

5.4 REGULATORY COMPLIANCE



5.4.1. THE GLOBAL COMPLIANCE MANAGEMENT SYSTEM

THE COMPLIANCE FUNCTION

Section 25 of the Rules of the Board of Directors Regulations, amended on 17 December 2020 to adapt it to the partial revision of Good Governance Code of Listed Companies, approved by the CNMV on 26 June 2020, indicates, in regard to the **functions of the Audit Committee in corporate governance and sustainability for environmental and social issues**, that this specialised Committee within the Board of Directors is responsible for monitoring compliance with the Company's environmental, social and corporate governance policies and rules, as well as with the internal codes of conduct, and has the following functions:

- a) Supervision of compliance with corporate governance rules and the Company's internal codes of conduct, also ensuring that the corporate culture is aligned with its purpose and values.
- b) Supervision of the application of the general policy relating to the communication of economic-financial, non-financial and corporate information, as well as communication with shareholders and investors, voting advisers and other stakeholders. The way in which the Company communicates and relates to small and medium-sized shareholders will also be monitored.
- c) Regular evaluation of the suitability of the Company's system of corporate governance to ensure that it fulfils its mission of promoting the corporate interest and takes the legitimate interests of the remaining stakeholders into account in an appropriate manner.
- d) Supervision to ensure that the Company's environmental and social practices comply with the defined strategy and policy.
- e) Supervision and evaluation of relations processes with the different stakeholders.

It also includes section 24 of the Rules of the Board of Directors, amended on 17 December 2020, among the functions that correspond to the Audit Committee in the area of supervision of risk management and control, the supervision and assessment of the effectiveness of the financial and non-financial risk management systems relating to the Company and

the Group, including the operational, technological, legal, social, environmental, political and reputation or anti-corruption systems.

The Compliance Committee, which reports directly to the Audit Committee, is the main instrument of this Committee to perform these functions.

The Compliance Committee is therefore the body that manages the general compliance management system of the ACS Group, covering the areas of criminal compliance and anti-bribery, market abuse, Human Rights, Competition, privacy and data protection, taxation, cybersecurity, as well as all issues included in this consolidated non-financial statement of the ACS Group and those relating to compliance with the Company's internal codes of conduct, supervision of the application of the general policy relating to the communication of economic-financial, non-financial and corporate information and the assessment and periodic review of the environmental and social policy.

Through the general compliance management system, the ACS Group gives the members of the organisation, its business partners and stakeholders assurance of transparent management of financial, non-financial and corporate information, which makes it possible to generate shared value in the Group and reinforce stable and trusting relationships with all stakeholders. The Group also ensures the promotion and control of ethical and integrity issues, by means of measures to prevent, detect and eradicate corruption and other unlawful conduct.

THE ARCHITECTURE OF THE COMPLIANCE FUNCTION IN THE ACS GROUP. THE INDEPENDENCE OF THE COMPLIANCE FUNCTION.

All subsidiaries of the ACS Group have a Compliance Committee that is responsible for operating their own general compliance management system under the guidelines and standards provided by the Compliance Committee of the Group's parent company. The ACS Compliance Committee regularly monitors, through an average control model, the application of these guidelines and standards in the Group's subsidiaries through a general compliance reporting model.

The ACS Compliance Committee reports quarterly to the Board of Directors through the Audit Committee. This model guarantees the independence of the Compliance Function from the Senior Management and its distance from the management team that is responsible for operational management. Its functional relationship and direct access to the Board of Directors, as well as the fact that the assessment of the performance of the Compliance Committee is the responsibility of the Board of Directors, ensures that the ultimate control of the system's efficiency depends on the governing body of the Group's parent company.

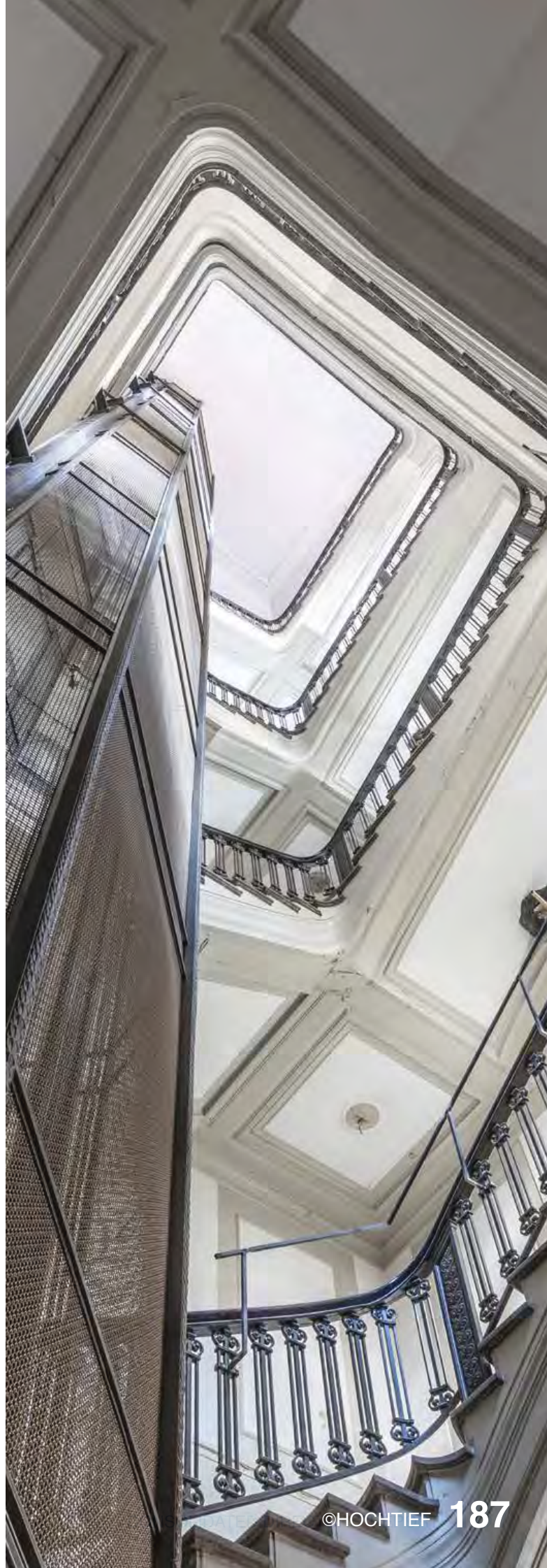
5.4.2. COMPLIANCE POLICIES AND PROCEDURES

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 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.

THE ACS GROUP CODE OF CONDUCT AND ITS UPDATING

The Code of Conduct, whose latest version is dated 12 November 2015, summarises these basic principles and serves as a guide for employees and managers of the ACS Group in relation to their daily professional work, the resources used and the business environment in which they carry out their work. The basic principles of the Code of Conduct are integrity, professionalism and respect for people and the environment.

At the proposal of the Compliance Committee, in 2021, the Board of Directors of the Parent Company of the ACS Group will approve a substantial update of the Code of Conduct. Work is already underway, and it aims to adapt to the profound regulatory changes in terms of sustainability, governance and compliance that have taken place between 2016 and 2021, both in Spain and internationally.





The following standards will be taken into account in this new regulatory context:

1. In the general area of Compliance, ISO 37301 on compliance management systems.
2. In regard to criminal and anti-bribery compliance, the Spanish standard UNE 19601 on criminal compliance management systems, ISO 37001 on anti-bribery management systems and the US Department of Justice (DOJ) Guidelines on Evaluation of Corporate Compliance Programmes, updated in 2020.
3. Regarding compliance relating to competition, the Guidelines on Compliance Programmes published by the National Markets and Competition Commission (CNMC) in June 2020.
4. Regarding processes and channels for handling complaints and queries, the European Directive 2019/1937 on the Protection of Whistleblowers, as well as ISO 37002 (currently in the draft phase), on complaint channel management systems.
5. In regard to good corporate governance, ISO 37000 guidelines for governance in organisations (currently in the draft phase), and the recent recommendations of the Spanish Stock Market Commission (CNMV) on good governance in listed companies.
6. In regard to cybersecurity, the guidelines established in Directive 2016/1148 on measures to ensure a high common level of security in the EU's information networks and systems, the Spanish Cybersecurity Law Code and ISO 27001 on information security management systems and the ISO 27701 standard on information privacy management systems.
7. Relevant texts in the area of defence of human rights, taking as their main reference the UN Guiding Principles on Business and Human Rights and the rights included in the UN Universal Declaration of Human Rights.
8. UN SDGs, including the Principles of Responsible Investment (PRI) and Agenda 2030, the Paris Agreement, the WEF's global risk approach, the EU Green Deal and the integration of sustainability, environmental and social dimensions into public policies.

9. Guidelines of the EU's Sustainable Finance Plan, the European Directive for Sustainable Corporate Governance, as well as the possible new non-financial information directive that will be transferred to the jurisdiction of each country, and that in Spain will update Law 11/2018.

THE CODE OF CONDUCT FOR BUSINESS PARTNERS AND EXTERNAL DUE DILIGENCE PROCEDURES

Notwithstanding the commitment established in the Code of Conduct, the ACS Group has **Code of Conduct for Business Partners**, that expressly includes the obligation of compliance with fundamental human and labour rights by the ACS Group's business partners as a basic principle.

In 2020, both the parent company and the divisions have approved and developed protocols for external due diligence in applying the Code of Conduct for business partners.

GOVERNANCE AND COMPLIANCE IN 2020

The recent partial amendment of the Good Governance Code of Listed Companies of 26 June 2020 shows the confluence between an effective performance of the compliance function and the expected best corporate governance practices in a publicly-traded Group such as ACS: good corporate governance practices are directly related to compliance management. In this regard, in 2020 the Compliance Committee coordinated intensively with the General Secretariat, in line with the principles being developed by the Work Group of the ISO International Committee, which, as of the date this report was issued, was preparing the new ISO 37000 standard on Governance of Organisations, which will provide a new reference framework for interpreting ISO management systems on compliance, highlighting the growing importance of non-financial and corporate information: How Compliance activities are key to meeting the expectations of regulators, supervisors and other stakeholders in a publicly-traded Group.



For these reasons, the following work was carried out in October and November 2020 by the Compliance Committee and the General Secretariat, in coordination with the General Corporate Management:

1.- Amendment of the General Risk Control and Management Policy to comply with the new Recommendation 45 of the Good Governance Code of June 2020.

Significant elements of the new text, approved by the Board of Directors on 17 December 2020, include section 5.1., which identifies all the risks included in the financial and non-financial analysis methodology, as well as section 6, which establishes that the structure of the group's different risk control and management policies is based on the processing and communication of financial, non-financial and corporate economic information, covering, among other issues, those relating to regulatory and regulatory compliance, social issues, Human Rights, the environment, sustainability, diversity, anti-corruption, market abuse, competition, cybersecurity and corporate governance. The new General Risk Map of the ACS Group was approved by the Board of Directors on 25 February 2021.



General Risk Control Policy

2.- Amendment of the Communication Policy, to comply with the new Recommendation 4 of the Good Governance Code of June 2020.



Communication policy

3.- Amendment of the Corporate Social Responsibility Policy, which is now known as the Sustainability Policy, to comply with the new Recommendation 55 of the Good Governance Code of June 2020.



Sustainability Policy

In addition, the General Secretary submitted the proposed amendment of the Rules of the Board of Directors to the Board on December 17, in accordance with the new recommendations, highlighting the functions of the Audit Committee in relation to non-financial information and the powers of the Audit Committee in regard to corporate governance and sustainability in environmental and social issues

5.4.3. PREVENTION OF CORRUPTION AND BRIBERY



Enforcement and anti-bribery policy

In the area of criminal compliance and anti-bribery, the Code of Conduct and the Code of Conduct for Business Partners are complemented by the Criminal Compliance and anti-bribery Policy. This policy is aligned with national standard UNE 19601 on criminal compliance management systems and ISO 37001 on anti-bribery management systems.

In 2020, all of the goals defined in terms of criminal compliance and anti-bribery were achieved:

1. Compliance with the internal auditing of compliance processes and the observations and opportunities for improvement included by AENOR in October 2019 in its first audit for the follow-up of the international standard on anti-bribery management systems UNE-ISO 37001: 2017 and Spanish standard UNE 19601: 2017 on compliance management systems, as reflected in the second follow-up audit in October 2020.



AENOR's certificates uploaded to www.grupoacs.com

- ASO-2018/0018, as recognition and proof of compliance of its management system with UNE ISO 37001: 2017.
- GCP-2018/0044, as recognition and proof of the compliance of its management system with UNE 19601: 2017.

2. Reduction of the net risk in the risk matrix and criminal and anti-bribery controls, by adopting measures to effectively reduce net criminal risk and improvement and expansion of the controls associated with that risk. ACS's model of criminal compliance and anti-bribery aims to achieve proper control by the parent company in regard to the actions of the subsidiaries that could result in conduct that constitutes the criminal acts that could be committed by the legal entity in the different jurisdictions in which the ACS Group subsidiaries operate.

To exercise this proper control, the Compliance Committee, with the support of the Board of Directors, in December 2019, decided to establish a homogeneous system for measuring criminal and anti-bribery risk in all of the subsidiaries of the ACS Group worldwide. For these purposes, a criminal risk score card was approved. The system aims to detect and reduce the risk of cascading criminal liability within the consolidated Group. This new criminal risk was included in the criminal and anti-bribery risk and control matrix on 29 July 2020, which was reviewed by an external consultant, concluding that: *'As a result of this work carried out on the company's Criminal Compliance and Anti-Bribery Management System, we can conclude that the net/residual risk to which the parent company of the group ACS, S.A. is exposed is reduced, as the detailed mitigation measures have been implemented.'*



3. In addition to the above, in May, June and July 2020, the Compliance Committee made the following improvements to the Criminal Compliance and Anti-Bribery Management System, assisted by two specialised teams from an external consultant:

- Revision of the criminal control and anti-bribery framework in the area of information security (financial, non-financial and corporate) and cybersecurity in the parent company of the ACS Group. Designing and activation of new cybersecurity controls associated with the criminal risks previously identified in the Risk and Criminal Controls and anti-bribery Matrix. Approval of an Information Security Policy for the ACS Group as a whole, which must be developed at the regulatory level in all of the divisions of the Group.
- Incorporation of the improvements to the controls relating to the monitoring of electronic signature certificates into the Criminal Compliance and anti-bribery Management System: All of the electronic signature certificates installed on the ACS Group's main company devices are monitored and supervised by a specific tool; all incidents are reported to the information security team for analysis and resolution.

Over the course of 2020, the ACS Group companies made progress in designing and implementing compliance and anti-bribery management systems in the different jurisdictions in which they are present, complying with the standards and policies set by the Group's parent company, focusing their efforts on developing new processes and procedures for the development and implementation of those standards and Policies and on verifying the effectiveness of the criminal compliance and anti-bribery management systems through annual internal and external audit processes, which resulted in significant progress in the certification under international standard on anti-bribery management systems UNE-ISO 37001: 2017 and the Spanish standard UNE 19601:2017 on criminal compliance management systems.

In this sense, significant progress made by the Group's different divisions in the United States and Canada in 2020.

Furthermore, in 2020, the ACS Group did not make financial contributions to political parties and the value of the contributions made to trade, business and other associations was as follows:

	2019	2020
Value of financial and in-kind contributions made by the organization to associations (trade associations, business associations, etc.) ⁽¹⁾ (€)	1,447,343	1,510,814

(1) Includes contributions made by ACS, Actividades de Construcción y Servicios

5.4.4. HUMAN RIGHTS

In compliance with the principles of the Global Compact, the ACS Group remains committed to respecting human rights in all of its operations and activities. The business commitment to Human Rights is a key aspect for the Group, based on the ethical principles and corporate culture that guide the development of its activities and the achievement of its purposes.

The main commitments in this area are included in **ACS Group Code of Conduct, the Sustainability Policy and the Human Rights Policy, in turn, developed through the Positioning framework of the ACS Group on Human Rights, the Corporate Protocol on Due Diligence in regard to Human Rights, the Corporate Guidelines for the Protection of Human Rights and the Human Rights Risk Analysis based on infringement**

potential. In the Human Rights Policy, approved in 2016, the ACS Group specifically states, through its Human Rights Policy, its responsibility to respect human rights in all of the activities carried out by the Group. This policy is aligned with International Bill of Human Rights and the eight fundamental conventions of the International Labour Organisation.

As of 30 September 2020, the total risks of human rights infringements by the different entities belonging to the ACS Group had been assessed through a Human Rights Risk Score Card, which measures the implementation status of the Corporate Protocol on Due Diligence in regard to Human Rights approved in 2019. As a result of the human rights management model, it is important to note that in 2020, there were no complaints from ACS Group companies about human rights violations.



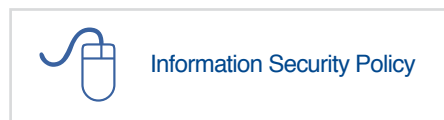
5.4.5. INFORMATION SECURITY

On August 14, 2020, the Board of Directors of the parent company of the ACS Group approved the **Information Security Policy**, applicable in all of its subsidiaries, which for the first time lays out the general principles and obligations regarding security of financial, non-financial and corporate information. The Policy aims to adopt a series of measures aimed at preserving the confidentiality, integrity and availability of information, and aims to establish the requirements to protect information, equipment and technological services that support most of the ACS Group's business processes. This policy provides minimum requirements that must be met by all the Group's divisions and subsidiaries, notwithstanding more restrictive policies that may be implemented to complement it.

The Information Security Policy responds to the recommendations of the best information security practices included in International Standard ISO/IEC 27001, and also complies with existing data protection legislation and regulations that may affect the ACS Group in the area of information

security. The Audit Committee and the ACS Group's Compliance Committee are responsible for monitoring compliance with the Information Security Policy and supervising the implementation of the security strategy.

Likewise, in 2020, and in collaboration with an external consultant, the ACS Group developed its own corporate information security strategy. This Strategy defines the guidelines and principles for information security at the corporate level and is applicable to other Group companies. The development of the information security strategy was based on an ACS security assessment aimed at determining its degree of maturity to safeguard the confidentiality of the organisation's information and provides a roadmap for the actions to be carried out in the coming years.

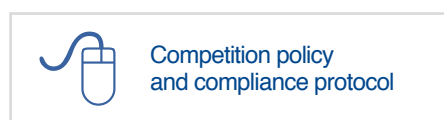


5.4.6. COMPETITION POLICY AND COMPLIANCE PROTOCOL AND REVIEW OF THE COMPLIANCE PROGRAMME FROM THE POINT OF VIEW OF COMPETITION.

In compliance with Directive 2019/1937 ('Whistleblowing' Directive) and with the recommendations published by the National Markets and Competition Commission ('CNMC') in its Guidelines for Compliance Programmes in regard to Competition, of 10 June 2020 ('CNMC Guidelines'), the Board of Directors of the parent company of the Group approved the Competition Compliance Policy and Protocol on 14 August 2020

The Policy constitutes the backbone and common framework for compliance with competition regulations by all Group companies, identifying the consequences of failure to comply with competition law for the ACS Group and its executives and

employees, and it regulates, in practice, how the obliged parties must act to avoid incurring the risks inherent to competition law, with a special emphasis on public contracting. Compliance with the Policy will be supervised by the ACS Compliance Committee and will remain a specific objective of the Group's training programmes.



5.4.7. CONTROL AND MONITORING MEASURES

Established communication and complaints channels

To ensure maximum flexibility and enhance the effectiveness of the Compliance Committee, complaints or queries from subjects affected by breaches of the ACS Group Code of Conduct or any of the organisation's compliance policies may be sent through the different available channels, from simple reporting to a superior to verbal or written notification (by mail, for example) addressed to any of the members of the Compliance Committee, as well as through the Ethics Channel, managed by the Monitoring Committee of the Code of Conduct, the advisory and governing body, under the Audit Committee. The following address can be used to contact the ACS Compliance Committee:

Compliance Committee
ACS Group
Avda. Pío XII 102, 28036 Madrid, España.
+34 913439200
cumplimiento@grupoacs.com

The ACS Ethics Channel can be contacted at the following address:

Ethics Channel
ACS Group
Avda. Pío XII 102, 28036 Madrid, España.
canaletico@grupoacs.com

Notwithstanding the existence of different channels for communicating queries or complaints relating to compliance risks, any complaint received by the Compliance Committee, which translates into the existence of signs of actions that may infringe upon the basic principles of the ACS Group Code of Conduct, must be sent to the Code of Conduct Monitoring Committee, so that the Committee can assess whether to open an investigation dossier.

Queries and complaints received in 2020

In 2020, no consultations or complaints were received through the Ethics Channel of the parent company of the ACS Group. The list of queries and complaints received via the Ethics Channel of Industrial Services, the Clece Group, the Dragados Group and the Iridium Group is as follows:

- **Dragados Group:** 23 communications were received, through its different ethics channels, from different users (38 total communications), 15 submitted digitally, 3 by telephone and 5 through the website. The locations of origin of these communications were: 4 from Spain, 7 from the United States, 8 from Argentina, 3 from Poland and 1 from Canada, with 9 from employees, 4 from former employees and the rest miscellaneous. The motives behind the communications received were: 4 for alleged cases of harassment and discrimination, 3 for reasons related to safety and health, 14 for irregular conduct and 2 for labour relations. Five of the communications were resolved in less than 15 days, one between 15 and 30 days, eight between 30 and 60 days, 6 in more than 60 days and 3 are still under investigation. Of the 23 communications received: nine communications were closed after investigation, one was closed with recommendations, five were not admitted or could not be verified, two were resolved with improved controls, two with sanctions for employees and four are ongoing.
- **Iridium:** through its Ethics Channel, received 5 communications in Spain and 1 in the United States, all digitally, regarding questions about the internal policies which were answered in less than 20 days.
- **Clece:** received 70 communications through its Ethics Channel, all from Spain and by email. Of these, 13 were related to harassment, 20 to quality of service, 23 to labour relations, 9 to irregular conduct and 5 were inquiries. 52 of the communications received were resolved in an average period of less than 15 days, and the rest in less than 65 days with the exception of 2 that are still ongoing.
- **ACS Industrial:** received 73 communications from different users (100 total communications) through its Ethics Channels, 8 by voice mailbox, 2 by ordinary mail and the 64 others by email. The breakdown by country of origin is as follows: 15 from Brazil, 11 from Chile, 5 from Colombia, 15 from Spain, 15 from Mexico, 7 from Peru, 3 from South Africa and the rest from other countries (mostly Latin America). Of these notifications, 11 were related to alleged cases of harassment at work, 8 to conduct deemed inappropriate, 11 to breaches of the Code of Conduct, 14 to payments, 10 to labour complaints and the rest for other reasons. Of these 73 communications, in 20 cases, it was concluded that there was no evidence of non-compliance, in 9, internal communications were sent, in 11, controls and

procedures were reviewed, in 3, training actions were carried out, in 6 of these, the employees involved were reprimanded or dismissed, 10 are ongoing and the remaining 14 were concluded in other ways. Of these communications, a tax case of the company Intecsa, pending resolution, is in the formal investigation process. Of the 73 communications, thirty-six were resolved in 30 days or less, twenty-seven in between 60 and 120 days and the remaining ten are ongoing.

Improvement of the management model of the Consultation and Complaint Channels in the ACS Group. Objectives for 2021

The Compliance Committee is working to adapt the Ethics Channel of the parent of the ACS Group and the Ethics Channels managed by the various divisions of the Group to the principles of Directive (EU) 2019/1937 on protection of whistle-blowers and the imminent international certification standard, ISO 37002 on whistle-blowing management systems.

As part of this regulatory framework, the Compliance Committee defined the following objectives for 2021 in relation to the processes and procedures of the complaints and consultation channels of the Group and the publicly-traded parent company:

- 1.- Ensure the effectiveness of information channels and processes.
- 2.- Inform the organisation of the hierarchy of information channels and train employees and executives.
- 3.- Understand who will be protected within the framework of the Directive in the case of complaints.
- 4.- Make the organisation aware of the broad scope of application of the Directive.
- 5.- Promote measures to support and protect the whistle-blower.
- 6.- Implement processes to comply with reporting obligations.

The complaint and consultation channels must serve a threefold objective: to report, consult and form part of the chain of authorisations of certain business procedures.



5.4.8. TRAINING

	2019	2020
Scope of the training plans regarding the company's human rights, ethics, integrity, conduct or compliance procedures (% of employees)	100.0%	100.0%
Number of courses given with content on Human Rights, Ethics, Integrity, Conduct or other compliance policies and procedures	1,255	840
Number of employees trained in Human Rights, Ethics, Integrity, Conduct in the year or other compliance policies and procedures	67,260	58,892
Training hours per trained employee	2.0	2.2

In 2020, under the aegis of the Compliance Committee of the Group's parent company, training of members who are particularly exposed to the different types of risk within the organisation and each one of its divisions focused on the areas of criminal and anti-bribery risks and the Protocol on Internal and External Due Diligence, Defence of Competition and Cybersecurity.

All of the members of ACS Corporation were able to attend live, either in-person or via streaming, all of the modules included in the Training Matrix. The members of the organisation who were unable to follow any of these Modules live, viewed the sessions at a later time, accessing all the training materials via a specific website.

The training sessions for the ACS Board and the governing bodies of the subsidiaries focused significantly on anti-corruption issues, and are scheduled to be expanded in 2021 to the Compliance and Governance area.

As of the date of this report, the Group's parent company is involved in the process of training the financial departments and collaborating teams, in all of the divisions of the ACS group, on finance and sustainability, developing training modules on the new standards to be included in the new ACS Group Code of Conduct:

- UNSDGs, including the Principles of Responsible Investment (PRI) and Agenda 2030, the Paris Agreement, the WEF's global risk approach, the EU Green Deal and the integration of sustainability, environmental and social dimensions into public policies.
- Guidelines of the EU's Sustainable Finance Plan, the European Directive for Sustainable Corporate Governance, as well as the possible new non-financial information directive that will be transferred to the jurisdiction of each country, and that in Spain will update Law 11/2018.



5.4.9. RISK MANAGEMENT FOR COMPLIANCE ISSUES

In the context of the June 2020 review of the Good Governance Code of Listed Companies, and in view of the amendment of recommendation 45 in regard to risk management and internal control systems, the ACS Group has approved the updating of the General Risk Control and Management Policy, which includes the Integrated Risk Control and Management System with the General Risk Map serving as an essential tool.

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

STRATEGIC	ENVIRONMENTAL
OPERATING	POLITICAL
TECHNOLOGICAL	REPUTATION
LEGAL, CRIMINAL AND ANTI-BRIBERY	CORRUPTION-RELATED
SOCIAL	FINANCIAL

Specifically, both the Policy and the System identify all of the categories of financial and non-financial risks that the Group faces (including contingent liabilities and other off-balance-sheet risks):

The General Risk Control and Management Policy, approved on 29 July 2016 and updated by the Board of Directors of the Group's parent company, on 17 December 2020, is the regulatory framework that the Group provides for the integrated control and management of the risks to which it is exposed, based on the following principles:

- Integration of the approach to risk into the management of the Organisation through the definition of the risk strategy and risk level.
- Achievement of the strategic objectives established by the group with controlled volatility.
- Preservation of strict separation of functions between the areas that manage risk and the areas responsible for risk analysis, control and supervision, providing an adequate level of independence.
- Transparently providing information to the regulators and principal stakeholders on the risks of the Group and its operating units, as well as on the operation of the systems developed to control the information.
- Providing the highest possible level of guarantees to shareholders.
- Protecting the results and the reputation of the Group.
- Defending the interests of shareholders, clients and other stakeholder groups in the progress of the Company and society in general.
- Ensuring business stability and financial strength in a sustained manner over time.
- Ensuring the use of appropriate instruments to mitigate the impact of risks in accordance with the requirements of applicable legislation.
- Compliance with the applicable legal and regulatory requirements, as well as the values and standards of conduct reflected in the Code of Conduct and the principles and best practices of the Group, aimed at the principle of 'zero tolerance' towards unlawful acts and fraud.





The Group's different risk control and management policies are structured around processing and reporting financial, non-financial and corporate economic information, including regulatory compliance, social issues, human rights, the environment, sustainability, diversity, anti-corruption, market abuse, protection of competition, cybersecurity and corporate governance.

The companies and divisions that make up the ACS Group are responsible for developing the necessary internal regulations in order to implement appropriate internal control based on specific nature of their activities.

The Integrated Risk Control and Management System of the ACS Group is based on a range of strategic and operational actions designed to mitigate risks and fulfil the objectives defined by the Board of Directors. The diversity and complexity of the sectors in which the Group carries out its activities involves a variety of risks; the Corporate Unit is responsible for defining basic guidelines in order to unify performance criteria in each of the divisions to guarantee an adequate level of internal control.

The Company's Board of Directors is committed to developing all of its skills so that the relevant corporate risks of all of the Group's activities and businesses are adequately identified, measured, prioritised, managed and controlled, and to define the basic mechanisms and principles to properly control and manage them through the General Risk Control and Management Policy. In particular, it is committed to promoting control and management measures in regard to compliance risks, so that the likelihood and/or impact of the occurrence of irregular conduct is prevented or minimised and, when detected, such practices are halted and the persons responsible are held accountable, ensuring a policy with maximum rigour in this regard.

The ACS Group's General Risk Control and Management Policy is aimed at achieving a moderate risk profile, through prudent management; a group business model dedicated to the different activities with universal vocation; diversified by geographic areas, asset types, portfolios and clients; with a broad international presence, both in emerging and developed countries, maintaining an average/low risk profile in each of them; and seeking sustainable growth over time.

In this regard, the Audit Committee takes into account the above in its function of supervising the efficiency of internal control and internal auditing, in accordance with the criteria of the supervisory bodies, notwithstanding, in any case, the required information for markets through the Annual Consolidated Report, the Non-Financial Statement (NFS) and the Annual Corporate Governance Report.

From the perspective of continuous improvement, on 25 February 2021, the parent company of the ACS Group approved the update of the General Risk Map, which is a fundamental tool of its Integrated Risk Control and Management System.

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

