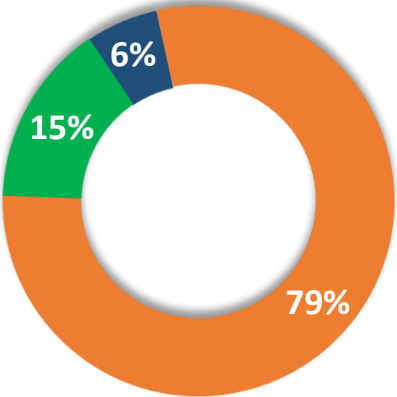


# ACS GROUP'S SUPPLY CHAIN ANALYSIS IN 2020

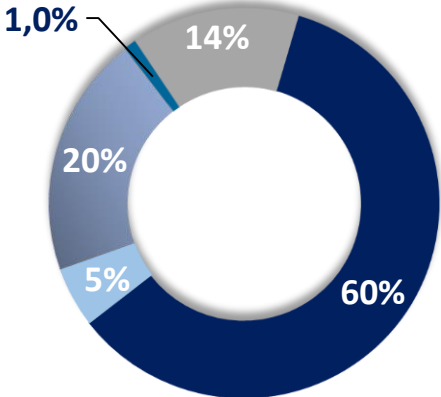
Total Procurements: € 23,616mn

Procurements breakdown by concept



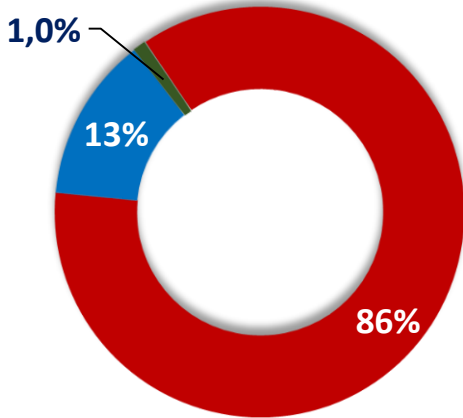
- Cost of merchandise sold
- Cost of raw materials and other consumables used
- Contract work carried out by other companies

Procurements breakdown by geographical areas



- Europe
- North America
- South America
- Asia Pacific
- Africa

Procurements breakdown by activity



- Infrastructure
- Industrial Services
- Services

Total number of suppliers (tier-1):  
131,984

Total number of critical suppliers\*:  
4,979

\*Critical suppliers: one whose procurement is essential to company's viability and/or provides competitive advantage. They can be suppliers with a high volumen of purchases , suppliers of critical components and/or non-replaceable suppliers.

## SUPPLIERS APPROVAL SYSTEMS

- Business Partners must expressly accept (by signature and commitment to compliance) the content of the **Code of Conduct for Business Partners** (approved in 2018). Thus, in 2020, of the **131,984** direct suppliers the Group works with, **92.8%** of them have accepted the ACS Group Code of Conduct by signature or a similar method, and **28.2%** of the suppliers have received training in this regard.
- Companies representing **98.1%** of the ACS Group's procurement costs present a formal system for the approval of suppliers and subcontractors. The main concepts used for supplier approval are:
  - **Average payment and collection periods.**
  - **Technical capacity and suitability to perform the planned task.**
  - **History of fulfilment of contractual clauses in their prior relationship with ACS.**
  - **ESG aspects related to compliance with the Code of Conduct for Business Partners.** The weight of ESG factors in the approval process varies according to the companies' activities and action areas, but the weighted average weight of these factors exceeds 38.5% in 2020. Specific aspects assessed include certificates on environmental aspects (ISO14001, EMAS or the like), certification on quality aspects (ISO 9001 and the like), adherence to international human rights and labour rights standards and analysis of the labour standards and practices of suppliers and subcontractors, among others.

Degree of implementation of non-financial criteria in the approval of suppliers(% de las compras del Grupo ACS)	2017	2018	2019	2020
Certification in quality aspects (ISO 9001 or equivalent)	99.50%	99.60%	99.80%	100.0%
Certification in environmental aspects (ISO 14001,EMAS or equivalent)	99.50%	99.60%	99.80%	100.0%

- In 2020, 51.8% the suppliers with which the Group has worked have adhered to ethical, social and environmental commitment standards or have certificates in this area.