fight against climate change requires companies to transform their business model towards a low-carbon economy. In this regard, the construction sector is one of the most carbon-intensive and to meet the challenges of the climate emergency, companies must adapt their processes and, in particular, their output, in order to contribute to new models that encourage decarbonization and the reduction of GHG emissions.

- Climate strategy and decarbonization of the business
- Climate neutrality
- Management of risks and opportunities arising from climate change. Measures to adapt to and mitigate climate change
- Analysis of climate scenarios
- Use of alternative fuels
- Carbon calculation and emission offsetting
- Energy efficiency and reduction of GHG emissions
- Promotion of renewable energy sources and divestment of carbon-intensive assets
- Setting an internal carbon price
- Certificate of emissions and energy consumption

ASSOCIATED RISKS AND OPPORTUNITIES

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.

Ø Associated risk Risk Map: Climate change and energy efficiency

Risks:

- Increase in cost overruns.
- Reputation risks.
- Regulatory restrictions and sanctions

Opportunities:

- Improvement in the efficiency of the Company's processes.
- Increased response to customer needs.
- Cost savings.

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Contribution to the decarbonisation of the economy and climate neutrality.
- Development of resilient infrastructure adapted to climate change.
- Measures to adapt and mitigate infrastructures and the economy in general to climate change.
- Measures that increase the energy efficiency of the projects and services offered and reduce GHG emissions.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- The ACS Group's Code of Conduct
- Code of Conduct for Business Partners
- Human Rights Policy
- Environmental policy
- Risk Control Policy

Environmental management and protection of biodiversity



DESCRIPTION AND SUB-TOPICS

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.

- Protection of biodiversity
- Measurement of natural capital
- Protected natural spaces
- Ecosystem restoration
- Application of the precautionary and pollution prevention principles
- Environmental Protection
- Environmental Management System
- Audits and certifications

ASSOCIATED RISKS AND OPPORTUNITIES

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 activity of the companies is based.

Ø Associated risk Risk Map: Compliance breach, Reputational Risks, and Environment and Circular Economy

Risks:

- Loss of ecosystem services
- Reduction in economic growth
- Statutory breach
- Litigation and environmental sanctions

Opportunities:

- Mitigation and adaptation to climate change
- Sustainable investment
- Competitive advantages
- Optimisation of consumption

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Environmental protection and biodiversity in projects and activities carried out through the application of the precautionary and pollution prevention principles.
- Impact on natural resources, especially soil and water, in ACS Group operations.
- Pollution from its operations that does not affect the health of its workers and the local community.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- Environmental policy



Local development and impact on the community

DESCRIPTION AND SUB-TOPICS

Development of necessary actions to generate a positive impact on the local communities in which the Group operates, associated with its operations or social action projects. To this end, it is essential to engage the community and promote the local business fabric, job generation and social dialogue.

- Economic and social progress of the countries in which the Group operates
- Value generated, retained and distributed
- Employees and local indirect recruitment
- Social action strategy and sponsorships
- Zero kilometre products
- Contributions to foundations and non-profit entities
- Corporate volunteering
- Measurement of impact on the Company

ASSOCIATED RISKS AND OPPORTUNITIES

As a result of its vision, the ACS Group is committed to the economic and social progress of the countries in which it operates. It is also estimated that numerous European funds are earmarked for socially responsible infrastructure, so the positive impact caused in the company will be decisive in attracting new financing flows.

Ø Associated risk Risk Map: Impact on the economic-social environment

- | | |
|--|---|
| <p>Risks:</p> <ul style="list-style-type: none"> Increase in costs associated with activities. Reputation risks Statutory breach | <p>Opportunities:</p> <ul style="list-style-type: none"> Reputational improvement Life cycle analysis: cost savings and efficiency improvements Competitive differentiation |
|--|---|
- Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:
- Economic and social progress of the countries in which the Group operates.
 - Development of local communities.
 - Value generated, retained and distributed for the Company.
 - Social action in the community.
 - Contributions to foundations and non-profit entities.
 - Corporate volunteering actions.

Pollution

DESCRIPTION AND SUB-TOPICS

Environmental impairment due to the release of harmful substances or the alteration of natural conditions.

- | | |
|---|--|
| <ul style="list-style-type: none"> Climate strategy and decarbonisation of the business Climate neutrality Use of alternative fuels and energy sources Biodiversity and deforestation | <ul style="list-style-type: none"> R&D projects Circularity and resource efficiency Use of building materials Management of water resources Sustainable infrastructures |
|---|--|

ASSOCIATED RISKS AND OPPORTUNITIES

Companies need to design appropriate strategies to minimise environmental impairment due to the release of harmful substances or the alteration of natural conditions, and to promote projects and services that can decrease the release of harmful substances or the alteration of natural conditions, both in the construction process and in the process of operating the projects.

- | | |
|---|--|
| <p>Risks:</p> <ul style="list-style-type: none"> Increase in cost overruns. Reputation risks. Regulatory restrictions and sanctions | <p>Opportunities:</p> <ul style="list-style-type: none"> Improvement in the efficiency of the Company's processes. Increased response to customer needs. Cost savings. |
|---|--|

- Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:
- Worsened air quality due to the release of harmful substances or the alteration of natural conditions.
 - Land degradation, desertification and soil contamination during activities.
 - Use of substances of concern during activities that may harm the environment.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- The ACS Group's Code of Conduct
- Environmental policy
- Risk control policy
- Diversity Policy
- Policy Governing Participation and Monitoring of Sector Associations
- Policy Governing Community Investments, Sponsorship, Patronage, and Charitable Giving
- Talent Development and Assessment Policy
- Human Rights Policy



DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- The ACS Group's Code of Conduct
- Code of Conduct for Business Partners
- Human Rights Policy
- Environmental policy
- Risk Control Policy



Water management

DESCRIPTION AND SUB-TOPICS

Water is one of the most important resources for ACS Group operations. Its extraction, use and discharge can have a major impact on the environment. Therefore, it is necessary for the correct development of the Group's activities to identify and mitigate the water risks to which it is exposed, as well as the implementation of procedures for responsible management.

- Water consumption: reduction and efficient use of resources
- Availability and accessibility of water in the territory, especially in water stress areas.
- Diversification of water collection sources
- Quality of water in harvesting and discharge
- Water purification/treatment and Water reuse and recycling
- Setting an internal price of water
- Calculation of the water footprint

ASSOCIATED RISKS AND OPPORTUNITIES

The increasing pressure on water resources and the need to preserve the natural environment make their control and management indispensable. Therefore, it is important to promote the rational use of water and the development of infrastructure that contributes to its conservation, enabling the Group's activity to be carried out in a more sustainable and environmentally friendly manner.

Ø Associated risk Risk Map: Environment and the circular economy and Risk control in tenders

Risks:

- Statutory breach
- Litigation and environmental sanctions
- Water scarcity and drought scenarios
- Inefficient use of water

Opportunities:

- Optimisation of consumption
- Reputational improvement by implementing good practices
- Reduction in production costs

Main impacts (potential/actual) identified on the environment and society (positive/negative) identified:

- Availability and accessibility of water for local communities, minimising and efficient use of resources, especially in water stress areas.
- Universal and equitable access to drinking water.
- Improvement in the quality of water, reducing its discharge and pollution.

DESCRIPTION OF THE MATERIAL TOPIC

Keep	BUSINESS
Renamed	
New	

STAKEHOLDER

CUSTOMERS	EMPLOYEES	SOCIETY
SUPPLIERS AND CONTRACTORS		
REGULATORY AUTHORITIES		
SHAREHOLDERS, INVESTORS AND FINANCIAL INSTITUTIONS		

RELATED SDGs



MAIN POLICIES IMPLEMENTED

- ACS Sustainability Policy
- Environmental policy



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6.3. NON-FINANCIAL INFORMATION ANNEXES

6.3.1. GRI CONTENT INDEX

The non-financial information has been reported in accordance with Global Reporting Initiative (GRI) Standards

GRI content index				
GRI Standard	Disclosure	Page number (s) and/or URL (s)	Omissions	External verification
GRI 1: Foundation 2021				
GRI 2: General Disclosures 2021				
The organization and its reporting practices	2-1 Organizational details	25		Yes (268-271)
	2-2 Entities included in the organization’s sustainability reporting	25		Yes (268-271)
	2-3 Reporting period, frequency and contact point	7;264		Yes (268-271)
	2-4 Restatements of information	225-226		Yes (268-271)
	2-5 External assurance	268-271		Yes (268-271)
Activities and workers	2-6 Activities, value chain and other business relationships	171-172		Yes (268-271)
	2-7 Employees	117-120		Yes (268-271)
	2-8 Workers who are not employees	144		Yes (268-271)



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GRI content index				
GRI Standard	Disclosure	Page number (s) and/or URL (s)	Omissions	External verification
Governance	2-9 Governance structure and composition	16-17;218-219		Yes (268-271)
	2-10 Nomination and selection of the highest governance body	218-219		Yes (268-271)
	2-11 Chair of the highest governance body	16-17		Yes (268-271)
	2-12 Role of the highest governance body in overseeing the management of impacts	218-219		Yes (268-271)
	2-13 Delegation of responsibility for managing impacts	218-220		Yes (268-271)
	2-14 Role of the highest governance body in sustainability reporting	220-221		Yes (268-271)
	2-15 Conflicts of interest	216		Yes (268-271)
	2-16 Communication of critical concerns	156-157		Yes (268-271)
	2-17 Collective knowledge of the highest governance body	218		Yes (268-271)
	2-18 Evaluation of the performance of the highest governance body	219		Yes (268-271)
	2-19 Remuneration policies	217		Yes (268-271)
	2-20 Process to determine remuneration	217		Yes (268-271)
	2-21 Annual total compensation ratio	The ratio between the total remuneration of the Chief Executive Officer of the ACS Group and the average remuneration of the Group's employees is 151.5 times.		Yes (268-271)
Strategy, policies and practices	2-22 Statement on sustainable development strategy	48-49		Yes (268-271)
	2-23 Policy commitments	146-155		Yes (268-271)
	2-24 Embedding policy commitments	146-155		Yes (268-271)
	2-25 Processes to remediate negative impacts	149-150		Yes (268-271)
	2-26 Mechanisms for seeking advice and raising concerns	156-157		Yes (268-271)
	2-27 Compliance with laws and regulations			
	2-28 Membership associations	162		Yes (268-271)
Stakeholder engagement	2-29 Approach to stakeholder engagement	160-162		Yes (268-271)
	2-30 Collective bargaining agreements	132		Yes (268-271)

GRI content index				
GRI Standard	Disclosure	Page number (s) and/or URL (s)	Omissions	External verification
Material topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics	226-227		Yes (268-271)
	3-2 List of material topics	227		Yes (268-271)
Ethics and Compliance				
GRI 3: Material Topics 2021	3-3 Management of material topics	229;146-159		Yes (268-271)
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	148-149		Yes (268-271)
	205-2 Communication and training on anti-corruption policies and procedures	148;253		Yes (268-271)
	205-3 Confirmed incidents of corruption and actions taken	No cases of corruption were detected in 2023		Yes (268-271)
GRI 206: Anti-unfair competition 2016	206-1 Legal actions relating to anti-competitive behaviour, anti-trust and monopoly practices	1 lawsuit in progress		Yes (268-271)
Occupational health and safety for employees and contractors				
GRI 3: Material Topics 2021	3-3 Management of material topics	228;135-145		Yes (268-271)
GRI 403: Occupational Health and Safety 2018	403-1 Occupational Health and Safety Management System	135-136		Yes (268-271)
	403-2 Hazard identification, risk assessment and incident investigation	135-136		Yes (268-271)
	403-3 Occupational health services	138-139		Yes (268-271)
	403-4 Workers' participation, consultation and communication of occupational health and safety	132		Yes (268-271)
	403-5 Occupational Health and Safety training	140		Yes (268-271)
	403-6 Promotion of worker health	136-139		Yes (268-271)
	403-7 Prevention and mitigation impact on the health and safety of workers directly linked by business relationships	144		Yes (268-271)
	403-8 Workers covered by an occupational health and safety management system	139		Yes (268-271)
	403-9 Work-related injuries	249-250		Yes (268-271)
	403-10 Occupational illnesses	143;249-250		Yes (268-271)
G4 Sector Disclosure: Construction and Real Estate	CRE6 Percentage of the organisation that operates in accordance with internationally recognised and verified health and safety management systems	136		Yes (268-271)
Climate change: transition to a low-carbon business model				
GRI 3: Material Topics 2021	3-3 Management of material topics	236;83-103		Yes (268-271)

GRI content index				
GRI Standard	Disclosure	Page number (s) and/or URL (s)	Omissions	External verification
GRI 305: Emissions 2016	305-1 Direct (scope 1) GHG emissions	95		Yes (268-271)
	305-2 Energy indirect (scope 2) GHG emissions	95-96		Yes (268-271)
	305-3 Other indirect (scope 3) GHG emissions	97		Yes (268-271)
	305-4 GHG emissions intensity	95-97		Yes (268-271)
	305-5 Reduction of GHG emissions	100		Yes (268-271)
	305-6 Emissions of ozone-depleting substances (ODS)	247		Yes (268-271)
	305-7 Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant air emissions	247		Yes (268-271)
G4 Sector Disclosure: Construction and Real Estate	CRE3 Greenhouse gas emissions intensity from buildings.	Complete information on this indicator is not available	Only partial information on this indicator is collected: page 92-93	Yes (268-271)
	CRE4 Greenhouse gas emission intensity from new construction and restoration activities	92-93		Yes (268-271)
Risk and opportunity management				
GRI 3: Material Topics 2021	3-3 Management of material topics	237		Yes (268-271)
Good Corporate Governance				
GRI 3: Material Topics 2021	3-3 Management of material topics	229;216-221		Yes (268-271)
Sustainability strategy and governance				
GRI 3: Material Topics 2021	3-3 Management of material topics	235;48-49;220-221		Yes (268-271)
Environmental management and biodiversity protection				
GRI 3: Material Topics 2021	3-3 Management of material topics	236;82;112-113		Yes (268-271)
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental legislation and regulations	116		Yes (268-271)
GRI 304: Biodiversity	304-1 Operations centers owned, leased or managed located within or next to protected areas or areas of great value for biodiversity outside protected areas	112		Yes (268-271)
	304-2 Significant impacts of activities, products and biodiversity services	112		Yes (268-271)
	304-3 Protected or restored habitats	112		Yes (268-271)
	304-4 Species on the IUCN Red List and on national conservation lists whose habitats are in areas affected by operations	Complete information on this indicator is not available		No

GRI content index				
GRI Standard	Disclosure	Page number (s) and/or URL (s)	Omissions	External verification
Sector Disclosure: Construction and Real Estate	CRE5 Soils that have been remediated and that need remediation due to existing or expected land uses, according to applicable legal requirements	Complete information on this indicator is not available		No
Equality, diversity and non-discrimination				
GRI 3: Material Topics 2021	3-3 Management of material topics	230;126-127		Yes (268-271)
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity in governing bodies and employees	217		Yes (268-271)
	405-2 Ratio of basic salary and remuneration of women vs. men	129-130		Yes (268-271)
GRI 405: Non discrimination 2016	406-1 Cases of discrimination and corrective actions taken	157-158		Yes (268-271)
Respect for Human Rights				
GRI 3: Material Topics 2021	3-3 Management of material topics	234;149-150		Yes (268-271)
GRI 412: Human rights assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	149-150		Yes (268-271)
	412-2 Training employees on human rights policies or procedures	153		Yes (268-271)
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	149-150		Yes (268-271)
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	149-150;175-176		Yes (268-271)
GRI 409: Forced or compulsory labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	149-150;175-176		Yes (268-271)
Fair remuneration and quality employment				
GRI 3: Material Topics 2021	3-3 Management of material topics	233;127-133		Yes (268-271)

GRI content index				
GRI Standard	Disclosure	Page number (s) and/or URL (s)	Omissions	External verification
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	221;248		Yes (268-271)
	401-2 Benefits for full-time employees that are not provided to part-time or temporary employee	Companies representing 29.9% of ACS Group employees state that they have social benefits for full-time employees which are not offered to temporary or part-time employees, mainly related to insurance.		No
	401-3 Parental leave	131		Yes (268-271)
Transparency and dialogue with stakeholders				
GRI 3: Material Topics 2021	3-3 Management of material topics	231; 160-163		Yes (268-271)
Financial solvency and generation of value for shareholders and investors				
GRI 3: Material Topics 2021	3-3 Management of material topics	230;43-44		Yes (268-271)
Sustainable investment and financing				
GRI 3: Material Topics 2021	3-3 Management of material topics	232;188-206		Yes (268-271)
Customer focus and quality				
GRI 3: Material Topics 2021	3-3 Management of material topics	232;178		Yes (268-271)



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GRI content index				
GRI Standard	Disclosure	Page number (s) and/or URL (s)	Omissions	External verification
Talent attraction & professional development				
GRI 3: Material Topics 2021	3-3 Management of material topics	231;121-125		Yes (268-271)
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee	124		Yes (268-271)
	404-2 Programmes for upgrading employee skills and transition assistance programmes	124-125		Yes (268-271)
	404-3 Percentage of employees receiving regular performance and career development reviews	123		Yes (268-271)
Local development and community impact				
GRI 3: Material Topics 2021	3-3 Management of material topics	237;163-170		Yes (268-271)
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	25.8%		No
	413-2 Operations with significant potential impacts or actual negative impacts on local communities	0		No
G4 Sector Disclosure: Construction and Real Estate	CRE7 Number of persons voluntarily or unintentionally displaced or resettled, broken down by project	Not available		No
Responsible supply chain management				
GRI 3: Material Topics 2021	3-3 Management of material topics	234;171-177		Yes (268-271)
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	172		Yes (268-271)
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	177		Yes (268-271)
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	17700%		Yes (268-271)
	414-2 Negative social impacts in the supply chain and actions taken	0		Yes (268-271)
Circularity in construction materials sourcing and waste management				
GRI 3: Material Topics 2021	3-3 Management of material topics	235;104-108		Yes (268-271)
GRI 301: Materials 2016	301-1 Materials used by weight or volume	105		Yes (268-271)
	301-2 Recycled inputs	105		Yes (268-271)
	301-3 Reused products and packaging materials	105		Yes (268-271)

GRI content index				
GRI Standard	Disclosure	Page number (s) and/or URL (s)	Omissions	External verification
GRI 306: Waste 2020	306-1 Waste generation and significant wasterelated impacts	106-108		Yes (268-271)
	306-2 Management of significant waste-related impacts	106-108		Yes (268-271)
	306-3 Generated waste	106-107		Yes (268-271)
	306-4 Wastes not for disposal	107		Yes (268-271)
	306-5 Waste for disposal	107		Yes (268-271)
Innovation & Technology				
GRI 3: Material Topics 2021	3-3 Management of material topics	233;184-187		Yes (268-271)
Water management				
GRI 3: Material Topics 2021	3-3 Management of material topics	238;109-111		Yes (268-271)
GRI 303: Water and effluents 2018	303-1 Interaction with water as a shared resource	109-111		Yes (268-271)
	303-2 Management of water discharge-related impacts	109-111		Yes (268-271)
	303-3 Water withdrawal	110		Yes (268-271)
	303-4 Water discharge	110		Yes (268-271)
	303-5 Water consumption	110		Yes (268-271)
Sector Disclosure: Construction and Real Estate	CRE2 Building water intensity	Complete information on this indicator is not available	Only partial information on this indicator is collected: page 92-93	No

6.3.2. ADDITIONAL INDICATORS

ENVIRONMENT

Other atmospheric emissions (kg)	2022	2023
Amount of significant atmospheric emissions, in kg of NOx.	1,371,306	1,342,338
Amount of significant atmospheric emissions, in kg of SOx.	882	1,002
Amount of significant atmospheric emissions, in kg of other significant atmospheric emissions.	204,476	197,255

Energy consumption by source	2020	2021	2022	2023
Total ACS Group				
Petrol + Diesel (million liters)	134.0	141.8	121.6	133.0
Liquefied Petroleum Gas (million liters)	3.16	5.65	16.40	7.87
Natural Gas (kWh)	36,249,837	58,408,321	52,281,759	34,647,740
Biofuel (million liters)	0.02	1.53	0.44	2.34
Electricity (MWh)	226,505	293,521	385,578	392,374
Electricity from renewable sources (MWh)	51,651	70,556	60,062	62,227

Note: Since 2020, data restated following the Industrial Services sale in December 2021 and Thiess' 50% participation sale in December 2020 accounting for the equity method in 2021

Energy consumption by source	2022	2023
Construction		
Petrol + Diesel (million liters)	116.21	127.27
Liquefied Petroleum Gas (million liters)	15.59	7.00
Natural Gas (kWh)	10,335,202	7,125,760
Biofuel (million liters)	0.44	2.34
Electricity (MWh)	292,206	301,314
Electricity from renewable sources (MWh)	32,565	36,574
Concessions		
Petrol + Diesel (million liters)	0.30	0.23
Liquefied Petroleum Gas (million liters)	0.22	0.18
Natural Gas (kWh)	268,205	211,373
Biofuel (million liters)	0.0	0.0
Electricity (MWh)	621	561
Electricity from renewable sources (MWh)	224	406
Services		
Petrol + Diesel (million liters)	4.34	4.50
Liquefied Petroleum Gas (million liters)	0.59	0.60
Natural Gas (kWh)	25,522,312	16,263,572
Biofuel (million liters)	0.0	0.0
Electricity (MWh)	34,886	33,481
Electricity from renewable sources (MWh)	26,188	24,224
Corporation & others		
Petrol + Diesel (million liters)	0.73	0.97
Liquefied Petroleum Gas (million liters)	0.00	0.09
Natural Gas (kWh)	16,156,041	11,047,035
Biofuel (million liters)	0.0	0.0
Electricity (MWh)	57,865	57,018
Electricity from renewable sources (MWh)	1,085	1,023

PEOPLE

	2020	2021*	2022	2023
Total number of employees	179,539	122,502	128,721	135,419
Of the reported number of employees, number of men	103,507	51,488	55,727	60,271
Of the reported number of employees, number of women	76,032	71,014	72,994	75,148
Of the reported employees, number of employees with ages < 35 years old	47,111	27,378	29,627	32,911
Of the reported employees, number of employees with ages between 35 -50 years old	75,168	47,719	49,372	49,943
Of the reported employees, number of employees with ages >50 years old	57,260	47,405	49,722	52,565
Of the reported employees, number of employees in reporting year that belong to University Graduates and Lower degrees Graduates	32,069	19,845	20,642	21,805
Of the reported employees, number of employees in reporting year that belongs to non-graduate personnel and administrative staff	33,734	20,924	22,244	23,135
Of the reported employees, number of employees in reporting year that belongs to other personnel	113,736	81,733	85,835	90,479
Total number of new employee hires	55,792	39,480	49,100	50,695
Of the reported hires, number of men	36,413	17,247	22,534	25,716
Of the reported hires, number of women	19,379	22,233	26,566	24,979
Of the reported hires, number of new hires with ages < 35 years old	24,788	16,081	20,476	21,306
Of the reported hires, number of new hires with ages between 35 -50 years old	21,946	15,127	18,355	18,531
Of the reported hires, number of new hires with ages >50 years old	9,058	8,272	10,269	10,858
Total number of employees dismissed	16,364	2,948	2,967	4,191
Of the reported number of employees dismissed, number of men	14,857	2,162	2,175	3,074
Of the reported number of employees dismissed, number of women	1,507	786	792	1,117
Of the reported employees dismissed, number of new employees dismissed with ages < 35 years old	6,566	709	800	1,191
Of the reported employees dismissed, number of new employees dismissed with ages between 35 -50 years old	6,779	1,295	1,144	1,546
Of the reported employees dismissed, number of new employees dismissed with ages >50 years old	3,019	944	1,023	1,454
Of the reported employees dismissed, number of employees dismissed in reporting year that belong to University Graduates and Lower degrees Graduates	1,461	750	637	739
Of the reported employees dismissed, number of employees dismissed in reporting year that belongs to non-graduate personnel and administrative staff	6,071	463	347	484
Of the reported employees dismissed, number of employees dismissed in reporting year that belongs to other personnel	8,832	1,735	1,983	2,968

*Please consider that 2021 figures don't include neither Industrial Services activity nor Thies employees figures due to their sales in December 2021 and December 2020 respectively.

HEALTH AND SAFETY

	2020	2021	2022	2023
Total number of hours worked	231,872,823	242,212,526	250,931,665	266,639,819
Total number of hours worked (Men)	119,640,539	117,629,851	123,974,266	134,186,834
Total number of hours worked (Women)	119,938,379	124,582,676	126,957,399	132,452,985
Total number of hours worked Construction	114,190,513	112,367,167	115,941,433	128,166,320
Total number of hours worked Concessions	406,910	550,359	708,875	715,654
Total number of hours worked Services	117,275,400	129,295,000	134,255,550	137,568,750
Total number of hours worked Corporation & others	n.d.	n.d.	25,807	189,095
Total number of accidents with time off from work	2,746	3,291	3,750	3,913
Total number of accidents with time off from work (Men)	750	864	928	959
Total number of accidents with time off from work (Women)	1,995	2,427	2,822	2,953
Total number of accidents with time off from work Construction	265	294	257	212
Total number of accidents with time off from work Concessions	0	2	12	4
Total number of accidents with time off from work Services	2,481	2,995	3,481	3,696
Total number of accidents with time off from work Corporation & others	n.d.	n.d.	0	1
Fatal accidents for own employees	4	2	0	0
Construction	4	2	0	0
Concessions	0	0	0	0
Services	0	0	0	0
Corporation & others	n.d.	n.d.	0	0
Fatal accidents for own employees (Men)	4	2	0	0
Construction	4	2	0	0
Concessions	0	0	0	0
Services	0	0	0	0
Corporation & others	n.d.	n.d.	0	0
Fatal accidents for own employees (Women)	0	0	0	0
Construction	0	0	0	0
Concessions	0	0	0	0
Services	0	0	0	0
Corporation & others	n.d.	n.d.	0	0
Fatal accidents for contractor employees	2	5	2	3
Construction	2	5	2	3
Concessions	0	0	0	0
Services	0	0	0	0
Corporation & others	n.d.	n.d.	0	0
Total number of occupational disease cases (employees)	70	66	65	122
Total number of occupational disease cases (Male employees)	39	29	37	97
Total number of occupational disease cases (Female employees)	31	37	28	25

	2020	2021	2022	2023
Total number of occupational disease cases (employees) Construction	39	28	39	97
Total number of occupational disease cases (employees) Concessions	0	0	0	0
Total number of occupational disease cases (employees) Services	31	38	26	25
Total number of occupational disease cases (employees) Corporation & others	n.d.	n.d.	0	0
Frequency Index of Occupational Disease (employees)	0	0	0	0
Frequency Index of Occupational Disease (Male employees)	0.325	0.247	0.298	0.723
Frequency Index of Occupational Disease (Female employees)	0.260	0.297	0.221	0.189
Frequency Index of Occupational Disease (employees) Construction	0	0	0	1
Frequency Index of Occupational Disease (employees) Concessions	0	0	0	0
Frequency Index of Occupational Disease (employees) Services	0	0	0	0
Frequency Index of Occupational Disease (employees) Corporation & others	n.d.	n.d.	0	0
Total number of occupational disease cases (contractors)	0	0	2	0
Frequency Index of Occupational Disease (contractors)	0.000	0.000	0.016	0.000
Percentage of days lost due to absenteeism	1.2%	1.2%	1.4%	1.4%

Note: For the sake of comparability, 2019 and 2020 are presented restated due to the sale of Industrial Services and the 50% stake of Thies, as well as improvements in the data calculation methodology.

	2022	2023
Total ACS Group		
Percentage of workers represented on formal joint health and safety committees for management and employees	99.95%	99.95%
Health and safety issues covered in formal agreements with trade unions	97.76%	98.11%
Construction		
Percentage of workers represented on formal joint health and safety committees for management and employees	100.00%	100.00%
Health and safety issues covered in formal agreements with trade unions	94.73%	95.77%
Concessions		
Percentage of workers represented on formal joint health and safety committees for management and employees	100.00%	100.00%
Health and safety issues covered in formal agreements with trade unions	100.00%	100.00%
Services		
Percentage of workers represented on formal joint health and safety committees for management and employees	100.00%	100.00%
Health and safety issues covered in formal agreements with trade unions	100.00%	100.00%
Corporation & others (1)		
Percentage of workers represented on formal joint health and safety committees for management and employees	—%	56.91%
Health and safety issues covered in formal agreements with trade unions	—%	56.91%

(1) In 2022 includes data from Corporation and real estate activities. In 2023 includes data from Corporation, real estate and energy activities.

WORK-RELATED INJURIES. EMPLOYEES	2022	2023
Number of deaths resulting from work-related injuries	0	0
Construction	0	0
Concessions	0	0
Services	0	0
Corporation & others	0	0
Death rate resulting from work-related injuries (1)	0.00	0.00
Construction	0.00	0.00
Concessions	0.00	0.00
Services	0.00	0.00
Corporation & others	0.00	0.00
Number of work-related injuries with significant consequences	12	14.94
Construction	2	4.94
Concessions	1	0
Services	9	10
Corporation & others	0	0
Rate of work-related injuries with significant consequences (2)	0.05	0.06
Construction	0.02	0.04
Concessions	1.41	0.00
Services	0.07	0.07
Corporation & others	0.00	0.00
Number of recordable work-related injuries	7,233	7,236
Construction	428	395
Concessions	15	8
Services	6790	6832
Corporation & others	0	1
Rate of recordable work-related injuries (3)	5.76	5.43
Construction	0.74	0.62
Concessions	4.23	2.24
Services	10.12	9.93
Corporation & others	0.00	1.06

WORK-RELATED INJURIES CONTRACTORS	2022	2023
Number of deaths resulting from work-related injuries	2	3
Construction	2	3
Concessions	0	0
Services	—	—
Corporation & others	—	—
Death rate resulting from work-related injuries (1)	0.01	0.02
Construction	0.01	0.02
Concessions	0.00	0.00
Services	—	—
Corporation & others	—	—
Number of work-related injuries with significant consequences	4	7
Construction	4	7
Concessions	0	0
Services	—	—
Corporation & others	—	—
Rate of work-related injuries with significant consequences (2)	0.03	0.05
Construction	0.03	0.05
Concessions	0.00	0.00
Services	0.00	0.00
Corporation & others	0.00	0.00
Number of recordable work-related injuries	806.25	865
Construction	801.25	863
Concessions	5	2
Services	—	—
Corporation & others	—	—
Rate of recordable work-related injuries (3)	1.20	1.11
Construction	1.19	1.12
Concessions	5.01	1.71
Services	—	—
Corporation & others	—	—

(1) Number of deaths resulting work-related accidents per million hours worked.

(2) Number of work-related injuries with significant consequences per million hours worked.

(3) Number of recordable work-related injuries per two hundred thousand hours worked.

SOCIAL ACTION

SOCIAL ACTION CONTRIBUTION ACS GROUP	2022
mn €	
Cash contributions allocated to Social Action of companies of ACS Group	6.7
Cash contributions allocated to Social Action of ACS Foundation	6.2
Cash contribution allocated to Social Action ACS Group	12.9
Estimation of in-kind giving allocated to Social Action of companies of ACS Group	0.0
Estimation of in-kind giving coming from employee volunteering during paid working hours (1)	0.4
Estimation of in-kind giving allocated to Social Action derived from management overheads (1)	1.0
Monetary estimate of in-kind contributions to Social Action (mn €)	1.4
Investment in Social Action of ACS Group*	14.3

(1) Scope data: 22.18% of 2023 sales respectively

CUSTOMERS

MAIN MANAGEMENT INDICATORS – CUSTOMERS (1)		2023
Number of customer satisfaction surveys received		1,266
Percentage of "satisfied" or "very satisfied" customer responses over total number of surveys RECEIVED (%)		94.7%

(1) The scope in 2023 is 21.69%

ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED

(201-1) Generated, distributed, and withheld economic value (€ mn)*	2022	2023
Total production value	33,615	35,738
Financial income	178	279
Divestments*	592	1,972
(1) Economic value generated	34,385	37,989
Operating and procurement expenses	32,249	34,241
Personnel expenses	7,250	7,835
Corporate tax	201	199
Dividends paid and treasury stock	996	632
Financial expenses	484	659
Resources earmarked for the community	14	14
(2) Distributed economic value	41,194	43,580
Withheld economic value (1-2)	-6,809	-5,592

(*) Data for 2022 and 2023 are presented in ordinary terms in accordance with ACS Group management criteria.

EUROPEAN TAXONOMY - CONSIDERATION OF ROADS AS ELIGIBLE

Taxonomically Eligible/Aligned Activities ACS Group Criterion consideration road infrastructure eligible	2023			2022		
	% eligible activities/total	% aligned activities/total	% aligned activities/total eligible	% eligible activities/total	% aligned activities/total	% aligned activities/total eligible
Revenue	71.1%	12.4%	14.8%	75.8%	11.6%	13.2%
Capex	48.8%	10.3%	17.4%	32.8%	10.5%	24.3%
Opex	59.6%	12.8%	17.9%	52.6%	12.7%	26.8%

6.3.3. EMERGING RISK MANAGEMENT

The most significant emerging risks identified by the ACS Group are detailed below. Both are currently materialised, but it is considered that their impact on the development of the Group's activities will be significantly extended over the long term (> 5 years)

EMERGING RISK	DESCRIPTION	IMPACT	MITIGATION ACTIONS
Deglobalisation/ geopolitical conflicts: Disruption of the supply chain and shortage of construction materials	<p>Tensions in global supply chains have worsened in recent months, due to the current geopolitical situation and the expected continuation of conflicts and the subsequent economic and energy crisis, which is expected to have a major impact on raw material supplies, exacerbated by the current process of de-globalisation.</p> <p>The construction sector is very exposed to the difficulty of sourcing construction materials. This, together with the increase in raw material costs, the price of energy, the effects of climate change and the increase in preferences and demands of stakeholders, poses an increasingly significant risk in the market. Inadequate use or waste of the natural resources necessary to carry out activities that do not contribute to a circular economy model can lead to scarcity and depletion of resources. Lastly, high demand and a future requirement for the use of specific materials with sustainable characteristics are expected, and it is therefore expected that the Group will again face supply risks from this type of materials in the coming years.</p>	<p>The disruption of the supply chain and the scarcity of construction materials directly affect the development of ACS activities around the world, which may involve delays in the development of projects, breaches of customer demands, failure to comply with the ACS Environmental Policy, as well as reputational risks, non-compliance with regulations and increased production costs.</p>	<p>The incorporation of circular concepts into the production model makes it possible to reduce the intensive use of natural resources and the high pressure on the environment., as well as ACS dependencies.</p> <p>Resource optimisation also increases operational and financial efficiency, in addition to reducing the waste generated.</p> <p>In addition, the Environmental Policy and the Group's Sustainability Master Plan define the commitments to encourage the use of recycled construction materials, their durability and efficient waste management.</p> <p>The objectives of the Sustainability Master Plan included:</p> <ul style="list-style-type: none"> Promoting life cycle analysis in infrastructure and building projects, exceeding 200 analysed projects by 2025. Maintaining a waste recycling rate in excess of 80%. ACS Group companies participate in various R&D projects related to durability and efficiency in the use of construction resources and materials.
Shortage of available water	<p>Water is a key resource for both building and social wellbeing. Overexploitation and mismanagement of water resources could lead to water stress and water scarcity. The water scarcity trends observed in Europe, North America and Asia, where the ACS Group operates, could lead to a decrease in water availability, both in terms of quantity and quality.</p>	<ul style="list-style-type: none"> Delays in construction projects due to limited water availability Decreased demand for construction projects due to rising water and operational costs Reputational damage to the construction sector 	<p>The main mitigation measures are described in the ACS Group's Environmental Policy and Sustainability Master Plan and include, among others:</p> <ul style="list-style-type: none"> Considering and assessing the main risks and impacts in relation to using water resources. Identifying business opportunities to contribute to the efficient use of water resources, reduce water stress and reduce effluent emissions. Promoting water consumption reduction initiatives and water recycling/reuse procedures. Controlling the water extracted from water-stressed areas to minimise its share Establishing a method for calculating the water footprint

Biodiversity loss and ecosystem degradation	<p>Biodiversity brings value to the economy and society by providing natural resources and capital and ecosystem services. Biodiversity decline and ecosystem degradation can lead to physical, transitional, legal, regulatory and systemic risks for business.</p> <p>The construction sector may be exposed to biodiversity transition risks, as its business activities affect the ecosystem and are therefore a potential target for future regulation.</p>	<ul style="list-style-type: none"> • New policies and regulations to protect biodiversity require increased enforcement efforts. • Changes in consumer preferences and increased attention from regulators could negatively affect the construction sector's order book. • Reputational risks in construction activities 	<ul style="list-style-type: none"> • The main mitigation measures are described in the ACS Group's Environmental Policy and Sustainability Master Plan. • In collaboration with customers, the public administration and other external stakeholders, the ACS Group promotes implementing measures to identify and minimise the impact on biodiversity. These measures may include physical protection, transplantation or relocation, respect for the life cycles of affected plant and animal species, as well as offsetting the impacts of activities on biodiversity and forest cover through restoration, recovery and reforestation actions.
Erosion of social cohesion	<p>Increasing social differences, fragmentation and polarisation due to significant differences between political parties and polarised media coverage of recent events lead to increased social tensions. Increased discontent could encourage extremist political movements, could also entail a potential risk of discrimination or harassment actions against some groups of employees, and could drive skilled labour migration, affecting labour availability.</p>	<ul style="list-style-type: none"> • Increased potential risk of discrimination or harassment against a specific group of employees. • Increased labour migration leads to shortage of skilled workers • Reputational risks 	<ul style="list-style-type: none"> • Disseminating the ACS Group's Code of Conduct and other Group policies, such as the Diversity Policy or the Human Rights Policy, to raise awareness among employees and the supply chain in matters relating to diversity and non-discrimination. • Strengthening the Whistleblowing Channel Operating Policy to ensure a channel of communication with employees and stakeholders to detect, prevent and mitigate breaches of the ACS Group's Code of Conduct. • Taking actions proactively when potential high-risk situations are detected. These actions could include specific training courses or initiatives to promote diversity and prevent discrimination against certain groups of employees. • Increasing the scope of in-house employee training with the aim of fostering professional development and talent retention.

6.3.4. MONITORING OF PRIORITY TARGETS IN THE 2025 SUSTAINABILITY MASTER PLAN

MONITORING OF PRIORITY GOALS SUSTAINABILITY MASTER PLAN 2025							
	Priority Goal	Tracking Indicator	Comparable Evolution (1)			Related Contents	
			Reference value (2)	2022	2023		
E	1	Reduction of Scope 1 emissions by 35% by 2030, with an intermediate reduction target of at least 15% by 2025	Scope 1 emissions	541,106	378,893	380,722	4.1.1. Fight against climate change
	2	Reduction of Scope 2 emissions by 60% by 2030, with an intermediate reduction target of at least 30% by 2025	Scope 2 Emissions	220,672	161,034	151,266	4.1.1. Fight against climate change
	3	Maintain an 80% rate of waste (hazardous and non-hazardous) destined for reuse/recycling	Waste for reuse and recycling rate	77.8%	85.0%	88.0%	4.1.2. Circular economy: sustainable use of resources and waste management
	4	Progressive minimization of non-hazardous waste destined for landfills	Non-hazardous waste for landfill	21.2%	14.4%	10.9%	4.1.2. Circular economy: sustainable use of resources and waste management
	5	Reach 45% of Infrastructure sales in projects with sustainable certification by 2025 (2)	% Construction sales in projects with sustainable certification	34.4%	42.3%	42.2%	4.1.1. Fight against climate change
	6	Increase the number of operations subject to environmental management systems certified under ISO 14001	Operations subject to environmental management systems certified to ISO 14001 standard	73.9%	82.4%	83.2%	4.1. Environment
S	7	Extending the certification of H&S management systems by exceeding 97% of employees subject to certified safety and health management systems by 2025	Percentage of total employees covered by OSHAS18001 or ISO 45001	90.6%	87.4%	92.0%	4.3. Occupational Health & Safety
	8	Decrease own employee frequency rate by 15% compared to 2019	Own employees frequency rate	14.36	15.11	14.67	4.3.2. Safety Statistics
	9	Increase by 25% the presence of women in senior management positions compared to 2019 and that the total number of women in senior positions represents 20% by 2025	Women in senior management positions % Women in management positions	93 18.0%	114 22.2%	153 22.6%	4.2.2. Equal opportunities, diversity and inclusion
	10	Increase by 7% the number of employees belonging to vulnerable groups with respect to 2020 (2)	Employees belonging to vulnerable groups	9,819	10,983	11,453	4.2.2. Equal opportunities, diversity and inclusion
	11	Promote community investment by progressively increasing funds for social action and improve impact monitoring and measurement	Funds for social action (€ mn)	12	14	14	4.6. Contribution to Society
	12	Strengthening sustainability governance	Actions carried out to adapt the Group's governance structure to the increased requirements in terms of sustainability	During 2023, the ACS Group continued to work in this area by, for example, improving the integration of the climate component in the Group's Integrated Risk Control and Management System, since this is the system that covers all types of risk that may threaten the achievement of the objectives of the Organization and the ACS Group's companies.			
G	13	100% of employees with responsibility for compliance trained through compliance programs by 2025	By the year 2023, all employees with responsibility for compliance have received some training in this area during their professional career.				
	14	Evaluate 100% of own operations on Human Rights by 2025	Operations evaluated in the area of Human Rights	57.8%	83.6%	83.4%	4.4.4. Human Rights
	15	Quantify the volume of sustainable assets in the ACS portfolio aligned with the EU Environmental Taxonomy	% Aligned sales	n.a.	11.6%	12.4%	4.11. European Union taxonomy
			% Aligned Opex	n.a.	12.7%	12.8%	
			% Aligned Capex	n.a.	10.5%	10.3%	
16	75% of suppliers trained in the Business Partner Code of Conduct by 2025	% Suppliers that have received Code of Conduct training throughout their contractual relationship	6.0%	7.7%	19.3%	4.7. Suppliers	
17	Evaluate 100% of critical direct suppliers in terms of sustainability during the Plan period	% Critical direct suppliers evaluated in the last 3 years	93.4%	91.7%	90.5%	4.7. Suppliers	

(1) For the sake of data comparability, where possible, historical data are recalculated with the same scope of consolidation perimeter and calculation criteria as those reported in 2022.

(2) The reference value refers as a general rule to the restated 2019 data excluding Industrial Services and the sale of the 50% stake in Thiess in those where it is material, except in objective 5 where 2020 is set as the reference value due to not having restated data for 2019 and objective 10 for vulnerable groups where the 2020 data is taken as the reference value in the objective. The reference value has been restated considering the same scope of consolidation perimeter and calculation criteria as those reported in the last reporting year.

(3) Includes other valuation transactions.

6.3.5. CONTRIBUTION TO THE ACHIEVEMENT OF THE SUSTAINABLE DEVELOPMENT GOALS

The ACS Group, through the development of its activity focused on the development of transportation and energy infrastructure, as well as the social dimension offered through the Services activity, makes a conscientious effort to accomplish the commitments in the 2030 Agenda for Sustainable Development. In this regard, the Group measures its performance in terms of its contribution to the Sustainable Development Goals (SDGs) that are most

closely related to its activity. This contribution is also reinforced by its magnitude and its international presence.

As determined in the 2025 Sustainability Master Plan, the ACS Group has identified that it contributes substantially to the achievement of 6 Sustainable Development Goals linked to the Group's activity, through the commitments established and strategic lines.

GOAL

8

PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL



SPECIFIC TARGETS TO WHICH THE ACS GROUP CONTRIBUTES

8.2 Achieving higher levels of economic productivity through diversification, technological modernisation and innovation.

8.4 Progressively improving the efficient production and consumption of global resources by 2030 and seek to untie economic growth from environmental degradation.

8.5 Achieving full, productive and decent employment for all, as well as equal remuneration.

8.6 Reducing the proportion of young people who are not employed and do not study.

8.8 Protecting labour rights and promoting a safe and risk-free working environment for all workers.

CONTRIBUTION BY THE ACS GROUP

As a global company, the ACS Group participates in the development of key sectors for the global economy and provides jobs to a large number of people. Furthermore, the Group understands the important role that having local roots and being sensitive to the unique features of each site has in the company's success. The Group companies have commitments to remain in most of the regions where they operate, actively contributing to the economic and social development of these settings through the employment of a high percentage of local workers and suppliers.

The Group is committed to the professional development of its employees and is a strong advocate of internationally recognised human and labour rights. The company also encourages, respects and protects the freedom to participate in trade unions and the right of association of its workers.

In the ACS Group, occupational health and safety are also a priority objective in the conduct of all Group activities.

RELATED COMMITMENTS UNDER THE SUSTAINABILITY MASTER PLAN 2025

- Prioritising occupational health and safety in employees and contractors

- Driver of economic and social development at the service of the local community

- Leading group on the development of specialised and diverse talent

MANAGEMENT AND MONITORING INDICATORS

Number of employees: 135,419

% of employees with permanent contracts: 81.6%

% of local employees: 98.1%

% of local suppliers: 89.5%

New hires during the year: 50,695

% of contracts with employees under 35: 42.0%

Number of employees trained in the year: 74,710

% of employees covered by certified occupational safety and management systems (ISO 45001): 92.0%

GOAL

9

BUILD RESILIENT INFRASTRUCTURE, PROMOTE SUSTAINABLE INDUSTRIALISATION AND FOSTER INNOVATION



SPECIFIC TARGETS TO WHICH THE ACS GROUP CONTRIBUTES

9.1 Developing reliable, sustainable, resilient and quality infrastructure to support economic development and human well-being.

9.4 Modernising infrastructure and making factories i sustainable, using resources more effectively and promoting the adoption of clean and environmentally sound technologies and industrial processes.

9.a Facilitating the development of sustainable and resilient infrastructure in developing countries through increased financial, technological and technical support.

CONTRIBUTION BY THE ACS GROUP

Through its infrastructure and industry development activity, the ACS Group significantly contributes to the economic progress of societies and people's well-being. The ACS Group has also made a determined commitment to be a reference in sustainable infrastructure.

The Group increasingly invests in R&D, using resources more effectively and promoting the adoption of sustainable industrial technologies and processes.

RELATED COMMITMENTS UNDER THE SUSTAINABILITY MASTER PLAN 2025

- Becoming leaders in sustainable infrastructure

MANAGEMENT AND MONITORING INDICATORS

Sales in projects with sustainable certifications: EUR 14,087 M

Investment in R&D+i: EUR 25.8 M

GOAL
10

REDUCING INEQUALITY IN AND BETWEEN COUNTRIES



SPECIFIC TARGETS TO WHICH THE ACS GROUP CONTRIBUTES

- 10.2 Promoting the social, economic and political inclusion of all people.
- 10.3 Ensuring equal opportunities and reducing unequal results.

CONTRIBUTION BY THE ACS GROUP

Through its infrastructure construction activities in underdeveloped countries, the ACS Group contributes to the reduction of inequalities among countries by generating a favourable economic and social environment for their development.

In addition, Clece, the ACS company dedicated to personal services, among others, has a strong social focus and a vocation of inclusion and integration of people, fostering the reduction of inequalities. In addition to serving vulnerable communities, it also integrates people from these groups into its workforce.

On the other hand, the Social Action activities carried out by the Group companies and the ACS Foundation are mainly aimed at reducing inequality.

RELATED COMMITMENTS UNDER THE SUSTAINABILITY MASTER PLAN 2025

- Leading group on the development of specialised and diverse talent
- Driver of economic and social development at the service of the local community

MANAGEMENT AND MONITORING INDICATORS

Employees belonging to vulnerable groups: 11,453
Investment in Social Action: EUR 14.3 M

GOAL
11

MAKING CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE



SPECIFIC TARGETS TO WHICH THE ACS GROUP CONTRIBUTES

- 11.2 Providing access to safe, affordable, accessible and sustainable transport systems for all and improving road safety.
- 11.3 Between now and 2030, increased inclusive and sustainable urban development.

CONTRIBUTION BY THE ACS GROUP

The ACS Group, through its various activities, provides services which contribute to creating more efficient and sustainable cities. These include sustainable building, the construction of public transportation systems, traffic management services, etc.

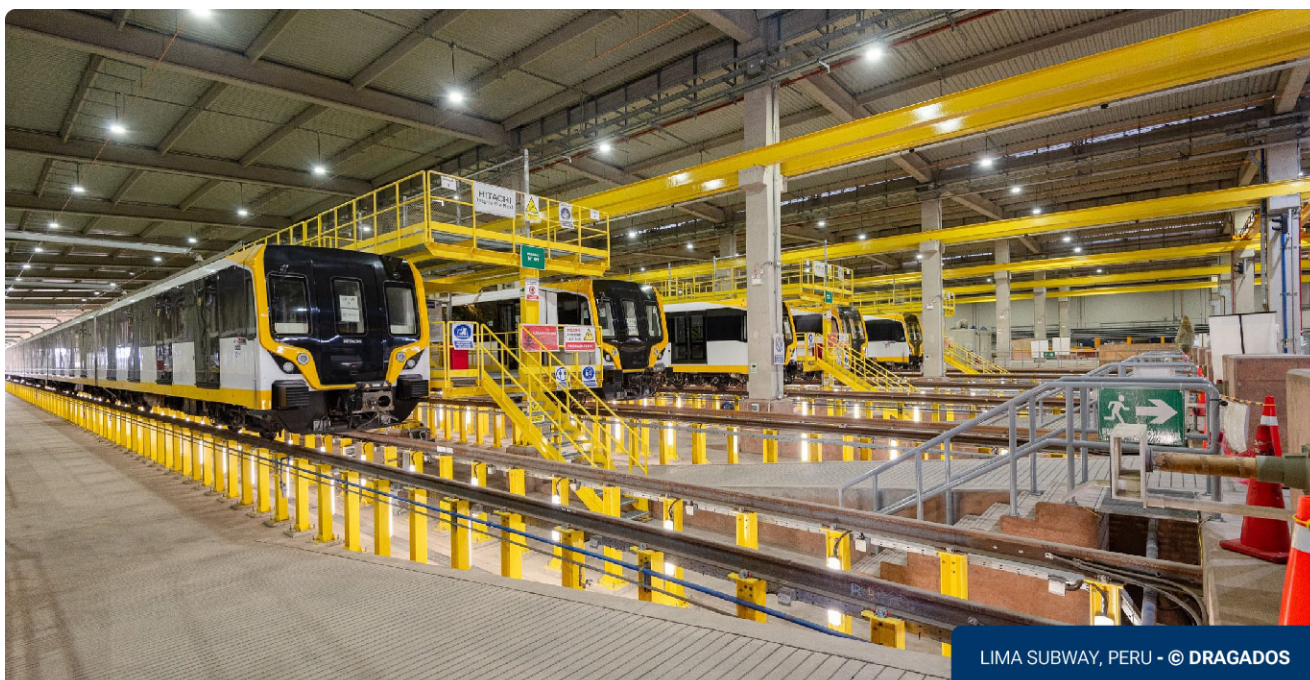
In addition, the Group contributes to R&D projects for the development of more efficient and resilient materials and more sustainable cities

RELATED COMMITMENTS UNDER THE SUSTAINABILITY MASTER PLAN 2025

- Becoming leaders in sustainable infrastructure

MANAGEMENT AND MONITORING INDICATORS

Sales in projects with sustainable certifications: EUR 14,087 M
R&D projects related to sustainability: 58



GOAL
12

ENSURING SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS



SPECIFIC TARGETS TO WHICH THE ACS GROUP CONTRIBUTES

12.2 By 2030, achieving sustainable management and efficient use of natural resources.

12.5 Between now and 2030, significantly reducing waste generation through prevention, reduction, recycling and reuse activities.

RELATED COMMITMENTS UNDER THE SUSTAINABILITY MASTER PLAN 2025

- Integrating circularity in our activities
- Ensuring responsible management of the supply chain in line with commitments and action standards

CONTRIBUTION BY THE ACS GROUP

The ACS Group promotes responsible management of its entire supply chain and implements measures for the efficient use of natural resources in all its projects. From the design phase to execution, the use of sustainable materials is encouraged, water and energy consumption is rationalised and waste is properly managed, promoting its prevention and minimisation, to maintain a waste reuse and recycling rate of 80%.

The ACS Group also promotes the assessment of its suppliers in terms of sustainability, with the aim of reaching 100% of its suppliers assessed for 2025.

MANAGEMENT AND MONITORING INDICATORS

% waste sent for recovery: 88.0%
% of suppliers assessed over the last 3 years in terms of sustainability: 90.47%

GOAL
13

TAKING URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS



SPECIFIC TARGETS TO WHICH THE ACS GROUP CONTRIBUTES

13.1 Strengthening resilience to climate-related risks.

13.3 Improving awareness of climate change mitigation and adaptation.

RELATED COMMITMENTS UNDER THE SUSTAINABILITY MASTER PLAN 2025

Moving forward climate neutrality to 2045

Sustainability in the governance model

CONTRIBUTION BY THE ACS GROUP

The ACS Group strives to contribute to the transition to a low-carbon economy by including measures to adapt to and mitigate climate change in its activities, as well as identifying opportunities for the promotion of environmentally friendly products and services that minimise its impact. The ACS Group has therefore undertaken to move forward its climate neutrality to 2045, as well as to improve the measurement of its footprint and reduce it in the short and medium term.

MANAGEMENT AND MONITORING INDICATORS

Variation in Scope 1 emissions (vs 2019): -29.6%
Variation in Scope 2 emissions (vs. 2019): -31.5%
kWh of renewable energy consumed: 62,226,544



6.3.6. SCOPE OF DATA

ENVIRONMENT

% of turnover	2022	2023
Implementation of ISO 14001 certification	98.28%	99.47%
Implementation of other certifications	98.28%	99.47%
Projects registered and certified as per efficient construction certifications	98.28%	99.47%

% of turnover	2020	2021	2022	2023
Petrol (million litres)	96.13%	96.86%	98.28%	99.47%
Diesel (million litres)	96.13%	96.86%	98.28%	99.47%
LPG (million litres)	96.13%	96.86%	98.28%	99.47%
Natural gas (kWh)	96.13%	96.86%	98.28%	99.47%
Biofuel (million litres)	96.13%	96.86%	98.28%	99.47%
Electricity (MWh)	96.13%	96.86%	98.28%	99.47%
Electricity from renewable sources (MWh)	96.13%	96.86%	98.28%	99.47%
Scope 3 emissions (t CO ₂ eq)	95.96%	96.86%	98.25%	99.21%

Efficient use of water resources				
Water withdrawal (m ³)			98.28%	99.47%
Water withdrawal in water stress areas (m ³)			20.28%	99.47%
Water discharge (m ³)			98.28%	99.47%
Water discharge in water stress areas (m ³)			20.28%	99.47%

Waste management				
Non-hazardous waste generated (t)	96.13%	96.86%	98.28%	99.47%
Hazardous waste generated (t)	96.13%	96.86%	98.28%	99.47%

Other atmospheric emissions (kg)	2022	2023
Quantity of significant atmospheric emissions, in kg of NO _x	98.28%	99.47%
Amount of significant atmospheric emissions, in kg of SO _x .	98.28%	99.47%
Quantity of significant atmospheric emissions, in kg, of other significant atmospheric emissions.	98.28%	99.47%

Materials (% of Group procurements)	2022	2023
Total wood purchased (m ³)	97.73%	96.84%
Percentage of reused/recycled wood	97.73%	96.84%
Total steel purchased (t)	99.58%	99.42%
Percentage of recycled steel	99.58%	99.42%
Total concrete purchased (m ³)	99.58%	99.42%
Percentage of cement/concrete with recycled aggregate	99.58%	99.42%
Total glass (m ²)	99.58%	99.42%
Percentage of recycled glass	99.58%	99.42%
Total aggregates (t)	99.58%	99.42%
Percentage of reused/recycled aggregates	99.58%	99.42%
Total asphalt (t)	99.58%	99.42%
Percentage of reused/recycled asphalt	99.58%	99.42%
Total cement (t)	99.58%	99.42%
Percentage of reused/recycled cement	99.58%	99.42%

PEOPLE

Total % of employees	2022	2023
Total employees	100.00%	100.00%
Local employees	96.70%	97.54%
Employees by area of activity	100.00%	100.00%
Personnel by professional category and area of activity	100.00%	100.00%
Breakdown by type of contract	100.00%	100.00%
Personnel by professional category and gender	100.00%	100.00%
Personnel by geographical area	100.00%	100.00%
Total staff turnover	96.70%	97.54%
Total turnover for men	96.70%	97.54%
Total turnover for women	96.70%	97.54%
Voluntary turnover	96.70%	97.54%
Voluntary turnover for men	96.70%	97.54%
Total turnover for women	96.70%	97.54%
Of the employees reported, number of women with a management position (construction/project manager or similar and superior)	96.70%	97.54%
Of the employees reported, number of men with a management position (construction/project manager or similar and superior)	96.70%	97.54%
Of the employees reported, number of women management positions	96.70%	97.54%
Of the employees reported, number of men management positions	96.70%	97.54%
Remuneration Directors and Executive Management	100.00%	100.00%
Average annual remuneration	96.46%	97.06%
Measures to promote equal treatment and opportunities for men and women	96.70%	97.54%
Protocols against sexual harassment	96.70%	97.54%
Measures to ensure equal opportunities and avoid discrimination in the selection process for any position	96.70%	97.54%
Disabled persons	96.70%	97.54%
Systems to ensure universal accessibility for employees	96.70%	97.54%
Work-family life balance measures	96.70%	97.54%
Percentage of men/women who return to work after paternity/maternity leave	96.70%	97.54%
Total number of absenteeism days	96.70%	97.54%
Employees affiliated with trade union organisations	96.70%	97.54%
Employees covered by collective bargaining agreements or by an independent trade union	96.70%	97.54%
Workers of the ACS Group represented on formal joint health and safety committees for management and employees	99.42%	99.48%
Safety and Health issues covered by agreements	99.42%	99.48%
Employees covered by a formal professional development system	96.70%	97.54%
Employees subject to performance evaluation processes	96.70%	97.54%
Employees covered by variable remuneration systems	96.70%	97.54%
Employees trained	96.70%	97.54%
Total teaching hours given	96.70%	97.54%
Investment in training (millions of euros)	96.70%	97.54%
Breakdown of hours by professional category	96.70%	97.54%

HEALTH AND SAFETY

% of employees	2020	2021	2022	2023
Percentage of total employees covered by ISO45001 certification	95.31%	94.23%	99.42%	99.48%
Total number of hours worked own employees	95.31%	94.23%	99.42%	99.48%
Total number of hours worked own employees (MEN)	95.31%	94.23%	99.42%	99.48%
Total number of hours worked own employees (WOMEN)	95.31%	94.23%	99.42%	99.48%
Total number of accidents with time off own employees	95.31%	94.23%	99.42%	99.48%
Total number of accidents with time off (MEN)	95.31%	94.23%	99.42%	99.48%
Total number of accidents with time off (WOMEN)	95.31%	94.23%	99.42%	99.48%
Total number of working days lost own employees	95.31%	94.23%	99.42%	99.48%
Total number of working days lost own employees (MEN)	95.31%	94.23%	99.42%	99.48%
Total number of working days lost own employees (WOMEN)	95.31%	94.23%	99.42%	99.48%
Total number of hours worked contractors	95.31%	41.22%	99.42%	99.48%
Total number of accidents with time off (contractors)	95.31%	94.23%	99.42%	99.48%
Total number of working days lost (contractors)	95.31%	94.23%	99.42%	99.48%
Own employee deaths due to work-related accidents	95.31%	94.23%	99.42%	99.48%
Own employee deaths due to work-related accidents (MEN)	95.31%	94.23%	99.42%	99.48%
Own employee deaths due to work-related accidents (WOMEN)	95.31%	94.23%	99.42%	99.48%
Contractor deaths due to work-related accidents	95.31%	94.23%	99.42%	99.48%
Investment in health and safety (millions of euros)	95.31%	94.23%	99.42%	99.48%
Total number of cases of occupational diseases (employees)	95.31%	94.23%	99.42%	99.48%
Total number of cases of occupational diseases (MALE employees)	95.31%	94.23%	99.42%	99.48%
Total number of cases of occupational diseases (FEMALE employees)	95.31%	94.23%	99.42%	99.48%
Total number of cases of occupational diseases (contractors)	83.43%	94.23%	99.42%	99.48%
Own employee deaths due to occupational illnesses	83.43%	94.23%	99.42%	99.48%
Contractor deaths due to occupational illnesses	83.43%	94.23%	95.87%	99.48%
Number of work-related injuries with significant consequences (employees)	63.29%	94.23%	73.24%	96.10%
Number of recordable work-related injuries (employees)	95.31%	94.23%	99.42%	99.48%
Number of work-related injuries with significant consequences (contractors)	63.29%	94.23%	73.24%	71.60%
Number of work-related injuries (contractors)	95.31%	94.23%	99.42%	99.48%

% of employees	2022	2023
Employees who have received health and safety training during the year (%)	99.42%	99.48%
Employees who have received health and safety training during their career with the company (%)	99.42%	99.48%
Percentage of workforce represented on formal joint health and safety committees for management and employees	99.42%	99.48%
Health and safety issues covered in official agreements with trade unions	99.42%	99.48%

COMPLIANCE

% of employees	2022	2023
Number of communications received and handled by the Ethics Channel	100.00%	100.00%
Scope of the training plans regarding the company's human rights, ethics, integrity, conduct or compliance procedures (% of employees)	99.99%	99.99%
Number of courses given with content covering the company's human rights, ethics, integrity, conduct or compliance procedures	99.99%	99.99%
Number of employees trained in Human rights, ethics, integrity, conduct or compliance procedures during the year	99.99%	99.99%
Training hours per trained employee	99.99%	99.99%
Lawsuits for human rights violations	99.99%	99.99%
Value of contributions to associations (scope % turnover)	100.00%	100.00%

CONTRIBUTION TO SOCIETY

% of turnover	2022	2023
Investment in social action by Group companies	99.87%	99.86%
Estimated number of beneficiaries	99.87%	99.86%
Number of citizen awareness courses or activities carried out	23.61%	22.18%
Number of events (conferences, exhibitions, sporting activities, among others) sponsored	23.61%	22.18%
Number of foundations or NGOs that received grants/support during the year	23.61%	22.18%
Budget allocated by the Foundation	100.00%	100.00%

SUPPLIERS AND CONTRACTORS

% of Group procurements	2023
Number of suppliers	96.84%
Signing or acceptance of the Code of Conduct for Business Partners	96.84%
Training in the Code of Conduct for Business Partners	77.31%
Supplier approval systems:	96.84%
Weight of non-financial criteria	77.31%
Supplier commitment standards	96.84%
Suppliers identified as critical	96.84%
Critical suppliers. % of total	96.84%
Suppliers screened in terms of sustainability	96.84%

COMMITMENT TO QUALITY WITH THE CUSTOMER

% of turnover	2022	2023
Production certified under ISO 9001: Total ACS Group	99.51%	99.87%
Number of quality audits	99.51%	99.87%
Investment in measures to promote and improve quality	98.07%	99.36%
System for measuring client satisfaction	99.51%	99.87%
Number of client satisfaction surveys received	20.07%	21.69%
Client responses which are "satisfied" or "very satisfied" out of the total number of surveys received (%)	20.07%	21.69%
System for measuring client complaints and claims	98.07%	99.36%
Number of complaints and claims from clients received in the reporting period	98.07%	99.36%
Number of complaints and claims from clients resolved in the reporting period	98.07%	99.36%

INNOVATION

% of turnover	2023
Investment in research, development and innovation by the ACS Group	98.94%
Number of innovation projects in progress in 2022 of the ACS Group	98.94%
Number of patents registered by the ACS Group in 2022	98.94%
Number of patents registered by the ACS Group over the last ten years	98.94%

6.3.7. AWARDS, RECOGNITIONS AND ADHERENCE

- ACS, Actividades de Construcción y Servicios, was included in the European Dow Jones Sustainability Index. Inclusion in these DJSI indices recognises the commitment and ongoing effort made by all of the ACS Group companies in terms of sustainability and value generation shared by the whole company. HOCHTIEF and CIMIC, listed companies of the ACS Group, are also included in the DJSI, specifically the DJSI World Index.
- For another year, ACS Actividades de Construcción y Servicios was included in the 2023 Sustainability Yearbook published by S & P Global for its excellent sustainability performance.
- In 2023, FTSE Russell confirmed that the ACS Group had been independently evaluated in accordance with the FTSE4Good criteria and had met the requirements to become a component of the FTSE4Good index series.
- The ACS Group is a signatory to the United Nations Global Compact.
- The ACS Group supports the Carbon Disclosure Project initiative.
- ACS remains a leader in the ranking of ENR magazine published in August 2023, as the leading company in terms of sales in the United States and Australia, and the company with the most international activity according to this same ranking.

Member of Dow Jones Sustainability Indices

Powered by the S&P Global CSA



6.3.8. WE WOULD LIKE TO HEAR YOUR OPINION

As you may have observed in the preceding pages, the ACS Group is committed to transparency of information and the relationships with its various stakeholders.

The ACS Group considers the assumption of reporting principles to be a process of ongoing improvement, in which it is essential to count on the informed opinion of the various stakeholders. We would therefore greatly appreciate any feedback you may have on this report at:

GRUPO ACS
Avda. Pío XII, 102
Madrid 28036
Tel. 91 343 92 00
E-mail: info@grupoacs.com

6.4. ECONOMIC-FINANCIAL ANNEXES

6.4.1. TREASURY SHARES

As of 31 December 2023, the Group held 17,558,400 shares in the Parent Company, with a nominal value of EUR 0.5, representing 6.3% of its share capital. The details of the operations carried out during the year are as follows:

	2022		2023	
	Number of shares	Thousands of euros	Number of shares	Thousands of euros
At beginning of period	28,876,676	691,916	25,904,654	622,170
Purchases	29,708,164	709,781	7,351,999	228,610
Amortization and sale	-32,680,186	-779,527	-15,698,253	-384,862
At end of period	25,904,654	622,170	17,558,400	465,918

6.4.2. ANNUAL CORPORATE GOVERNANCE REPORT

The Annual Corporate Governance Report required by commercial law, which constitutes an integral part of the 2023 Consolidated Management Report, is presented as a reference and will be available on the CNMV website.

6.4.3. REPORT ON THE REMUNERATION OF THE BOARD MEMBERS

The Annual Directors Remuneration Report required by commercial law, which constitutes an integral part of the 2023 Consolidated Management Report, is presented as a reference and will be available on the CNMV website.



6.4.5. GLOSSARY

The ACS Group presented its results in accordance with International Financial Reporting Standards (IFRS). However, the Group used some Alternative Performance Measures (APM) to provide additional information for

easier comparison and understanding of their financial information, and to facilitate the decision-making and assessment of the Group's performance. The most noteworthy APMs are detailed below.

CONCEPT	DEFINITION and COHERENCE	Dec-23	Dec-22
Market capitalisation	Num of shares at period close x price at period close	11,171	7,607
Operational Net profit from Activities	Total Income from Activities - Total Expenses of the period from Activities - Minority interests result - Discontinued operations result	667	572
Earnings per share	Net Profit of the period / Average num of shares of the period	3.00	2.50
Net Attributable profit	Total Income - Total Expenses of the period - Minority interests result	780	668
Average num. of shares of the period	Daily average outstanding shares in the period adjusted by treasury stock	260.3	267.0
Backlog	Value of the contracts awarded and pending to be executed. In section 1.1, a breakdown is made between a direct and proportional portfolio (referring to proportional participation in joint operating companies and projects not consolidated globally in the Group)	73,538	68,996
Gross Operating Profit (EBITDA)	Operating Profit excluding (1) D&A y (2) non recurrent operating results and/or which dont imply a cash flow	1,909	1,747
(+) Net Operating Profit	Operating income - Operating expenses (includes Results from Equity Method (Associates and Joint Ventures))	1,176	1,073
(-) 1.D&A	Operating provisions and fix asset depreciation	(583)	(642)
(-) 2. Non recurrent operating results and/or which dont imply a cash flow	Impairment & gains on fixed assets + other operating results	(150)	(32)
(+) Results from Equity Method Investments (Associates and Joint Ventures)	Includes the net result of operating companies accounted for using the equity method. Among others; the NPAT of operating investments, such as Abertis, and that of mixed companies consolidated by the equity method. It is assimilated to the UTEs regime in Spain and therefore is included in the EBITDA in order to standardize the accounting criteria with the Group's foreign companies.	412	381
Operating Profit (EBIT)		1,325.9	1,105.5
Net Financial Debt / EBITDA		-0,2X	-0,1x
Net Financial Debt (1)-(2)	Gross external financial debt +Net debt with group companies - Cash & Equivalents	400	224
(1) Gross Financial Debt	Bank debt + Obligations and other negotiable securities + Project finance and non recourse debt + Financial lease + Other l/t non bank debt + Debt with group companies	9,876	10,377
(2) Cash & Equivalents	Temporary Financial investments + L/T deposits + Cash & Equivalents*	(10,277)	(10,601)
Annualized EBITDA	EBITDA of the period / num of month within the period x 12 months	1,909	1,747
Net Cash Flow	(1) Net Cash Flows from Operating Activities + Cash Flows from Investing Activities ((-)Payments for Investments (+) Receipts from Investments) + (4) Other Cash and Capital Flows	(439)	(1,547)
1. Net Cash Flow from operating activities (Net FFO)	Adjusted Net Profit attributable + Operating working capital variation ex discontinued operations	1,054	1,333
2. Gross Operating Cash Flow	Cash Flow from Operating Activities before Changes in working capital for the period + Capex + operating leases + (payments)/tax collections + (payments)/ interest collections	2,247	2,026
3. Free Cash Flow	Net Cash Flow from operating activities + Net investments (paid/collected)	192	(551)
(-) Payments from investments	Payments for operating, project and financial investments.	(2,508)	(2,081)
(+) Collections from divestments	Collections from operating, project and financial divestments.	1,900	514
4. Other Cash Flows	Treasury stock sale/acquisition + Dividend payments + Other financial sources + Cash generated from discontinued operations + Other payments for Non-recurrent operations	(885)	(1,314)
Ordinary Financial Result	Financial Income - Financial expenses	(380)	(305)
Net Financial Result	Ordinary financial result + Foreign exchange results + Impairment non current assets results + Results on non current assets disposals	(52)	(69)
Other Financial results	This concept is used as an item to reconcile the Group's EBIT with the Group's EBT, and since the objective is to present an "abridged" income statement, it is used as a grouping of various captions of the consolidated income statement. In this sense, it includes: "Change in fair value of financial instruments + Exchange differences + Impairment and gain or loss on disposal of financial instruments".	328	236

NOTE: All financial indicators and APMs are calculated under the principles of coherence and homogeneity allowing comparability between periods and in compliance with the applicable accounting rules and standards

CONCEPT	USE
Market capitalisation	Num of shares at period close x price at period close
Earnings per share	Net Profit of the period / Average num of shares of the period
Backlog	This is an indicator of the Group's commercial activity. Its value divided by the average duration of the projects is an approximation of the revenues to be received in the following periods
Gross Operating Profit (EBITDA)	Comparable performance measure to evaluate the evolution of the Group's operating activities excluding depreciation and provisions (more variable items depending on the accounting criteria used). This AMP is widely used to evaluate the operating performance of companies as well as part of ratios and multiples of valuation and risk measurement.
Operating Profit (EBIT)	Comparable performance measure to evaluate the evolution of the Group's operating activities including depreciation and provisions. This AMP is widely used to evaluate the operating performance of companies as well as part of ratios and multiples of valuation and risk measurement.
Net Financial Debt / EBITDA	Comparable ratio of the Group's level of indebtedness. Measures the repayment capacity of financing in number of years.
Net Financial Debt (1)-(2)	Total net indebtedness at the end of the period. This is a widely used measure to evaluate solvency and liquidity, showing the Group's cash flow in relation to the total debt held with credit institutions. Section 1 provides a breakdown of net financial debt associated with projects (Project Finance) and that associated with the business.
(1) Gross Financial Debt	Level of gross financial indebtedness at the end of the period
(2) Cash & Equivalents	Liquid current assets available to cover the repayment requirements of financial liabilities
Net Cash Flow	Measures the cash generated or consumed during the period
1. Cash Flow from operating activities	Funds generated by operating activities. Its value is comparable to the Group's EBITDA by measuring the conversion of operating income into cash generation.
2. Cash Flow from investing activities	Funds consumed/generated by investment needs or divestments undertaken in the period
3. Free Cash Flow	Net Cash Flow from operating activities + Net investments (paid/collected)
4. Other Cash Flows	Treasury stock sale/acquisition + Dividend payments + Other financial sources + Cash generated from discontinued operations + Other payments for Non-recurrent operations
Ordinary Financial Result	Measure of evaluation of the result from the use of financial assets and liabilities. This concept includes both income and expenses directly related to net financial debt and other financial income and expenses not related to the same.



VERIFICATION REPORT



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Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT OF ACS, ACTIVIDADES DE CONSTRUCCIÓN Y SERVICIOS, S.A. AND SUBSIDIARIES FOR 2023

To the Shareholders of ACS, Actividades de Construcción y Servicios, S.A.,

In accordance with Article 49 of the Spanish Commercial Code, we have performed the verification, with a scope of limited assurance, of the accompanying consolidated non-financial information statement (NFIS) for the year ended 31 December 2023 of ACS, Actividades de Construcción y Servicios, S.A. (the Parent) and its subsidiaries (the Group), which forms part of the Group's consolidated directors' report for 2023.

The content of the NFIS includes information, additional to that required by current Spanish corporate legislation relating to non-financial reporting, that was not the subject matter of our verification. In this regard, our work was limited solely to verification of the information identified in the "Contents of the Consolidated Non-Financial Statement" table included in the accompanying NFIS.

Responsibilities of the Directors

The preparation and content of the NFIS included in the Group's Consolidated Directors' Report are the responsibility of the Parent's directors. The NFIS was prepared in accordance with the content specified in current Spanish corporate legislation and with the criteria of the selected Sustainability Reporting Standards of the Global Reporting Initiative (GRI standards), as well as other criteria described as indicated for each matter in the "Contents of the Consolidated Non-Financial Statement" table of the NFIS.

These responsibilities also include the design, implementation and maintenance of such internal control as is determined to be necessary to enable the NFIS to be 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 necessary for the preparation of the NFIS is obtained.

Our Independence and Quality Management

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 Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of non-financial information and, specifically, in information about 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 work in accordance with the requirements established in International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised), currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines published by the Spanish Institute of Certified Public Accountants on attestation engagements regarding non-financial information statements.

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 obtained is substantially lower.

Our work consisted of making inquiries of management and the various units of the Group that participated in the preparation of the NFIS, reviewing the processes used to compile and validate the information presented in the NFIS, and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with Group personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external review.

- Analysis of the scope, relevance and completeness of the contents included in the 2023 NFIS based on the materiality analysis performed by the Group and described in the "Identification of material aspects" section thereof, taking into account the contents required under current Spanish corporate legislation.
- Analysis of the processes used to compile and validate the data presented in the 2023 NFIS.
- Review of the information relating to risks and the policies and management approaches applied in relation to the material matters presented in the 2023 NFIS.
- Verification, by means of sample-based review tests, of the information relating to the contents included in the 2023 NFIS, and the appropriate compilation thereof based on the data furnished by the information sources.
- Obtainment of a representation letter from the directors and management.

Emphasis of Matters

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, based on the Delegated Acts adopted in accordance with the provisions of that Regulation, establishes the obligation to disclose information on how and to what extent an undertaking's activities are associated with eligible economic activities in relation to the environmental objectives of the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems (the other environmental objectives), and in respect of certain new activities included in the climate change mitigation and climate change adaptation objectives, for the first time for 2023, in addition to the information referring to eligible and aligned activities required in 2022 in relation to the climate change mitigation and climate change adaptation objectives. Therefore, the accompanying NFIS does not include comparative information on eligibility in relation to the other environmental objectives indicated above or to the new activities included in the climate change mitigation and climate change adaptation objectives. Also, since the information relating to 2022 was not required with the same level of detail as in 2023, the information disclosed in the accompanying NFIS is not strictly comparable either. In addition, it should be noted that the Parent's directors have included information on the criteria which, in their opinion, best enable them to comply with the aforementioned obligations and which are defined in the "European Union taxonomy" section of the accompanying NFIS. Our conclusion is not modified in respect of this matter.

On 4 April 2024, and solely in order to include certain additional information on events after the reporting period, the Parent's directors re-authorised for issue the Group's consolidated financial statements and the consolidated directors' report for 2023, which includes the consolidated non-financial information statement, and which had been authorised for issue on 21 March 2024. This report supersedes that previously issued on 21 March 2024. Our conclusion is not modified in respect of this matter.

Conclusion

Based on the procedures performed in our verification 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 2023 was not prepared, in all material respects, in accordance with the content specified in current Spanish corporate legislation and with the criteria of the selected GRI standards, as well as other criteria described as indicated for each matter in the "Contents of the Consolidated Non-Financial Statement" of the aforementioned NFIS.

Use and Distribution

This report has been prepared in response to the requirement established in corporate legislation in force in Spain and, therefore, it might not be appropriate for other purposes or jurisdictions.

DELOITTE, S.L.

Ana Sánchez Palacios

4 April 2024