2022 Sustainability Report



Including the Non-Financial Reporting Statement
in compliance with the Spanish Non-Financial
Reporting and Diversity Act (Law 11/2018)

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Letter from the CEO

I speak on behalf of everyone at the FCC Group in welcoming you to our Sustainability Report.

Here we present a balance of FCC's activity in 2022, covering projects and activities that we lead, the main events or milestones in the field of sustainability and the progress made on paths that were already mapped out in advance.

The content of this document incorporates the company's consolidated Non-Financial

Reporting Statement (NFS) and has been generated based on a thorough materiality analysis and in compliance with the standards of the Global Reporting Initiative (GRI) international reporting framework.

This report reflects how 2022 has been, to say the least, a complex and challenging year and, like all challenges, it has taught us many lessons. For the third year running, we faced a number of socio-economic consequences stemming from the COVID-19 pandemic. This was further exacerbated by geopolitical tensions between Russia and Ukraine, leading to the first armed conflict in the heart of Europe in decades, aggravating the already simmering food, energy, humanitarian, and refugee crises. All this in the context of an expanding climate emergency, hastened by this time of crisis and affecting the entire world.

The gravity and magnitude of the challenges lying ahead of us demand unprecedented structural changes in organisations. With so many unknowns in the current context, it has therefore become essential to ensure that decision-making is effective, bold and, above all, collaborative. This last point deserves particular attention since we must all work together to achieve the right approach and solutions. We are firmly convinced that this will be the case, because if there is one thing we have learned in recent years, it is that crises can bring with them great opportunities for change and even growth.

This vision inspired everyone in the FCC Group to come up with our own response, transforming the future from the present. This contribution can only be achieved on the basis of our century-old and, above all, shared corporate culture, which is based on the pillars of transparency, integrity, and professionalism. Not to mention the unwavering support for this task from our controlling shareholder and, by extension, the FCC Group Board of Directors.

We thus remained a leading catalyst in cities throughout 2022, transforming them into greener spaces that allow us to live on a cleaner, more sustainable planet. We have therefore closely monitored all stages of the end-to-end water cycle, optimising resources and applying the principles of the circular economy. In turn, we developed infrastructures capable of interconnecting people, generated the associated materials needed to do so, and moved into the world of property management.



Pablo Colio Abril
CEO of the FCC Group

Certainly, 2022 proved to be a key year for FCC, as our performance was exceptionally strong, boosting our invoicing by 16%, with a turnover of €7,705.7 million. We owe this performance to our commitment to transformation as a cross-cutting pillar of our business, aimed at improving and maximising technical, operational, and financial efficiency. In short, this year we have once again demonstrated the success of a pioneering strategy that, by focusing on responsible growth coupled with profitability, can achieve highly satisfactory results.

We also increased our workforce versus the previous year by 8.82%. We currently are over 60,000 strong, with a shared mission, vision, and values in almost 40 countries where we operate. We have increased the number of permanent contracts and offered a total of 600,297 hours of training to our employees.

Our commitment to the environment has led to very positive results in this area. More specifically, at FCC we have successfully reduced our carbon emissions to 7,134,203 tonnes, despite the growth in invoicing. We also managed 9,229,289 tonnes of waste and spent €83,037,437 on environmental risk prevention.

Some of the most noteworthy actions carried out this year include the Board's reformulation of our Sustainability Policy, which replaces the former Social Responsibility Policy approved at the time and involves updating the commitments assumed by FCC in this area.

This reformulation reflects our distinctive forward-looking approach since we embarked on this sustainability journey, maintaining our commitment to the United Nations Global Compact initiative and its Ten Principles and contributing to the 2030 Agenda and the Sustainable Development Goals.

We know that we must always remain aligned with stringent ESG (environmental, social and governance) requirements and anticipate new regulations and the high expectations of our stakeholders to lead the transformation. That is our goal; that is how we have always done it and that is how we will continue to do it for the foreseeable future.

We have also invested a considerable amount of resources in RD&I (Research, Development, and Innovation) projects, as we strive to scale up the efficiency of our processes, moving towards inclusive and sustainable industrialisation. It is therefore crucial to underline the importance of the projects led by our business areas, especially those focused on the development of new technologies for obtaining green hydrogen. These projects will give a strong impetus towards meeting the objectives set out in the Hydrogen Roadmap within the National Strategic Energy and Climate Framework.

FCC is committed to working throughout 2023 with a view to equipping the Group with a new strategic sustainability framework, thus responding to the demands of various stakeholders such as analysts, financial markets, and the European regulator, which has also been very active in recent years with the new requirements in terms of environmental taxonomy and corporate due diligence in sustainability and human rights matters.

Likewise, I want to take this opportunity to thank investors, shareholders, strategic partners, and clients for their support and trust in our project. Because of you, we continue to thrive year after year.

In this regard, I believe it is essential to make a special mention of the hard work done every day by all the professionals working in the Group. Our company's most valuable driving force and greatest talent are the very people who work at FCC, and we share a vision and purpose that has become more meaningful and purposeful as the years have gone by. I therefore offer them my sincere congratulations and thank them personally for their involvement and unconditional commitment.

Before concluding, I would like to convey a message of courage and hope. Our time is now. The tide has now turned for change, for action and engagement, for partnerships and innovation.

Where there is a will, there is always a way to go cooperatively. We will continue to reinvent ourselves, without losing our distinctive essence. Ultimately, we will keep moving towards a future that began no more and no less than 120 years ago.

Thank you very much.

Pablo Colio Abril
CEO of the FCC Group

Meaningful growth

Figures and results

The FCC Group has a consolidated track record, characterised by its adaptation to changing times and the improvement of the products and services it provides, improving the wellbeing of the communities where it operates. This progress over time has resulted in a balanced and integrated business model, combining specialisation in **environmental services**, **end-to-end water cycle management**, **cement business**, **construction**, and r**eal estate** activities.

Likewise, in line with its desire for constant improvement, FCC has progressively aligned its business strategy with ESG (Environment, Social and Governance) criteria, paying special attention to the UN's 2030 Agenda and the Sustainable Development Goals (SDGs) established therein.

All this is bolstered by a conscious and integral governance structure, charged with setting the organisation's objectives, promoting effective communication among the members of the organisation, and fostering a cross-cutting corporate culture.

The result of the combination of competitiveness and responsible management, as can be seen throughout this chapter, is a combination of different kinds of milestones and awards.



FCC and its figures worldwide

General figures

39 countries
where the FCC Group operates

64,799 people
make up the FCC Group

€7,705.69 Million
turnover

16%
more turnover

€550,653,490
profit before tax

Environmental figures

83%
of its activity certified according to environmental quality standards

€83,037,437
dedicated to preventing environmental risks

687,675 GJ
of self-produced renewable energy

28%
of electricity consumption from renewable sources

9,229,289 t
of waste managed

4%
materials of renewable origin used

Social figures

10.15%
Increase in contributions to non-profit organisations

€2,303,888
for associations

€2,238,463
for sponsorship

€1,154,818
for non-profit organisations and foundations

Governance figures

31%
of women on the Board of Directors

16.2%
of women in leadership positions

Over 4,800 employees
received Anti-corruption training

495 suppliers
assessed in the area of Compliance

Economic value generated and distributed (thousands of euros)

Economic value generated	**8,039,315**
Turnover	7,705,687
From renewable sources	333,628
Economic value distributed	**8,119,129**
Operating costs	4,518,220
Employees	2,238,733
Capital suppliers	134,635
Taxes	72,723
Community	1,154,818
Economic value retained	**-79,814**

A specialised group

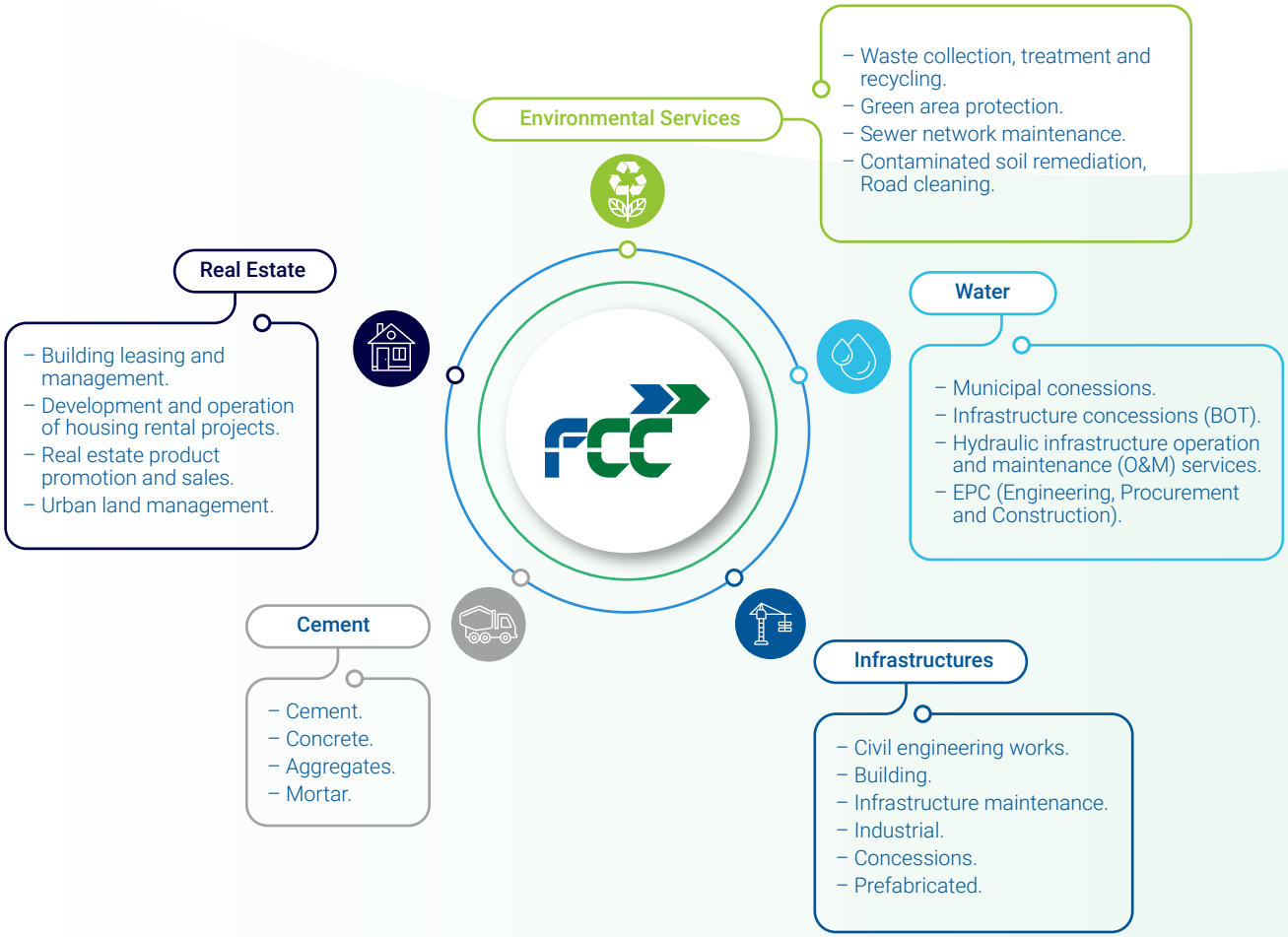
The FCC Group was created in 1992 following the merger of Construcciones y Contratas and Fomento de Obras y Construcciones, founded in 1944 and 1900, respectively. FCC is thus heir to the experience of a business group that can trace over a century of history.

The Group's main objective is to improve the lives of citizens, and to this end it has developed an extensive range of services, always committed to a diversified business model in which profitability and sustainability are perfectly compatible.

This commitment to sustainability, together with the principles of transparency, honesty, and integrity, are the foundations that enable FCC to build relationships of trust with its stakeholders and are reflected in the corporate culture shared by all its members. In this regard, **the FCC Group's commitment to contributing to the achievement of the 2030 Agenda and the Sustainable Development Goals** that comprise it is also noteworthy.

In a journey spanning **over 120 years**, FCC has managed to consolidate its position as one of the leading citizen services groups, establishing itself as an international benchmark in the environmental services, integrated water management, infrastructure, cement, and real estate management sectors.

Below is a presentation of each of the **business lines** that form part of the FCC Group, setting out the services they provide, as well as their main contributions to the Sustainable Development Goals (SDGs):



Environmental Services

The FCC Group's Environmental Services area has been providing municipal services to the public and carrying out integrated waste management for over 110 years. Committed to sustainability as a lever for the development, progress and transformation of cities, this business provides urban sanitation services throughout Spain and in other countries in Europe and America, through its business structure, made up of **FCC Medio Ambiente Iberia**; specifically, FCC Medio Ambiente España, FCC Environment Portugal and Ámbito (Industrial Waste), **FCC Environment UK** (United Kingdom), **FCC Environment CEE** (Central and Eastern Europe) and **FCC Environmental Services** (United States).

This global approach has given the Environmental Services area a solid leadership role, positioning it at the forefront in Spain, in seventh place in its sector at global level, managing **24 million tonnes of waste** throughout its history through its more than 700 waste management facilities. The Environmental Services area thus covers **over 5,000 municipalities**, employs a team of **over 40,000 people** and provides services to **over 60 million citizens**.

Activities

Provision of municipal services

Conservation of green areas; street cleaning; cleaning of beaches, coasts and coastlines and maintenance of sewage networks.

Comprehensive waste management

Collection, transport, treatment, and recycling of urban and industrial waste; energy recovery of waste and contaminated soil remediation.

Management of buildings and services

Cleaning and maintenance of buildings and fountains; integrated energy management; maintenance of street furniture and playground equipment and event management.

Key contributions to the SDGs

- **3 GOOD HEALTH AND WELL-BEING**: Ensure working conditions and occupational health and wellbeing, reducing accident rates to 50% and illness absenteeism to 25% by 2050.
- **7 AFFORDABLE AND CLEAN ENERGY**: Contribute to the production of renewable energies by installing photovoltaic panels. Furthermore, to promote energy efficiency, this business area has an ISO 50001 certified Energy Management System.
- **8 DECENT WORK AND ECONOMIC GROWTH**: Support the socio-economic progress of the environments in which it operates, through the generation of stable and quality employment, as well as through the retention of its professionals and the management of diversity, with special emphasis on generational diversity.
- **9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**: Invest in innovation, implementing solutions in services, in systems for relations with citizens or other stakeholders, to improve environmental performance. Annual RD&I expenditure is planned to increase with the aim of reaching a minimum of 1% by 2050.
- **10 REDUCED INEQUALITIES**: Promote equal opportunities by developing measures aimed at promoting female talent or identifying under-represented profiles. The goal is to achieve gender balance by 2050.
- **11 SUSTAINABLE CITIES AND COMMUNITIES**: Promote sustainable urban development, through the progressive greening of the fleet or through new electric prototypes.
- **12 RESPONSIBLE CONSUMPTION AND PRODUCTION**: Optimise resource consumption and invest in technologies to implement the principles of the Circular Economy, through the establishment of a specific roadmap, with the aim of limiting waste to landfill to 10% by 2035.
- **13 CLIMATE ACTION**: Measure, control and reduce its carbon footprint, establishing measures such as the degasification of landfills, the promotion of electric mobility or the optimisation and improvement of processes and services. The aim is to achieve carbon neutrality by 2050.
- **17 PARTNERSHIPS FOR THE GOALS**: Commit to public-private collaboration and openness to the third sector, through the creation of strategic alliances that allow for the exchange of knowledge, technical capacity, technology, and resources, as well as cooperation with entities dedicated to the care of disadvantaged groups.



Water

Aqualia handles the end-to-end water cycle management, from drinking water supply to wastewater treatment. It is the fourth largest water utility in Europe in terms of population served and among the top ten worldwide. It is thus positioning itself as a benchmark in this sector, committed to technology and innovation at the service of the social benefit of the communities where it operates.

It currently operates in **17 countries**, has **827 wastewater treatment plants** and **26 water desalination plants**. Together with its excellent quality laboratories, efficient production processes and the commitment of its **more than 10,000 partners**, the company provides services to **over 43 million users**, purifies **over 660 million cubic metres** of water to make it drinkable and manages **over 80,000 kilometres of networks**.



Activities

Municipal concessions

Ensure access to water through the management of public services (catchment, treatment, potabilization, distribution, sanitation, and distribution.

BOT concessions

Design, construction, financing and long-term operation of infrastructure, treatment plants or facilities through BOT (Build, Operate, Transfer) contracts.

Water infrastructures

Operation, maintenance, and exploitation services for hydraulic infrastructures, allowing for the continuous availability of quality water.

EPC contracts

The EPC (Engineering, Procurement and Construction) model refers to the development of design and construction projects, without involving the operation of the infrastructure.

Key contributions to the SDGs

3 GOOD HEALTH AND WELL-BEING

Maintain healthy conditions for people by preventing infections and the spread of disease. To this end, over one million quality analyses are performed annually, and the appropriate cleaning protocols are established in its more than 2,900 drinking water tanks.

6 CLEAN WATER AND SANITATION

Provide citizens with access to quality water, while improving the efficiency of water resources. The contribution to this objective is related to the area's activity, which specialises in water management.

7 AFFORDABLE AND CLEAN ENERGY

Promote the use of renewable energies by installing photovoltaic panels, generating electricity from hydro turbines, generating electricity from biogas, or using biogas for heating.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Implement various innovation projects to optimise the use of water resources. In this regard, the area also collaborates in different initiatives, including the European Union's LIFE and Horizon programmes.

11 SUSTAINABLE CITIES AND COMMUNITIES

Increase the number of cities and towns that promote the efficient use of water resources, through a constant search for improved process efficiency and optimisation of water resources.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Incorporate desalination, collection, purification, and re-use of water into the management of the end-to-end water cycle, thus promoting sustainable consumption and production.

13 CLIMATE ACTION

Contribute to mitigating and adapting to climate change through specific actions, such as calculating the individual carbon footprint per country or the transformation of its vehicle fleet, as established in its Strategic Plan.

15 LIFE ON LAND

Encourage, in line with its Strategic Plan, the protection and recovery of ecosystems through the identification of protected areas and the development of initiatives with the environments to promote biodiversity.

17 PARTNERSHIPS FOR THE GOALS

Generate strategic alliances between institutions, organisations, and companies, including the StepByWater Alliance, with the aim of developing solutions to preserve water, reduce water pollution and optimise water management.

Infrastructures

The Infrastructures area of the FCC Group is one of the leading construction companies in Europe and the world, with over 120 years of experience in this type of services. Its activity covers all areas of engineering and construction, and it is a benchmark in the execution of civil and

building works.

With a stable presence in Europe, America, Australia and the Middle East, the Infrastructures area has developed, throughout its history, projects equivalent to **8,500 kilometres** of roads, **700 kilometres** of tunnels, **over 1,600 bridges or viaducts**, more than **100,000 homes**, more than **2,600 kilometres** of railways, **48 dams**, and more than **four million square metres** of airport runways, etc. Thus, the Infrastructures area contributes to improving the services available to citizens by undertaking large-scale projects.



Services provided

Civil engineering works

Development of bridges, roads, tunnels, subways, railway, airport, maritime and hydraulic infrastructures, subways, and sewage treatment plants.

Industrial construction

Construction and maintenance of infrastructures, electromechanical installations, electrical distribution networks, prefabricated construction, etc.

Building

Development of buildings for residential and non-residential use, including hospitals, football stadiums, museums and offices, among others.

Concessions

Development, financing, administration, and operation of transport and infrastructure concessions.

Key contributions to the SDGs

- **6 CLEAN WATER AND SANITATION**: Build infrastructure that promotes access to sanitation and water supply services, such as reservoirs or dams.
- **7 AFFORDABLE AND CLEAN ENERGY**: Develop different energy-efficient construction projects that reduce energy consumption and increase the production of energy from renewable sources.
- **8 DECENT WORK AND ECONOMIC GROWTH**: Strengthen the response to occupational risks through various tools and directly generate jobs needed for project implementation and indirectly generate economic growth through the hiring of local material suppliers and subcontractors.
- **9 INDUSTRY, INNOVATION AND INFRASTRUCTURE**: Develop innovative projects that enable the construction and development of more sustainable infrastructures. The infrastructure area participates in numerous RD&I projects, making significant investments each year.
- **11 SUSTAINABLE CITIES AND COMMUNITIES**: Contribute to value creation in the communities where it carries out its projects, by improving access to basic services, building, and maintaining infrastructures and facilities, and maintaining and operating roads.
- **12 RESPONSIBLE CONSUMPTION AND PRODUCTION**: Apply circular economy principles and best practices by reusing your own waste generated on your construction sites to reduce the volume of materials required versus the initial planning.
- **13 CLIMATE ACTION**: Reduce the negative environmental impact, aiming to achieve carbon neutrality by 2050. The Infrastructure area has also developed a Climate Change Strategy, developing both mitigation and adaptation measures.
- **17 PARTNERSHIPS FOR THE GOALS**: Encourage and promote the constitution of strategic alliances in the public, public-private and civil society spheres, having developed, implemented, and certified, in a pioneering manner in the sector, a Collaborative Work Relationship Management System, in accordance with ISO 44001.

Cement

The Cement area, made up of the Cementos Portland Valderrivas Group (GCPV), has over 100 years of experience in the production of cement and its by-products: aggregates, concrete, and mortar. It excels in applying technologies in all its production processes that enable the efficiency of resources and the preservation of the environment, in order to be able to fulfil its commitments to sustainability.

Innovation and continuous improvement are key factors in the Cement area, which has enabled it to hold a leading position in the Spanish market, and to position itself as a benchmark in Tunisia and the United Kingdom. Through its **eight cement**, **five mortar**, and **eight concrete factories** and **six terminals** in Spain, Tunisia and the UK, the area relies on its **more than 1,000 employees** to continue developing responsible products to build the cities of the future.



Processed materials

Cement

An essential material for construction, it is obtained by calcining a mixture of limestone, clay, and iron ore at 1,450°C.

Concrete

It is the strongest building material known to man and is unalterable under the most adverse conditions.

Aggregates

Raw material required for the manufacture of other derived and construction products.

Mortar

A mixture of cement and sand, it is used as a binder for bonding bricks or blocks, and also to embellish finishes.

Key contributions to the SDGs

- Generate a positive impact on employment and the development of the communities in which this business area installs its factories, by hiring a high percentage of its workforce from local sources. Cementos Portland also applies local contracting criteria for external auxiliary industry and services.
- Develop RD&I projects for manufacturing construction products coming from alternative and environmentally friendly sources, while promoting digital transformation.
- Deliver products essential for the development of cities and populations with a lower environmental impact, through research into the manufacture of new low-carbon cements.
- Using alternative fuels with a high amount of biomass, as well as encouraging the efficient use of natural resources by substituting them with industrial by-products.
- Constant updating of the company's facilities, using more efficient technologies that optimise their energy performance. The area also collaborates with different projects in the search for solutions to reduce CO_2 emissions.
- Promotion of strategic alliances, through collaborations with third-sector entities. In this regard, special mention should be made of the "Plan Familia" project, carried out by Cementos Portland, together with the Adecco Foundation.

Real Estate

FCC Real Estate and the Realia Group constitute the Real Estate area of the FCC Group, whose purpose is to develop, manage and operate all types of real estate. Building on a consolidated track record, mostly in Spain, this area has three main business lines: property activity, promotion activity and urban management.

The Real Estate area has 36 buildings for tertiary use (offices, shopping centres and others), equivalent to over **400,000 m²**, in addition to **85 dwellings in operation** and **195 under development** for residential activity. The residential promotion business has a land portfolio of **6,939,410 m² gross surface area** and an estimated buildable area of **over 1,700,000 m²** in its different urban development stages.



Services provided

Property Business

Development and operation of projects aimed at the rental of housing, in addition to the leasing and management of office buildings, commercial premises and shopping centres.

Promotion business

Promotion and sale of real estate products (mainly housing).

Urban management

Urban land management at different stages of development.

Key contributions to the SDGs

- Promoting more sustainable habits and raising awareness through the installation of flow controls, rainwater re-use mechanisms and consumption control devices at all supply points, both in homes and in the communal areas of housing developments.
- Fostering energy supply efficiency, through energy audits of leased buildings and through investments aimed at improving the occupant experience and reducing energy consumption.
- Contributing to socio-economic progress and employment by hiring people from the communities where we operate.
- Compliance with the principles of sustainable construction, through the use of low-impact materials throughout their life cycle, and efficient building design, so as to minimise environmental impact.
- Reducing greenhouse gas emissions and adapting homes to the possible consequences of climate change, through the installation of solutions based on home automation and aerothermal systems.

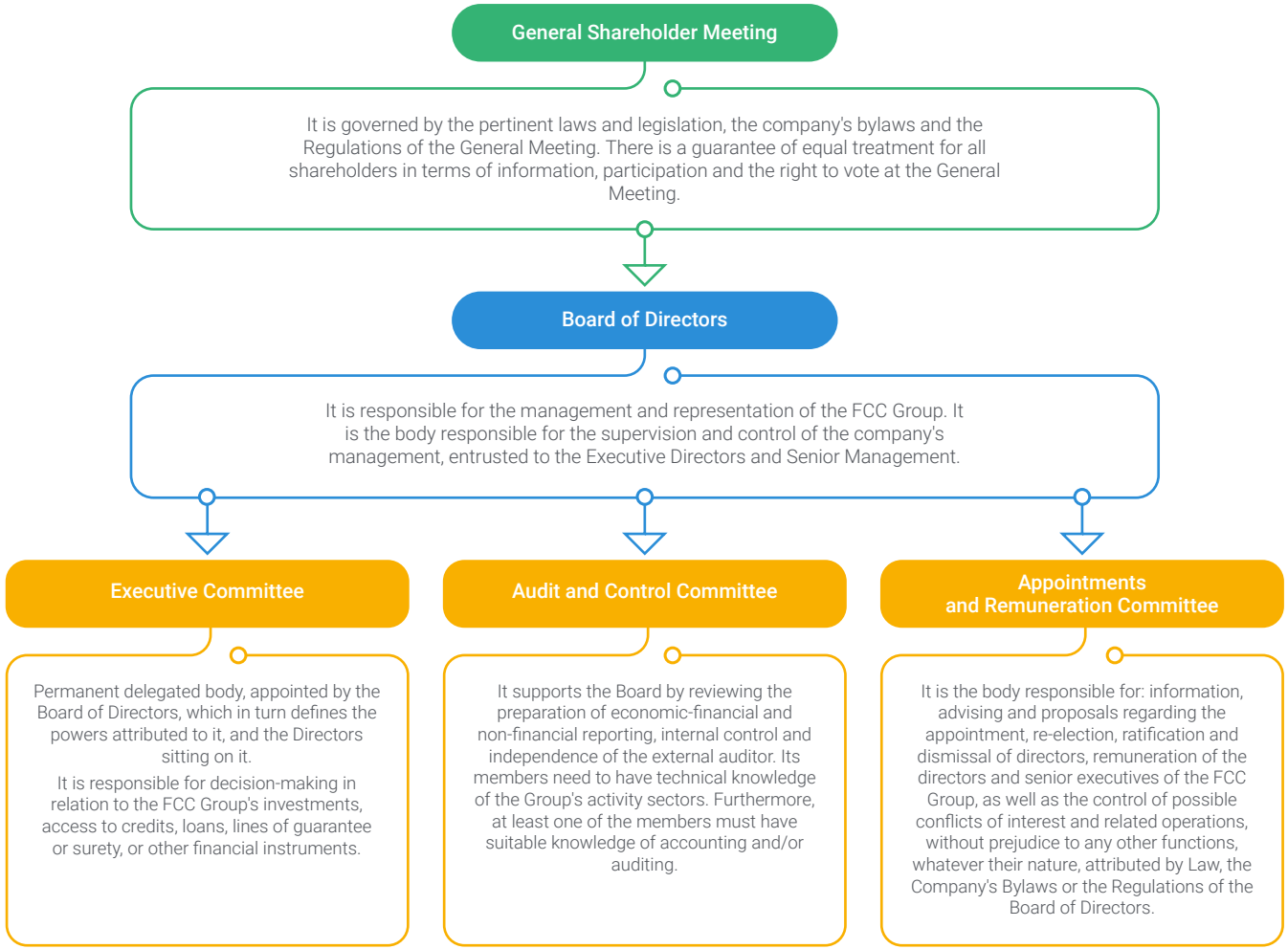
Governance structure

The FCC Group's governance comprises five core entities, designed to ensure efficient strategic decision-making within the company. In this regard, the **General Shareholder Meeting** is the highest decision-making body of the company in matters within its competence, which are established in the Regulations of the General Shareholder Meeting of FCC.

The General Shareholder Meeting delegates the supervision of the day-to-day management of the company to the **Board of Directors**. The Board has the highest powers and authority to manage, direct, administer and represent the company and to fulfil its corporate purpose.

In turn, three committees serve to support the Board of Directors for more effective and transparent management and supervision: the **Executive Committee**, the **Audit and Control Committee** and the **Appointments and Remuneration Committee**.

The following diagram depicts the components constituting the governance structure of the FCC Group and their main functions.



The following figure specifies the composition of the highest governance body and its committees:

Nature of the post

- Executive
- Proprietary
- Independent

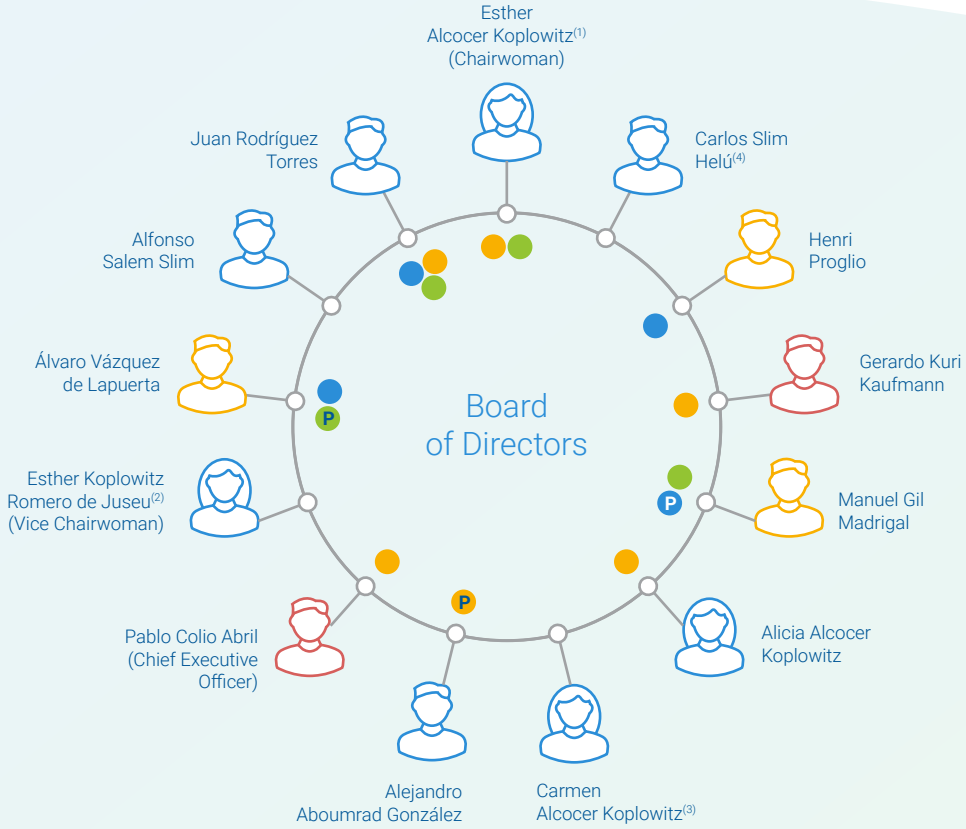
Committee Type

- Audit and Control Committee
- Appointments and Remuneration Committee
- Executive Committee
- P Chairman

Representing

(1) Dominum Desga, S.A.
(2) Samede Inversiones 2010, S.L.U.
(3) Dominum Dirección y Gestión, S.A.U.
(4) Inmobiliaria AEG, S.A. de CV.

(*) Director Antonio Gómez García resigned for personal reasons on 24 March 2022.

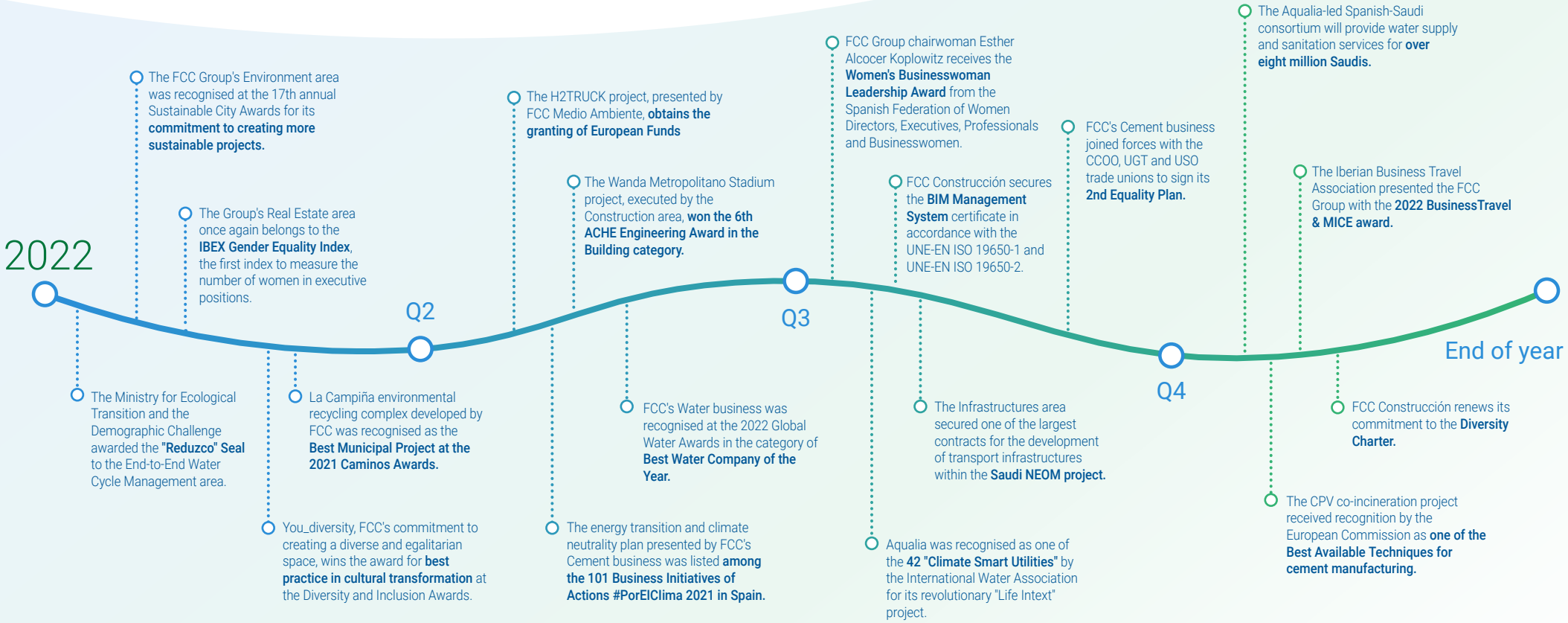


For further information on the dates of the first appointment, age, and profile of each of the 13 directors on the Board of Directors of the FCC Group at the close of financial year 2022,

please refer to the **Group's Annual Corporate Governance Report** (ACGR), available at the following link: ACGR.

Milestones, awards, and recognitions

Throughout 2022, the FCC Group continued its efforts to improve its environmental, social and governance (ESG) performance, and its efforts were recognised, as shown by the following milestones, awards, and recognitions:



Sustainability in motion

ESG Strategy

Having analysed the new challenges and dynamics on a global scale that play a leading role in the scenarios in which FCC operates, this company has decided to give its own response and be an active part of the change, aligning the business model with sustainable development.

The Group has designed its own **ESG approach** to achieve this purpose, spearheaded by the Sustainability Policy and developed in its strategic lines and objectives. It also highlights FCC's commitment to promoting **sustainable innovation** and **constant dialogue with its stakeholders**.

Dynamic environment

In the wake of the major impact of the COVID-19 pandemic, the year 2022 was shaped by a constantly changing environment, with events such as the conflict in Ukraine, the energy and food crisis, and climate disasters, all of which marked the global instability of the period.

Sustainable business management will make the difference for companies in the coming years. We are in a time of transition towards an economic and social model based on environmental, social and governance criteria that will enable us to face the challenges presented by the current changing context.

The global landscape is facing new challenges, such as technological development, climate change, growing inequalities and increasingly demanding regulatory changes. With its accumulated experience, the FCC Group is aware that the continuity of its activity depends both on knowing how to identify the challenges presented by a world in constant change, and to act with agility when facing them.

ESG challenges

Climate change and its consequences

Climate change is the greatest environmental challenge, with social and economic consequences, facing society as a whole today, as the *World Economic Forum's 2023 Global Risks Report* has once again made clear. Its effects today are mainly in the form of water and climate-related disasters, which have occurred on all continents during the year 2022. Examples of this are extreme heat waves in many countries, including China, India, England, and Uruguay, as well as droughts in East Africa.

Climate change also directly impinges on terrestrial, coastal, marine, and freshwater ecosystems, and the services they provide. Together with factors such as population growth, this is accelerating other problems such as the scarcity of water resources, with the UN warning that, by 2030, global demand for freshwater will outstrip supply by 40%.(1)

Furthermore, according to the Sixth Assessment Report, published by the IPCC (Intergovernmental Panel on Climate Change), greenhouse gas emissions have led to a 1.1ºC increase in global temperature versus pre-industrial periods. In this regard, it is clear that the emission reduction measures implemented so far are insufficient to curb global warming and meet the goal of limiting the rise in temperatures to 1.5ºC.

Key facts

- The CO_2 concentration in the atmosphere hit a record high of **421 ppm** in 2022.(2)
- The global temperature has increased by **1.1°C** versus pre-industrial levels.(3)
- Limiting global warming to 1.5°C entails a maximum global emission of about **500 billion tCO_2e** by 2050, with a total of 2,500 tCO_2e already emitted since 18503.(3)



(1) Official United Nations website

(2) Mauna Loa Observatory. US National Oceanic and Atmospheric Administration (NOAA).

(3) IPCC AR6.

Transition to a circular and sustainable economy

Currently, the linear economic model, based on extraction, production, consumption, and waste of raw materials, has proven to be unsustainable in the long term. The progressive depletion of natural resources is making it critical to decouple economic growth from the use of these resources, and to transition to circular systems of production and consumption.

These circular economy models can also play an important role in tackling challenges such as climate change, resource scarcity and waste management, biodiversity loss and the management of pollutants.

Aware that the application of circular economy principles promotes sustainable business and industrial development, increasing innovation and competitiveness, this transformation has become part of major national and international policies. Proof of this is its inclusion in the EU's Green Pact, which includes an Action Plan for the Circular Economy, focusing on waste prevention and management and aiming for EU growth, competitiveness, and global leadership in this field.



Key facts

- Through its application to key industrial materials, the circular economy would reduce emissions by **40%** (equivalent to **3.7 billion tCO_2e**) by 2050[4], and material use by **28%**.[5]
- Buildings account for over **30%** of Europe's carbon footprint and well over **40%** of Europe's primary energy consumption[6]. Construction and demolition waste (C&DW) also accounts for the largest waste stream in the EU: **839 million tonnes annually**.[7]
- Of the more than **2.1 billion tonnes** of global municipal waste generated each year, at least **33%** is not managed in an environmentally safe way.[8]
- Global waste is expected to grow to **3.4 billion tonnes** by 2050.[8]

(4) *Completing the Picture. How the circular economy tackles climate change. Ellen MacArthur Foundation.*

(5) *Circularity Gap Report 2022. Circle Economy*

(6) *The reference document for the Construction sector. European Commission.*

(7) *Circular Buildings and Infrastructure. European Circular Economy Stakeholder Platform (ECESP).*

(8) *What a Waste 2.0. A Global Snapshot of Solid Waste Management to 2050. World Bank.*

Safeguarding biodiversity and ecosystems

The growing threat posed by the dangerous deterioration of nature and the loss of biodiversity due to human activities is beginning to be at the forefront of global agendas.

The UN Conference on Biological Diversity (COP15) held last December in Canada resulted in the adoption of the *Kunming-Montreal* Global Biodiversity Framework (GBF), which aims to address biodiversity loss, restore ecosystems and protect the rights of Indigenous Peoples.



Lagoons of El Porcal, Rivas-Vaciamadrid, Madrid (Spain).

Key facts

- Since 1990, roughly **420 million hectares** of forest have been lost through conversion to other land uses. Agricultural expansion is still the primary force behind deforestation, forest degradation and forest biodiversity loss.
- Climate change-induced temperature increases may threaten up to one in six species globally.(9)
- The global food system represents a major cause of biodiversity loss, as agriculture alone is the identified cause of more than **85%** of the **28,000 species threatened with extinction**.(9)
- Plastics contaminating the sea have increased tenfold since 1980, affecting at least **267 animal species**, including 86% of sea turtles, 44% of seabirds and 43% of marine mammals.(9)

(9) *5 key drivers of the nature crisis. UN Environment Programme (UNEP).*

Tackling inequalities

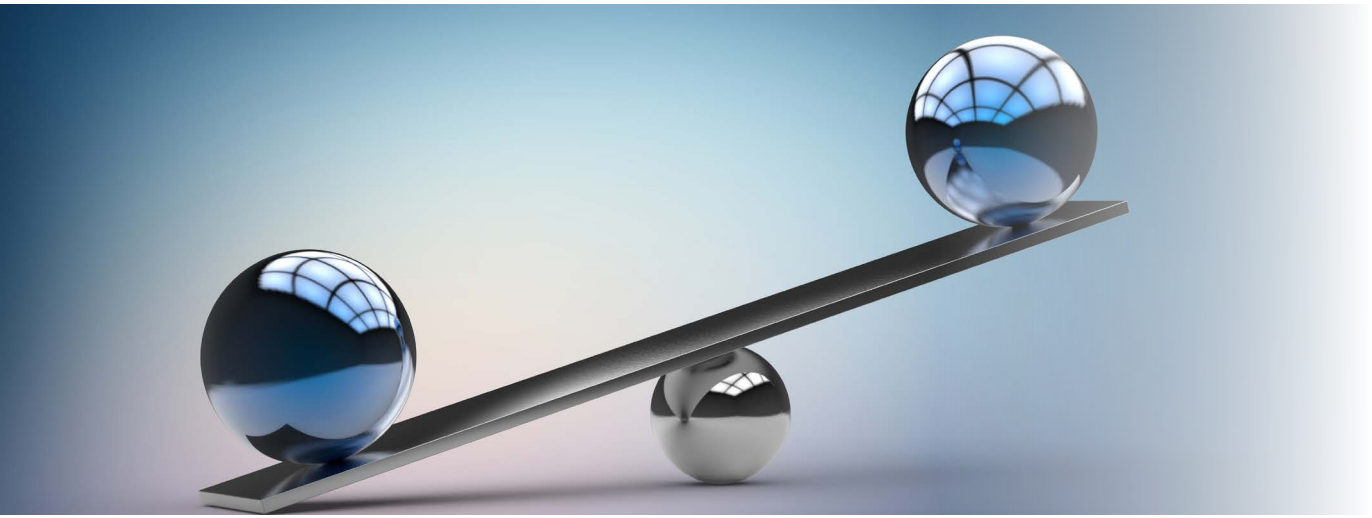
The increase in social, economic and gender inequality, as a consequence of the various global crises that have taken place in recent years, has become a matter of concern and must therefore be addressed by the main social agents, including business.

The knock-on effects of social and economic gaps escalate for the most vulnerable people and the most fragile states. This translates into increased poverty, hunger, violent protests, and political instability, which can jeopardise the gains made by middle-income households and democratic states.

Continuous technological advances can also be a factor of inequality and divergence for countries that do not have access to them, and for all economies, as a result of misinformation and unmanageable job rotation.

Key facts

- Compared to pre-pandemic data, **50 million more people** are expected to live in extreme poverty by 2030.[10]
- COVID-19 has pushed an estimated **88 to 115 million people** into extreme poverty.[11]
- In 2020, for the first time since its inception, the United Nations Development Programme (UNDP) Index recorded a **decline in human development indicators**.
- The 2022 gender gap narrowed by **68.1%**. At the current pace, it would take **132 years** to achieve full parity between women and men.[12]



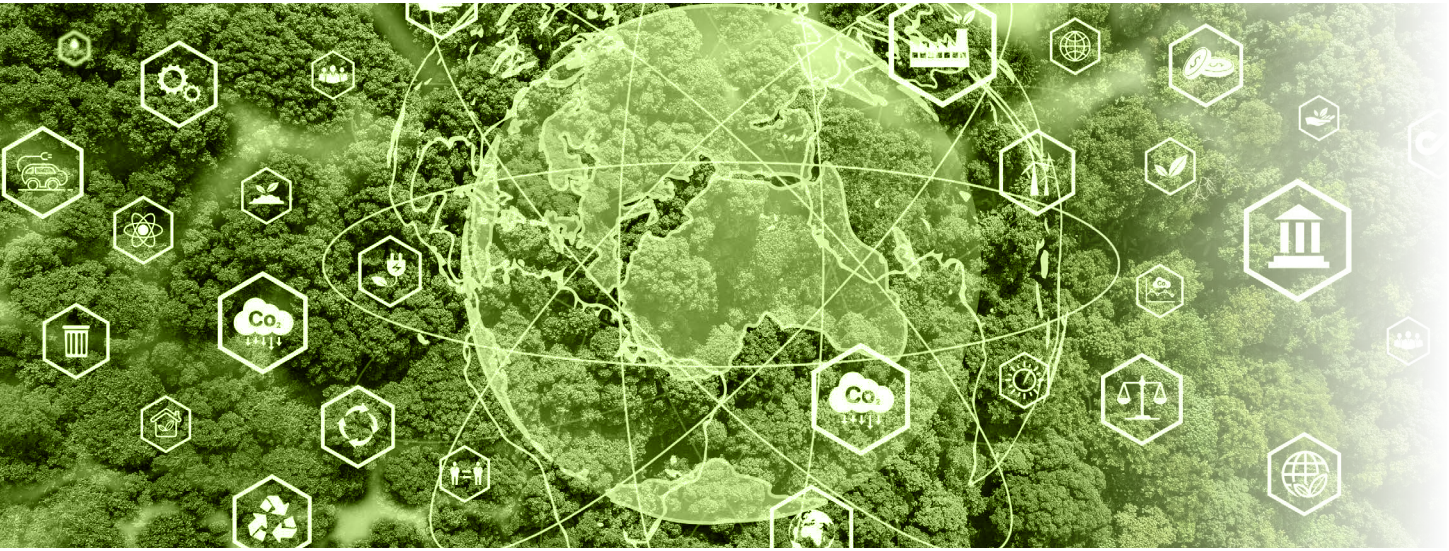
[10] *The Global Risks Report 2022. World Economic Forum.*
[11] *Poverty and Shared Prosperity 2022. World Bank.*
[12] *Global Gender Gap Report 2022. World Economic Forum.*

Supply chain due diligence

The global paradigm shift in the aftermath of the COVID-19 pandemic, followed by the consequences of the conflict in Ukraine, and the resulting energy crisis, have triggered a global re-examination of a myriad of issues, including supply chains.

The vulnerability of supply chains to potential social, economic, and political crises clearly reveals the need to bolster their resilience and reduce their dependency, ensuring their sustainability and adapting to the dynamic environment in which we live.

Companies are increasingly aware that sustainability in the supply chain goes beyond economic costs and also encompasses the health and safety of workers, the respect of their human rights, and the management of environmental impact.



Key facts

- Mckinsey reports that supply chain disruptions (climate events as one of the highest risk elements) will result in losses equivalent to **40%** of the average company's profit over the next decade.[13]
- For every direct tonne of CO_2 (Scope 1) released by an average company, its value chain is generating another **four tonnes**.[14]
- The value chain accounts for **80%** of global trade and **17 million jobs** worldwide, thus **60%** of the world's business. [15]

[13] *Risk, resilience, and rebalancing in global value chains. Mckinsey.*

[14] *La era del stewardship. Incrementando la presión en la custodia ESG. Forética.*

[15] *Jobs in global value chains. World Bank Group.*

Innovation and technology

Technological innovation and digitalisation have an essential role in overcoming global challenges, both in terms of economic growth and in terms of environmental preservation and social progress. New technologies and Big Data maximise the potential of companies, boosting both margins and efficiency. They are also key to accelerating the transformation of economies and social models.

More specifically, Information and Communication Technologies (ICT) and Big Data constitute a unique opportunity to mitigate and control the environmental and social impacts of demographic growth and population concentration in cities.

Technological advances in Artificial Intelligence (AI), quantum computing and biotechnology, among others, are also key to mitigating the effects of major emerging crises, such as health, food, and climate related ones.

Key facts

- The global economy could be worth **$14 trillion** by 2030 through the contribution of the IoT industry.[16]
- Digital solutions that positively impact the Sustainable Development Goals could generate annual revenues of **€2.1 trillion**.[17]
- Statista estimates that global investment in Smart Cities projects will exceed **$1.12 billion** by 2025.



[16] *IoT Guidelines for Sustainability. World Economic Forum.*

[17] *Uniting to Deliver Technology for the Global Goals. 2030Vision.*

Regulatory wave in sustainability

In recent years, international governments and public administrations have become increasingly interested in fostering sustainable practices in the business world. ESG management is thus evolving from a voluntary aspect to a legal requirement.

In this context, the European Union is globally leading a structural change, promoting numerous regulatory initiatives with important consequences for the ESG management in business. These initiatives not only require greater transparency on the part of companies, but also involve the corporate implementation of international best practices in sustainability.

The following are some of the main regulatory initiatives in the European Union:

Corporate Sustainability Reporting Directive (CSRD): It seeks to bring sustainability reporting in line with financial reporting, thus ensuring that the public has access to reliable and comparable data.

Proposed corporate sustainability due diligence Directive: Its main purpose is to prevent, mitigate and remedy actual and potential adverse effects of the companies' own operations, the operations of their subsidiaries and the operations of their business partners on human rights and the environment.

EU Taxonomy Climate Delegated Act: It complements and further develops the Taxonomy Regulation, establishing the technical selection criteria for economic activities that can make a substantial contribution to climate change mitigation and adaptation.

Whistleblower Directive: This is a common framework for protecting workers, with a view to giving them the capacity to report irregularities detected in the companies in which they offer their services, safeguarding their rights and freedoms. The application of the provisions set out in this directive will be for companies with more than 50 employees.

Directive on improving the gender balance among directors of listed companies: At least 40% of the non-executive directors of listed companies should be members of the under-represented gender.

FCC's response to the challenges

Throughout its century-long history, the FCC Group has adapted to the world's most important social, economic, and environmental changes. Resilience to a dynamic environment is a necessary condition for business survival.

The FCC Group therefore coordinates a cross-cutting response to the various ESG challenges outlined above, committed to innovation and ethical management and integrity in all its businesses, shared with the members of its value chain.

Resilience to a dynamic environment is a necessary condition for business survival

Climate change and its consequences

FCC Group response:

The FCC Group nurtures the creation of innovative solutions that reduce its environmental impact and promote and facilitate its clients' transition to a **low-carbon economy**. Proof of this are the projects related to the substitution of fossil fuels and the promotion of alternative energies.

In addition, the Group has its own **2050 climate change strategy**, through which FCC aims to mitigate and, at the same time, adapt to climate change, based on certain lines of action. In turn, the issue of climate change is raised to the highest level, as the Sustainability Policy establishes that the Board of Directors of FCC is the maximum responsible and guarantor of climate change management in the Group.

Transition to a circular and sustainable economy

FCC Group response:

Application of principles based on the transition towards a circular and sustainable economy in the management models of the different business areas. These principles are embodied in investment, awareness-raising and development of projects and technologies for **reusing and recovering waste and optimising the consumption of resources**. FCC also works in various European Union programmes to promote the principles of the circular economy.

The FCC Group's commitment to the transition towards a sustainable, environmentally friendly, and more economical circular model is evidenced by the adhesion of several of its business areas to the **Pact for a Circular Economy**, as well as by its participation in research projects that facilitate the transition to a circular model.

Safeguarding biodiversity and ecosystems

FCC Group response:

The FCC Group is keenly aware of the importance of conserving natural capital, especially given the diversity of the activities of its different business areas. Therefore, the policies and strategies of each of its businesses incorporate biodiversity conservation.

A clear example of FCC's commitment to protecting biodiversity is its membership of the **Spanish Business and Biodiversity Initiative** (IEEB) and the **Biodiversity Pact**.

In addition, it carries out environmental awareness projects, collaborating with groups dedicated to the conservation of the environment for the restoration of natural and urban ecosystems.

Tackling inequalities

FCC Group response:

The Group strives towards the reduction of inequalities, economic progress and **social development** through various programmes that guarantee and promote the evolution of the services it provides to the community, as well as access to basic supplies. Social **partnerships** are also implemented with foundations and non-profit organisations, and **equal opportunities** are promoted throughout the company's staff.

As a token and recognition of its good practices in diversity awareness and sensitisation, FCC has received the Award for best practice in cultural transformation in diversity and inclusion for its **you_diversity** project. It has also renewed its commitment to the Spanish Diversity Charter for the period 2021-2023, another example of its responsibility towards social inclusion and corporate equality.

Innovation and technology

FCC Group response:

The FCC Group seeks to provide and design citizen services that promote sustainable and innovative development.

It is clear to the company that investment and research in new technology innovation is key to meeting the major sustainability challenges facing today's cities.

Technological innovation in the business areas is promoted through investment in **RD&I projects** in order to be able to offer innovative and sustainable responses and solutions.

All of this, with the desire to promote a business culture oriented towards technological updating, research, and the generation of ideas.

Regulatory wave in sustainability

FCC Group response:

Transparency, regulatory compliance, and due diligence are the hallmarks of FCC Group management. Specifically, the Group has implemented a **Compliance Model** to ensure that all members of the Group are aligned with the ethical and integrity principles set out in the Code of Ethics and Conduct.

The **Code of Ethics and Conduct** is the pillar of the culture, values and principles that govern the behaviour of the FCC Group and all its collaborators. It is based on the observance of integrated conduct, unifying, and including a common commitment to due diligence. This commitment extends to employees, partners, and the Group's entire supply chain.

In addition, the Group has the appropriate mechanisms in place to supervise and monitor the internal and external regulations applicable to its various spheres, activities, and business areas, in order to ensure compliance.

Supply chain due diligence

FCC Group response:

The company continues its efforts to implement and include ethical, social, and environmental issues in its procurement processes and services provided. The Group therefore has a **Procurement Manual** based on the principles of transparency, competitiveness, and objectivity in order to ensure stable and lasting commercial relations. It also has a **supplier certification** procedure that ensures the extension of the scope of social and environmental criteria to its value chain.

Finally, suppliers and contractors adhere to compliance with the Code of Ethics and Conduct, the FCC Group's Anti-Corruption Policy and the ten principles of the United Nations Global Compact, as well as respect for fundamental human and labour rights in the **General Conditions of Contract**.

ESG approach

The FCC Group's commitment to sustainability is based on aligning its business model and its way of acting with a responsible approach in the environmental, social and governance dimensions.

The Group has designed a sustainability model to promote this management in a cross-cutting manner. Based on its corporate culture, it is supported by a **Sustainability Policy**, which establishes FCC's commitments in this area and is developed through its **2025 ESG Framework** and in the **business master plans**. In addition, it is essential to specify that the ESG model is based on its governance structure.

Corporate culture

The FCC Group has a solid and consolidated corporate culture, built up jointly by its members throughout over 120 years of history. This corporate culture, shaped by the mission, vision and values set out below, expresses the Group's identity and reinforces the commitment of each and every one of the people who form part of FCC to responsible performance.

MISSION

Efficiently and sustainably design, implement and manage environmental services, integrated water management and the construction of major infrastructure works to improve the lives of citizens.

VISION

Serve as an international benchmark Group in Citizen Services, offering global and innovative solutions for the efficient management of resources and the improvement of infrastructures, contributing to improving the quality of life of citizens and to the sustainable progress of society.

VALUES

- ***Results-driven:*** Our actions are aimed at improvement and the achievement of goals, with a view to making the FCC Group a benchmark in profitability and competitiveness.
- ***Honesty and respect:*** We want to be acknowledged for being honest and trustworthy, deserving of the trust of our employees, customers, and suppliers as reliable and long-term partners.
- ***Rigour and professionalism:*** We work with exemplariness and vocation to serve our customers, developing the capabilities of our teams to search for efficient and innovative solutions.
- ***Loyalty and commitment***: We encourage diversity, promote professional development, and acknowledge merit and creativity as drivers of productivity and progress.
- ***Wellbeing and community development***: We are aware of the value that our services bring to society, and we are committed to the protection of the natural environment, development, and wellbeing of communities.

Sustainability Policy

Approved on 26 April 2022 by FCC's Board of Directors, the Group's Sustainability Policy reformulates the former Social Responsibility Policy, effective since 2016.

Based on the values shared by everyone in the Group, FCC's Sustainability Policy establishes the main priorities to promote sustainable development in the environmental, social and governance dimensions:

Sustainability Priorities

Preservation and protection of the environment

As a citizen services company, the FCC Group is committed to being part of the solution in terms of global warming mitigation and adaptation, water supply and sanitation, waste management and preservation of biodiversity.

Positive social impact and development

Building on management that places people at the centre of its core business, the FCC Group incorporates social action into its business strategy, contributing to social, cultural, economic, and labour development and wellbeing, fostering job creation, and improving the quality of life of the people and communities in which it operates.

Good governance, exemplary performance

The FCC Group is committed to Good Governance, aligning its guidelines with the main recommendations, especially those that include sustainability among the competencies of the Board of Directors. Likewise, the Group works with its own standards of ethical behaviour, reinforced by its Code of Ethics and Conduct, and strengthened by a system of control and supervision, so that FCC is a benchmark of exemplary performance.

The Sustainability Policy also sets out the FCC Group's commitments versus dialogue with its various stakeholders. The Group is mindful of how its stakeholders enable it to mobilise and exchange knowledge and resources and make the development of FCC's activity possible. The Group seeks to strengthen the involvement and generation of relationships of trust with them, maintaining various channels of communication, channels of dialogue and participation.

Finally, the Sustainability Policy establishes that the FCC Group's sustainability actions are directed by the company's highest governing bodies, and defines their responsibilities:

Board of Directors and Audit and Control Committee

The Board of Directors of FCC supervises compliance with the Sustainability Policy through the Audit and Control Committee. This Committee approves, monitors, and assesses the FCC Group's sustainability strategy and practices at least once a year.

The FCC Group also notifies its progress annually through its sustainability report, which is made available to the General Shareholder Meeting.

FCC Group's Sustainability Committee

Consisting of the different business areas of the FCC Group and corporate units linked to sustainability, this body is responsible for implementing the Sustainability Policy, through a periodic master plan.

FCC's Sustainability Policy establishes the main priorities to promote **sustainable development** in the **environmental, social and governance dimensions**

Sustainability Committee of the business areas

These committees develop, implement, and oversee compliance with the Group's Sustainability Policy in each business unit, as well as the deployment of the corresponding master plans within their areas.

Compliance and Sustainability Management

Integrated in the General Secretary's Office, this management undertakes functions that include, but are not limited to, the systems for monitoring results relating to the FCC Group's sustainability practices, the identification of the risks associated with this matter, and is responsible for coordinating the Group's Sustainability Committee.

2025 ESG Framework

Under "We're building a better future together", in 2021 the FCC Group developed its 2025 ESG Framework, which sets out the roadmap for the coming years, integrating environmental, social and governance criteria into the business model.

Structured around four cornerstones, this Plan sets out the Group's strategic lines and objectives to address the impacts and opportunities arising from its activity, and thus contribute to addressing the priorities defined in the Sustainability Policy.

The 2025 ESG Framework also constitutes a guiding reference for the development of the ESG master plans of the different businesses, in which specific initiatives are established in accordance with the specific characteristics of their activity.

The contents of the 2025 ESG Framework are summarised below:

E Environmental

Climate action

Bolster the FCC Group's leadership with sustainable production and financing models, moving towards a low-carbon economy.

Circular economy

Boosting the transition by promoting the efficient management of resources and waste and increasing the lifetime of materials.

Responsible use of water resources

Reduce water stress, promoting the effective management of the resource in its natural and treatment cycles, adopting efficiency and conservation measures.

Protecting biodiversity

Promote the conservation of biodiversity, contributing to the maintenance of natural capital and supporting the recovery of ecosystems.

S Social

Human rights

Progress in the integration of the principles of protection, respect, and remediation of Human Rights in the Group's operations and in its value chain.

Social action

Contribute development in communities where the Group operates, through social investment, the consolidation of a network of committed entities and participation in the Third Sector.

Human capital

Develop and empower human capital by creating an environment in which to develop their skills and create opportunities for personal and professional growth.

Health and wellbeing

Place physical and mental wellbeing at the centre, offering a comprehensive response to workers' healthcare.

Diversity and equality

Foster a culture of respect, tolerance, and equity, in which all people are sensitised and involved, by developing inclusive workplaces.

G Governance

Ethics, integrity, and compliance

Maintain a Compliance Model that guarantees ethical behaviour and integrity, favouring the credibility and trust of stakeholders.

ESG risk management

Minimise the impact of non-financial risks on the company's results.

Value chain

Encourage all actors in the value chain to integrate sustainability commitments aligned with those of the Group.

T Transversal

Innovation

Generate synergies of knowledge and development of RD&I projects, providing solutions based on innovation, technology, and digitalisation.

Communication

Strengthen and update sustainability communication, involving the company's staff and stakeholders.

Partnerships

Forge unions and partnerships to mobilise and exchange knowledge, technical capacity, technology, and resources, joining efforts to contribute to the 2030 Agenda.

Business Sustainability Strategy

The FCC Group's different business areas reinforce their commitment to fostering a corporate culture based on the promotion of sustainable development, through the implementation of individual master plans, according to the singularity of each business.

The FCC Group's different business areas foster a corporate culture based on the promotion of **sustainable development**

FCC Medio Ambiente 2050 Sustainability Strategy

FCC Medio Ambiente Iberia integrates sustainability into its organisation through its 2050 Sustainability Strategy, being a company aligned with the SDGs, which puts sustainability at the service of citizens.

This Strategy establishes the guidelines that will mark the development of the organisation over the next thirty years, combining the know-how of more than 110 years of activity with the development of innovative technologies.

Based on four strategic axes, Environment, Social, Excellence and Governance, with specific objectives in each of them, it will mark FCC Medio Ambiente's actions in sustainable management over the next few years.

Aqualia 2021-2023 Strategic Sustainability Plan

Aqualia's Strategic Sustainability Plan is the driving force to guarantee a public service of sustainable water management that ensures the wellbeing of people and communities, and their universal right of access to water. This Plan was defined on the basis of Aqualia's materiality assessment and a SWOT analysis, resulting in seven strategic lines, with their corresponding projects, actions and indicators, and the identification of their main SDGs contributions.

The strategic lines identified in this Plan, which guide Aqualia's ESG efforts, are as follows:

- Strategic Communication
- Climate emergency and environmental protection: climate change mitigation and adaptation.
- Technology for integrated management.
- People management.
- Ethics and compliance.
- Social impact.
- Strategic partnerships.

FCC Construcción 2022-2026 Sustainability Strategy

Throughout 2022, the FCC Group's Infrastructure area has been working on its new Sustainability Strategy, which was approved in early 2023.

This Strategy sets the ambition, through major objectives for 2050, and the roadmap for FCC Construcción, supported by intermediate objectives that will enable it to improve its responsible performance.

Based on an extensive analysis of regulations and sector trends, FCC Construcción's Sustainability Strategy is made up of a total of 35 strategic lines and more than 100 specific actions, grouped into 14 strategic axes that will enable the company to continue to be a benchmark in terms of sustainability for the construction sector.

Materiality analysis

With a view to identifying the most relevant ESG (environmental, social and governance) issues for each FCC Group business line, the materiality analysis conducted in 2021 has undergone its annual update. Based on this, the study has been aligned with the changes included in the new basic reporting standards of GRI Standards 1, 2 and 3.

The main objective of the update of the study was to identify the material issues of the FCC Group and its different business lines, those that represent the most significant impacts of the company on its stakeholders. The company is thus able to prioritise its ESG efforts on the aspects that its stakeholders consider significant. The phases comprising the materiality analysis update are:

1. **ESG impact identification.** The ESG impacts of each business on stakeholders have been identified based on a study of the context of the different activities carried out by each of them. Additionally, in identifying actual and potential, positive and negative impacts, the available GRI Sectoral Standards have been considered and the OECD Due Diligence Guidance for Responsible Business Conduct has been assessed.
2. **Impact assessment.** Once identified, impacts were assessed, involving the managements of the various businesses in the FCC Group. The importance assigned to each impact is based on two different variables: magnitude (effect of the impact, considering its scale, scope, or extent and, if negative, whether it is irremediable) and probability (measuring the frequency with which each impact could occur). An analysis was also conducted on the contribution of the FCC Group's ESG Framework to the different impacts analysed.
3. **Impact grouping.** The identified impacts were subsequently grouped into ESG issues, as defined in the previous materiality study, and aligned with not only the main sustainability reporting frameworks but also the requirements of the Spanish Non-Financial Reporting and Diversity Act (Law 11/2018). Accordingly, a total of 15 non-financial issues were identified as common across all Group businesses.
4. **Stakeholder consultation.** As in 2021, the FCC Group directly consulted its stakeholders (clients, employees, and suppliers) from the various business lines, obtaining the relevance of each analysed issue. In addition, through the analysis of various relevant sources, the shareholder perspective is included in the study.
5. **Identification of material issues.** The final step involved identifying the material issues. At this stage, the results of phase two have been integrated with the assessment carried out in phase 4, jointly reflecting the assessments of the management and the various stakeholders. Following this analysis, the different issues have been classified into three tiers, according to their priority for the Group:

   a. Material or first tier.
   b. Relevant or second tier.
   c. Non-material or third tier.

Finally, in order to define the FCC Group's materiality matrix, the results of the different businesses have been consolidated, weighted by their turnover. The matters that the FCC Group is required to disclose in this report are those included in the first or second tier.



The **results** of the materiality analysis for each FCC Group **business line** are specified below for all matters considered in the materiality analysis:

In order to define the **material and relevant issues at the FCC Group level**, the results of the different businesses have been consolidated, weighted by their turnover in 2022. For reporting purposes, the issues on which the FCC Group must report in this document are considered to be those included in the first or second tier, whose main associated impacts are specified in the following table:

The results of the materiality study show a few issues that are material across all the Group's business lines. Particularly noteworthy is the prominence of "Climate change and energy consumption" in the environmental dimension, "Employment and career development" in the social dimension, and "Integrity of conduct" and "Promotion of innovation" as company governance issues. It is also important to highlight that, in line with the study of previous years, "Circular economy" and "Safety, health, and wellbeing" remain of great importance for the FCC Group.

Materiality results by business line

Issue	Environment	Water	Infrastructures	Cement	Real Estate
Climate change and energy consumption	●	○	●	●	●
Water management	○	●			
Circular economy	○	●	○	○	○
Pollution reduction		●			
Biodiversity					○
Employment and career development	●	○	●	●	●
Safety, health, and wellbeing	○	●	○	○	○
Equality and diversity	○		○	○	○
Human Rights		○	○	○	
Relationship with local communities					
Solidarity action	○		○	○	○
Subcontracting and suppliers	●		●	●	●
Integrity of conduct	●	○	●	●	●
Promotion of innovation	●	○	●	●	●
Cybersecurity and data protection		●			

● First tier issues (Material)
○ Second tier issues (Relevant)

FCC Group material issues

Issue	Classification	Main related impacts
Environmental Dimension		
Climate change and energy consumption	●	Impacts related to mitigating or contributing to climate change as a result of the company's activities.
Circular economy	○	Positive impacts derived from recycling, re-use and recovery of resources, and negative impacts related to the company's contribution to the depletion of natural resources.
Water management	○	Impacts resulting in a possible increase in water stress as a consequence of water consumption and company activities.
Social Dimension		
Employment and career development	●	Impacts related to employability, improvement of employees' skills and their professional development.
Subcontracting and suppliers	●	Impacts related to sourcing from suppliers and contractors and promoting sustainable practices with stakeholders.
Safety, health and wellbeing	○	Impacts related to the health and safety of employees and the difficulty of reconciling work and family life.
Equality and diversity	○	Promotion of gender equality and diversity, as well as the promotion of employment among people with disabilities.
Solidarity action	○	Contribution to local development and climate change mitigation through solidarity actions and awareness-raising initiatives.
Governance Dimension		
Integrity of conduct	●	Promotion of responsible conduct and integrity within the company to avoid possible corruption and bribery or loss of public funds.
Promotion of innovation	●	Potential impacts from innovation and technological development through international collaborations, sectoral partnerships, or direct investment in RD&I.

Stakeholder dialogue

The stakeholders of FCC fuel the company's progress and the normal course of its operations. The Group is therefore committed to maintaining a **relationship of trust and transparency** with them, establishing a constant dialogue that allows it to understand their expectations and needs, and to respond to their concerns.

According to the commitment established in the Sustainability Policy, the FCC Group pursues this purpose through the following channels of communication, avenues of dialogue and participation with its stakeholders, which allow it to relate to them in a transparent, honest, truthful, and consistent manner:

Regarding the digital channels used, the FCC Group also has a presence on the following **social media** channels, with the aim of maintaining more agile communication: Facebook, Twitter, YouTube, Instagram, and LinkedIn. There is also a **contact form** on its website and a **directory of headquarters and offices** with their corresponding addresses, together with telephone numbers and information on the main departments.

There is also a **dedicated Sustainability mailbox** on the corporate website, through which the company can be contacted directly to address any concerns on this matter.

The FCC Group and each of its business lines publish **Sustainability Reports** periodically to report on their environmental, social and governance performance, and disclose information related to these issues on their respective corporate websites.

Stakeholders	Dialogue and communication channel
Shareholders and investors	○ Corporate and business areas websites for economic performance content. ○ Presentations to the Board of Directors and Committees. ○ General Shareholder Meeting. ○ Shareholder Services Office. ○ Roadshows with investors to get to know the company better. ○ Questionnaires and interviews with agencies for company valuation and performance.
Customers	○ Satisfaction surveys. ○ Contact person role. ○ Business line-specific dialogue channels.
Employees	○ FCC ONE - Corporate Intranet. ○ Whistleblowing channel. ○ FCC Te escucha (FCC is listening) – FCC APP tool. ○ FCC360 – FCC APP tool. ○ Periodic calls for information of interest. Dissemination and awareness-raising campaigns. ○ Employee portal. ○ Somos FCC (We are FCC) – Quarterly online magazine. ○ FCC News in poster format translated into 13 languages. ○ Worker Committee meetings.
Suppliers and contractors	○ Information and awareness-raising sessions. ○ NALANDA platform for supplier accreditation. ○ Obligation to adhere to the FCC Code of Ethics and Conduct and the Anti-Corruption Policy. Full commitment to implementing the ten principles of the UN Global Compact.
Partners	○ Communication channels with other entities. ○ Partnership agreements, sponsorships, and donations. Partnerships. ○ Business forums. ○ Publications and presentations. ○ *Due diligence* procedures.
Public administrations and regulators	○ Voluntary participation in sectoral self-regulatory initiatives and legislative developments.
Communities	○ Depending on the FCC Group's business lines, as responsible for dialogue with their local communities.

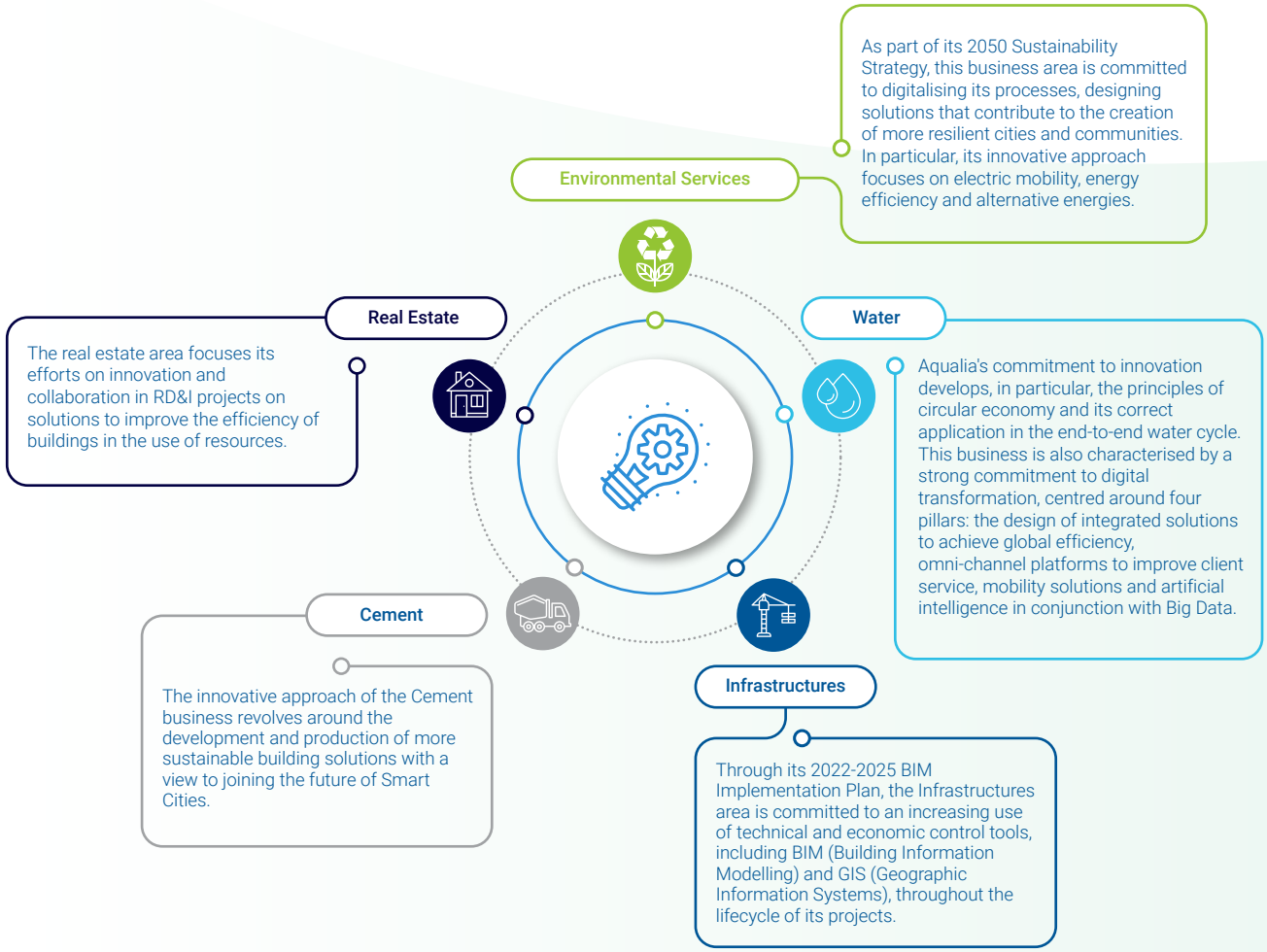
Innovating to move forward

FCC is committed to innovation as a driver of change and as a method for evolving and transforming the business. Across the board, the Group is committed to creating innovative solutions to address key ESG challenges and contribute to sustainable development. For this reason, **FCC allocates significant economic and human resources each year to RD&I projects**, which enable it to improve the products and services it provides and generate a positive impact for society as a whole.

Specifically, in the area of innovation, the Group focuses its efforts on the following lines of work:

- Sustainable urban development
- Design of new sustainable products
- Process optimisation
- Application of ICT for better data and controls

Building on the above areas of action, each FCC Group business area has its own RD&I focus, developing a specific approach according to the characteristics of its sector and its specific needs.



FCC also runs the **Digital Innovation Lab**, an in-house innovation laboratory. This is a global space for developing ideas and sharing expertise to generate knowledge synergies, driving innovation, the application of technology and digitalisation. It thus seeks to improve business processes, understand today's challenges, and develop the necessary skills to anticipate future developments in this area.

The Group is also a permanent member of various national and international **working groups** in different areas that promote research into environmental sustainability.



Prominent innovation projects

The FCC Group, through its various business lines, continued to design, develop, and execute various RD&I projects in 2022, as shown below:

Environmental Services

VISION Platform

As part of the provision of urban services in Vigo, FCC Medio Ambiente has continued expanding its VISION platform. This proprietary platform harnesses **ICT**s to increase the efficiency, coordination, and agility of service delivery. This **tool** integrates all aspects of FCC Medio Ambiente's management in a single environment, thus simplifying real-time data collection.

H2TRUCK Project

This project aims to manufacture a heavy-duty chassis-platform with **100% electric propulsion**, powered by a hybrid hydrogen cell and lithium-ion battery system. Developed by a consortium led by FCC Medio Ambiente, this project has been subsidised within the framework of the Recovery, Transformation and Resilience Plan for Spain, financed by the European Union.

Water

SABANA Project

Within the EU's H2020 programme, the circular economy initiative SABANA, led by Aqualia, seeks to obtain high added value bioproducts through the **cultivation of microalgae**. Through microalgae cultivation, this developed concept aims to provide a sustainable solution for wastewater treatment in small towns, reducing energy consumption and without producing waste. Its application was extended to new facilities during 2022.

Aqualia Live Project

The Water area has developed a **modular and integrated platform** called "Aqualia Live" as part of its digitalisation strategy, with the aim of managing water more efficiently and reducing the water footprint. Specifically, Aqualia Live provides integrated information on networks, installations, telemetry, as well as external sources, such as meteorological information, for real-time monitoring of drinking water networks.

Infrastructures

ROBUST Project

The Infrastructures area is currently developing the RD&I project, ROBUST, dedicated to developing a **georeferenced mapping and automated tracking system** for confined environments. This project will improve the speed and efficiency of accurate representations of the interior of inaccessible or high-risk environments for workers, where operation, maintenance or inspection tasks must be carried out.

DigiChecks Project

The European RD&I project DigiChecks, led by FCC Construcción and financed by the Horizon Europe Programme, seeks to develop a digital environment, through innovative technologies such as Blockchain and BIM, to facilitate **permit management and compliance control** in construction projects.

Cement

BioREC02Ver-Horizonte 2020 Project

The Cement area continues its work as a leading partner in the "BioREC02Ver-Horizon 2020" project. This initiative targets alternative and more sustainable processes based on the **capture of industrial $C0_2$ emissions**, with a view to minimising the use of fossil resources in the production of certain chemical products, including isobutene and lactic acid. Tests were conducted by technology partners LTU and Enobraq, who used the emission gases provided by Cementos Portland Valderrivas for the development of the assessments.

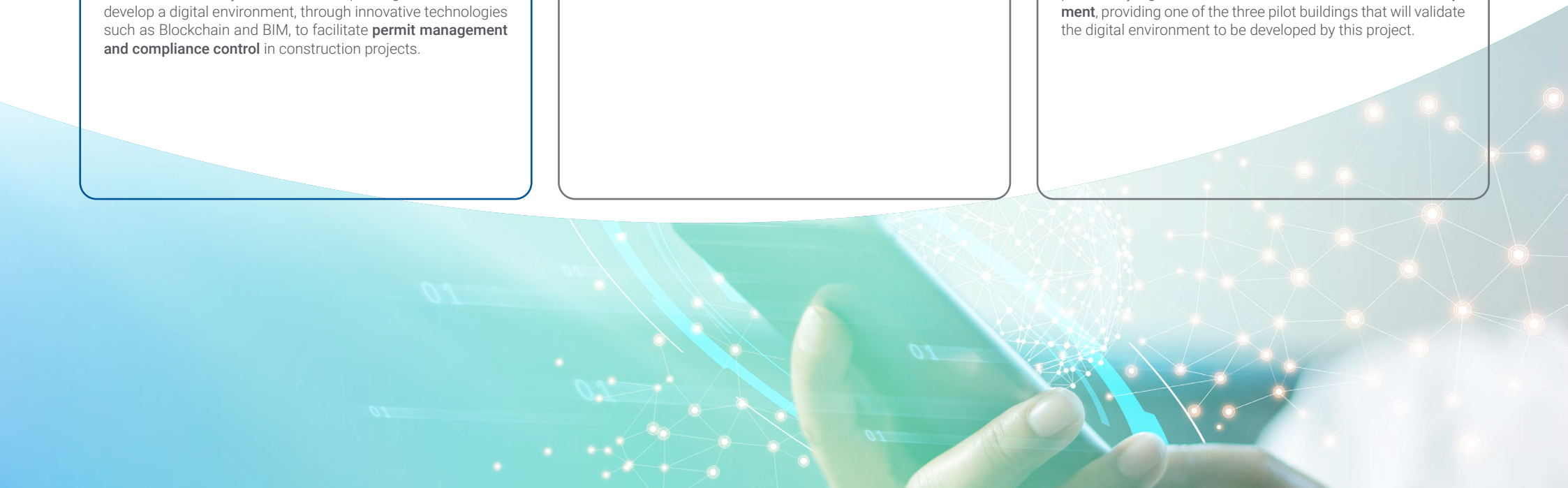
Real Estate

Torre Realia BCN water treatment system

The Real Estate area installed an innovative system for the treatment and disinfection of water in the **cooling towers**. This GEODESIC-developed system treats and disinfects the water, eliminating the use of chemical products and saving more than 60% of the purge water.

DigiChecks Project

Similar to FCC Construcción, the Real Estate area is one of the thirteen European entities working on the DigiChecks innovation project in the construction sector. This business area is particularly significant, as it contributes to **residential development**, providing one of the three pilot buildings that will validate the digital environment to be developed by this project.



Contribution to environmental challenges

Environmental performance

Reflecting the diversity of the Group's operations, each business line must analyse, identify, and manage the specific environmental impacts of its corresponding sector. Accordingly, and based on the monitoring of their processes and the assessment of the environmental performance of their activity, each line has **identified the significant environmental aspects**, which are set out below. There are no additional aspects in the Real Estate area other than transversal aspects, which are shared by all FCC Group businesses.

After identifying the significant environmental aspects, the different FCC Group areas **implement procedures**, adapted to their specific characteristics, which allow them **to reduce the repercussion of their operations on the environment**, thus applying the precautionary principle. The specific measures taken are described in this chapter.

Identified environmental aspects

Cross-cutting issues

- Resource consumption (raw materials, fuel, electricity, water, etc.).
- Greenhouse gas (GHG) emissions.
- Generation of hazardous and non-hazardous waste.

Environmental Services

- Noise pollution (facilities, vehicles, machinery, etc.).
- Emission of particulate and gaseous pollutants (NOx y SO_2).
- Production of discharges (leachate, wash water, rainwater, sewage, etc.).
- Emission of atmospheric pollutants (combustion, fermentation, particulate matter, odours).

Water

- Consumption of reagents.
- Emission of particulate and gaseous pollutants (NOx y SO_2).

Infrastructures

- Noise pollution, vibrations and light pollution.
- Emission of particulate and gaseous pollutants (NOx y SO_2).
- Generation of discharges.
- Territorial occupation.

Cement

- Extraction of natural resources in quarries to obtain raw materials.
- Emission of particulate and gaseous pollutants (NOx y SO_2).
- Noise pollution.
- Generation of discharges.

Environmental management

The FCC Group is aware of the potential impact that its activities may have on the environment and thus not only adopts measures to minimise the repercussions of its operations on nature, but also implements preventive and mitigating actions.

Each business has therefore established **environmental management systems** that, based on the identification of the risks associated with its actions and the recording of the results of its decisions, make it possible to determine the best practices for mitigating negative impacts. In this regard, it is crucial to specify that these management systems are verified and accredited according to internationally recognised standards.

Environmental commitment, management systems and certifications

Following the approval of the **Sustainability Policy** in April 2022, the FCC Group further bolstered its commitment to conservation and environmental protection, as explained in chapter 2. More specifically, this Policy sets out the Group's **main lines of action** in environmental matters:

- Foster **climate action** in the FCC Group, facilitating the transition to a low-carbon economy and promoting efficient and responsible energy consumption.
- Advocate the application of the principles of the **circular economy**, making efficient use of resources, recovering waste, and increasing the useful life of materials.
- Reduce water stress in areas where it operates, through the responsible use, consumption, and management of **water resources**.
- Support the maintenance of **natural capital**, contributing to the conservation of biodiversity and the recovery of ecosystems.

The company is thus once again demonstrating the importance of preserving the environment for FCC, a responsibility that has been formalised since 2009 in the Group's **Environmental Policy**. This document, which applies to all business areas, establishes the fundamental principles that guide FCC's actions in environmental matters, which are set out below:

Fundamental principles in environmental matters



Setting of targets to spur continuous improvement.



Encourage the application of new technologies and synergies between the Group's areas.



Tracking and control of operations through environmental indicators.



Integrate environmental considerations into the planning of activities and procurement of materials and equipment.



Combating climate change, preventing pollution, and protecting the environment.



Involvement of employees and stakeholders through knowledge and application of environmental principles.

Each business line, with the exception of Real Estate, has its own environmental policies, due to the specific characteristics of each sector and its corresponding activities. Based on the general principles of the Group's Environmental Policy, they serve as the basis for the establishment of environmental management systems for each area, adapted to their context and operations.

The establishment of environmental management systems that enable compliance with the aforementioned commitments is a key aspect of the company. Implementing and certifying these systems in accordance with international reference standards is therefore a priority for FCC. This is evidenced by **83% of the Group's activity holding environmental certifications** in 2022, maintaining similar levels to previous years.

The **main environmental certifications** held by the different business areas, as well as by the company's headquarters, are specified below:

Area-specific environmental policies

Environmental Services

The Environmental Services area has various environmental policies, adapted to the activity and legal requirements of each geographical area. These include the company's commitments to improving energy efficiency, protecting the environment, and preventing pollution. Likewise, FCC Medio Ambiente's Environmental Policy is especially committed to the incorporation of technologies and RD&I that reduce the negative environmental impact and provide competitive advantages.

Water

The Water area has formalised an Integrated Policy, covering the company's commitments in environmental, energy and quality matters. It encompasses the comprehensive management of water as a resource, the proper administration of quality control laboratories, waterworks concessions and the development of treatment plants, with continuous improvement being the cross-cutting objective of all these principles.

Infrastructures

The Infrastructures area has an Environmental Policy whose objectives include respect for the environment, the application of continuous improvement processes that avoid environmental incidents both in works and in fixed centres, the prevention of pollution and the conservation of ecosystems.

Cement

In 2022, following the implementation of the Energy Management System in accordance with UNE-EN-ISO 50001 standard in all cement factories operating in Spain, the Cement area has approved a new Environmental and Energy Policy. It includes commitments to reduce emissions and wastewater discharges, to reduce waste through its recovery, and to restore any negative impacts caused by extractive activities.

Certification	Environment	Water	Infrastructures	Cement	Real Estate	Offices
ISO 14001:2015	✓	✓	✓	✓		
ISO 50001:2018	✓	✓		✓		✓
EMAS	✓			✓		
ISO 14064-1: 2019		✓	✓			
Zero Waste Certification			✓			✓
A-LAB accreditation		✓				
PAS100	✓					
BREEAM Certification					✓	

Percentage of activity covered by environmental certifications (ISO 14001)



Resources dedicated to environmental risk prevention

Compliance with the Group's environmental commitments and improving the efficiency of its operations entail significant annual investments by FCC companies. The Group engaged **over 230 employees** in 2022, and allocated a total of **€83 million**, including the following items:



Monetary resources dedicated to environmental risk prevention (€)

	2020	2021	2022
Annual investment in renewal of the vehicle fleet and more energy-efficient machinery (hybrid or renewable)	24,205,539	48,109,001	62,664,921
Annual investment in energy efficiency measures	616,148	291,655	824,608
Investment in R&D projects related to environmental improvement/ reduction of environmental impact	3,253,461	4,562,047	5,917,941
Annual environmental certification costs (ISO 14001, ISO 50001, EMAS, etc.)	305,022	282,943	388,953
Environmental consulting expenses	6,890,808	6,423,089	7,098,636
Other expenditure and investment for the protection and improvement of the environment.	8,472,594	4,170,134	6,142,377
Total	**43,743,573**	**63,838,869**	**83,037,437**

The above results show the Group's commitment to renewing its fleet of vehicles and machinery, with the aim of improving its energy efficiency. In 2022, this commitment has materialised especially in the Infrastructures area and in the Polish subsidiary of the Environmental Services business.

The Group also has guarantees to repair damage in the event of accidental contamination. FCC therefore holds an **environmental civil liability policy**, with coverage of up to €60 million, in the event of a claim and accidental pollution, in addition to a general civil liability policy that covers any accident, damage or risk related to accidental pollution for a value of up to €10 million.

Although the two aforementioned policies offer global coverage at Group level, some businesses have additional coverage, as is the case of the Cement business and some divisions of FCC Environment CEE.



A commitment to climate

In recent years, the importance of climate change on the international agenda has been growing, positioning it as one of the priority issues to be addressed.

The FCC Group Sustainability Policy considers that its role, as a civil services utility, must be to form part of the **solution in the fight against climate change**. The Group therefore strives to be a leader in climate action, fostering the transition to a **low-carbon economy**, and promoting **efficient and responsible energy consumption**.

In addition to the information expressed in this document, the FCC Group provides annual and voluntary reporting on the risks and opportunities derived from climate change to the **Carbon Disclosure Project (CDP)** initiative.

Climate action

The industries in which it operates expose the Group to a variety of climate change impacts that it must manage and integrate into its business model. The **climate-related risks and opportunities** that could have a significant impact on the Group are therefore identified and assessed through the Risk Management Model and are set out below:

Transition risks

Compliance with international climate change commitments will bring about transformations that will have an impact on companies.

- **More stringent emissions regulation**

  The new requirements on emissions, and the ones aimed at increasing renewable energies and improving energy efficiency, entail the replacement and upgrading of equipment and machinery.

- **Building energy certification requirements**

  Initiatives to promote the renovation and decarbonisation of buildings involve investing in training for professionals in new certifications and new equipment, as well as the search for innovative solutions and projects.

- **Waste-to-energy legislation**

  New initiatives to regulate the energy market may hinder or slow down the implementation of EfW (Energy from Waste) installations in some countries.

Physical risks

Climate change directly impacts through a variety of events, including changes in rainfall patterns or extreme weather variability.

- **Extreme weather events**

  Continued exposure to extreme and adverse weather conditions (floods, sea level rise, etc.) can have a significant impact on buildings and infrastructure and adapting them to improve their resilience to these events.

- **Increased water stress**

  Changes in rainfall patterns may pose significant challenges to providing people with access to water resources, to which the Group will need to be able to offer solutions.

- **Enhanced company positioning**

  FCC's image could be improved by the recognition of the measures implemented to combat climate change and the integration of the principles of the circular economy in the Group, leading to an increase in demand and access to new markets.

- **Innovative response to challenges**

  Carrying out RD&I projects aimed at generating solutions to the challenges of improving energy efficiency or waste management can lead to access to new markets.

- **Infrastructures for a more sustainable transport**

  Promoting more sustainable modes of transport, such as rail or bicycles, can generate new business opportunities, as infrastructure needs to be created or adapted.

- **Solutions for adapting to climate change**

  The need to adapt to the physical consequences of climate change (by improving the resilience of buildings and infrastructure or ensuring access to basic supplies) and FCC's ability to offer solutions to these challenges can generate higher revenues for the Group.

Procedure for identifying, assessing, and prioritising physical climate risks

In line with the FCC Group's commitment to the fight against climate change, during 2022 it has worked to establish a specific methodology for identifying and assessing the physical climate risks of its activities in order to determine their degree of importance or materiality. A specific procedure has therefore been developed and applies to all FCC Group companies in all geographies.

This methodology includes the selection of climate scenarios, the identification of physical climate risks based on the activities carried out by the Group's companies and possible climate hazards, the characterisation of these hazards and their projection in the short and medium terms, the assessment of the probability of the risk and the degree of exposure and vulnerability of the activity to it and, finally, the prioritisation of the risks in order to define the best adaptation measures.

The procedure was applied in the first phase during 2022 to Group activities identified as aligned with the EU Taxonomy to ensure compliance with the requirements set out in Commission Delegated Regulation (EU) 2021/2139. Throughout 2023, the scope of the procedure will be extended to the rest of the FCC Group's activities.

Climate change strategy

FCC launched its **2050 Climate Change Strategy** in late 2019, setting out the Group's direction for making progress on this issue. Incorporating the vision of the different business lines, this document sets out the Group's roadmap and long-term objectives, with the aim of reducing the carbon footprint and providing solutions for adaptation to climate change.

Every Group business line is now in the process of redefining its quantitative targets and metrics with a view to reducing its greenhouse gas (GHG) emissions. The Cement business differs in that, due to the characteristics of its activity, most of its emissions are linked to the level of production.

These objectives are achieved by defining specific strategic lines of action for each FCC Group business area, grouped into **five common pillars**:



Monitoring

As a starting point for the definition of the other pillars, targets are set to improve GHG emissions quantification.



Reduction

Reduction targets and measures to achieve them are proposed. Efforts are also made to offer products and services with a lower environmental impact.



Adaptation

The Group and its clients are exposed to the impacts of climate change, so actions are defined to manage the risks and opportunities arising from climate change.



Innovation

The Group must develop new innovation capabilities in order to reduce its environmental impact, to increase its resilience to the consequences of climate change, and to be able to offer solutions to its clients.



Communication

The Group aims to be accountable for how it contributes to climate change mitigation and adaptation by promoting transparency. The Group also aims to position itself as an ally of its clients, offering comprehensive solutions for climate change adaptation.

More specifically, the Group's business areas have proposed the following **main measures to mitigate and adapt to climate change**:

Some of the Group's business lines are also taking on more ambitious climate change commitments. In particular, the **Infrastructure area** and **FCC Medio Ambiente Iberia** are committed to becoming **carbon neutral by 2050**. These two areas have developed their own sector-specific climate change strategies to meet these objectives, implementing initiatives and actions to reduce their greenhouse gas emissions and adapt to the consequences of climate change.



Remodeling of the Santiago Bernabéu Stadium, Madrid (Spain).

Main measures to mitigate and adapt to climate change

Environmental Services

- Commitment to a 100% electric vehicle fleet.
- Promoting energy recovery from waste.
- Development of a Technical Instruction to protect workers from heat stroke accidents.
- Development of protocols for dealing with extreme weather events, such as droughts, snowfalls, or floods.

Water

- Reduction of unregistered water volumes.
- Improving the efficiency of water distribution networks.
- Installing and operating equipment for generating renewable energies.
- Transforming the vehicle fleet.
- Development of innovative solutions to combat climate change.

Infrastructures

- On-site awareness-raising actions.
- Fostering low-emission mobility.
- Identification of the best adaptation measures for infrastructure and facilities exposed to sea level rise.
- Adaptation of construction processes and materials used in response to rising temperatures.

Cement

- Modification of furnace burners to optimise fuel consumption.
- Use of fuels with higher biomass content.
- Introduction of renewable electricity generation projects (wind or photovoltaic).
- Development of strategic energy transition plans in cement plants.

Real Estate

- Replacing air-conditioning equipment with units that use refrigerant gases with lower global warming potential.
- Installation of aerothermal systems instead of natural gas boilers in developments.

Carbon footprint

In line with previous years, the FCC Group follows the criteria defined in the *GHG Protocol* to calculate its annual carbon footprint. Furthermore, in order to obtain more accurate data, each of the Group's business lines has developed its own calculation methodologies, endorsed by the Spanish Climate Change Office, which take into account the characteristics of each sector.

Reflecting the businesses' efforts to reduce emissions, the Environment, Water and Infrastructure areas secured the **"Calculo y Reduzco"** emissions calculation and reduction seal, corresponding to the years 2020 and 2021, within the framework of the initiative of the Footprint Registry, compensation and absorption projects, developed by the Ministry for Ecological Transition and the Demographic Challenge of the Government of Spain. The Environmental Services area has also registered in this initiative **projects to offset emissions** through reforestation.

GHG emissions (tCO_2e)

	2020	2021	2022
Direct GHG Emissions (Scope 1)	6,359,764	6,624,839	6,504,153
Indirect GHG Emissions (Scope 2)	604,073	549,838	630,050
Total	**6,963,837**	**7,174,677**	**7,134,203**

FCC Construcción, further improving its GHG reporting

In line with its 2017-2020 target, in which it undertook to extend the verification of its GHG emissions inventory to the international level under the ISO 14064-1 Standard, FCC's Infrastructure area has published its greenhouse gas report for 2021.

This report provides, for the first time in the sector, a quantification of all the emissions corresponding to all the countries in which this business area is present.



FCC Medio Ambiente, offsetting its CO_2e emissions

For the second year running, FCC Medio Ambiente received the "Compenso" seal, awarded by the Spanish Government.

For the second year running in 2022, as part of its commitment to reducing its carbon footprint, FCC Medio Ambiente received the "Compenso" seal, as part of the "Carbon footprint registration, offsetting and CO₂ absorption projects" process of the Ministry for Ecological Transition and the Demographic Challenge. This third scope completes the "Calculo-Reduzco" seal, secured in this and previous years.

More specifically, this area secured the "Calculo, Reduzco y Compenso" emissions calculation, reduction, and compensation seal for scopes 1+2 and 3, achieving a 2.94% reduction in the average emission intensity in the three-year period (2019-2021). FCC Medio Ambiente was able to achieve these results by focusing on crucial aspects in tackling climate change, including the sustainability of its fleet of vehicles, improvements in waste treatment facilities and the generation of renewable energy.



Energy consumption and efficiency

The bulk of the activity's carbon footprint comes from energy consumption, both direct (mainly associated with fuels and refrigerant gases) and indirect (mainly related to electricity). Accordingly, as part of its climate commitment, FCC monitors its energy consumption and develops measures to improve the Group's energy efficiency.

Throughout 2022, the Group's **total energy consumption** stood at **49,265,210 GJ**, and its evolution is shown in the table below:

Total energy consumption by type (GJ)[18]

	2020	2021	2022
Direct energy consumption	36,915,975	39,436,906	42,300,070
Indirect energy consumption	6,187,970	6,525,681	6,965,140
Total	**43,103,945**	**45,962,587**	**49,265,210**

[18] The 2021 data were restated due to revised figures provided by the Environmental Services subsidiaries in Serbia and Hungary.

These figures illustrate the implementation of a series of measures aimed at achieving greater **energy efficiency** in its own management, as the increase in energy consumption in the FCC Group has been less than the increase in turnover corresponding to the financial year 2022. Some of the actions carried out by the different businesses that make up the Group are highlighted below:

Measures aimed at achieving greater energy efficiency

Environmental Services

- Development of more energy-efficient machinery.
- Installation of software for more accurate monitoring of energy consumption from public lighting contracts.
- LED lighting installation.
- Industrial waste treatment process optimisation.
- Worker training in efficient driving techniques.

Water

- Energy reviews according to ISO 50001.
- Pump energy efficiency calculation.
- Improved energy monitoring.

Infrastructures

- Installation of energy-saving LED lighting on site.
- Use of modern and efficient machinery.
- Development of machinery maintenance plans.
- Implementation of good environmental practices to reduce energy consumption in the construction and operation phases of infrastructures.

Cement

- Continuous process optimisation.
- Implementation and improvement of furnace and mill driving systems.
- Equipment overhauls.
- Installation of presence sensors and LED lighting.

Real Estate

- Installation of LED lighting in buildings.
- Installation of more efficient air conditioning equipment.
- Adjustment of air conditioning and heating temperatures.
- Design of buildings with A or B energy certification.

The FCC Group has also been committed for years to increasing the consumption of energy from **renewable sources**. The following chart illustrates the Group's commitment to obtaining energy from renewable sources. In this regard, in 2022 the work of the Water area stands out, highlighted in the following use case.

Total energy consumption by origin (GJ)[18]

	2020	2021	2022
From NON-renewable sources	31,497,210	32,933,408	35,238,646
From renewable sources	11,606,736	13,029,179	14,026,565
Total	**43,103,946**	**45,962,587**	**49,265,210**

[18] The 2021 data were restated due to revised figures provided by the Environmental Services subsidiaries in Serbia and Hungary.



Installation of photovoltaic panels at the Lleida Wastewater Treatment Plant (Spain).

The Water area is committed to renewable energy production

The Water area advanced in its goal of achieving full self-sufficiency as a result of its unwavering commitment to renewable energies.

Aqualia installed 705 solar panels on the roofs of its buildings and extensions annexed to the Lleida wastewater treatment plant, with a power capacity of 355kWp. It has thus managed to increase its energy self-sufficiency by up to 50%.

Improvements are also being made in secondary treatment, through specific measures such as the implementation of control systems to favour biological processes or the replacement of diffusers to increase energy efficiency.

Further actions are also underway to improve the efficiency of sludge treatment and thus increase biogas production.

Circular model

Transitioning to a circular economy model will help accelerate sustainable development and address some of the most relevant ESG challenges we face, such as climate change and resource scarcity. The FCC Group seeks to lead this change by promoting, through the activities of its business areas, the application of the **principles of circularity** in other industries and sectors.

FCC's activities also have a direct impact on its own operations as a result of the depletion of natural resources. The commitment to a circular economy model is therefore a clear response to this challenge, allowing to simultaneously make **efficient use** of waste and t**urn waste into resources**.

Commitment to the circular economy

The FCC Group is aware of the benefits of the circular economy and invests in projects and technologies focused on the re-use and recovery of waste generated and is committed to integrating the principles of circularity in the operations of each of its business lines. In this regard, it is noteworthy that the Environmental Services, Water, and Infrastructures areas have signed up to the **Pact for a Circular Economy**, demonstrating their commitment to the transition to a new, more sustainable, and environmentally friendly economic model.

As a civil services utility, the FCC Group strives to be a relevant player in the change, contributing transversally to the application of a circular economy model, through the following actions:

Actions to contribute to the circular economy

Environmental Services

- Reducing the volume of waste dumped in landfills by transforming it into resources.
- Waste recovery and optimisation of processes for obtaining new by-products that can be used in different sectors.
- Production of biofuels from landfill gas and selected waste.
- Development of infrastructures designed to obtain optimum quality from waste and convert it into new products.

Water

- Sludge recovery for agricultural use, composting and biofertilizers.
- Recovery and re-use of elements used in the various treatments of the end-to-end water cycle (brackish water, purification, etc.).
- Energy generation in urban water cycle management.
- Obtaining value-added products in the treatment processes.
- Civil outreach promoting responsible water consumption.
- Supply chain agreements for the re-use of resources.

Infrastructures

- Re-use of inert materials, effluents, and wastewater, thus obviating their transfer to a landfill.
- Use of recoverable elements such as demountable walls, portable sewage treatment plants and recycled materials (aggregates or irrigation water).
- Use of quarried material that fails to meet specifications in restoration works.
- Development of innovation to promote new sustainable and reusable materials.

Cement

- Energy and material recovery from waste, and the use of alternative fuel sources (sludge, plant biomass, etc.).
- Use of secondary raw materials (ash, construction waste, sludge, etc.), thus preventing the extraction of mineral resources.

Real Estate

- Assistance to tenants for the proper management of waste generated in the buildings.
- Re-use of items and furniture in offices and leased premises.

Contribution from the Environmental Services area

Particularly noteworthy is the role of the Environmental Services area, which generates a significant impact through its **waste management activities**, including waste collection, recycling, and recovery. This area treats urban and industrial waste, thus promoting circularity.

The Environmental Services area is committed to optimising the recovery and recycling of waste, increasing efficiency in the recovery of valuable materials at its facilities, which has led to a reduction in landfill deposits.

The Environment area's **waste management figures** for the treatment centres are shown below, reflecting the scale of their impact:

Waste admitted at FCC centres (T)

	2020	2021	2022
Municipal waste	7,123,021	6,531,097	7,354,145
Hazardous industrial waste	667,166	935,499	1,104,128
Non-hazardous industrial waste	9,699,244	11,231,551	10,553,382
Total	**17,489,432**	**18,698,147**	**19,011,655**



Waste management (T)

	2020	2021	2022
Municipal waste	6,058,676	6,300,021	6,188,310
Hazardous industrial waste	453,365	334,845	438,563
Non-hazardous industrial waste	2,470,360	2,418,049	2,583,763
Other waste (hazardous and non-hazardous)	5,529	7,218	18,654
Total	**8,897,930**	**9,060,133**	**9,229,289**

Hazardous waste treatment (T)

	2020	2021	2022
Recovery	278,641	247,265	346,299
Stabilisation/Landfill	510,275	300,469	304,008
Transferred to end manager	37,368	103,273	103,003
Other destinations	20,923	71,312	31,400
Total	**847,206**	**722,319**	**784,710**

Non-hazardous waste treatment (T)

	2020	2021	2022
Recovery	3,729,815	3,510,515	4,282,855
Controlled landfill disposal/stabilisation	9,895,784	9,732,697	9,387,478
Transferred to end manager	2,644,518	2,585,101	3,286,035
Other destinations	42,971	73,624	50,155
Total	**16,313,089**	**15,901,937**	**17,006,523**

In addition to waste management and treatment, the Environment area promotes innovation, with the aim of converting waste into resources. The area aims to optimise its processes and find new solutions to promote the circular economy through the following **lines of research**:

Biomethane production



Through various projects funded under the **EU's LIFE programme**, the Environmental Services area is working to convert waste management centres into **green gas production centres**. The "LIFE LANDFILL BIOFUEL" and "LIFE INFUSION" projects seek to enrich and treat landfill gas and liquid fractions to produce biofuel for vehicles.

Spearheading a circular economy for plastics



A strategic objective of FCC Medio Ambiente involves preventing the disposal of plastics present in urban waste in landfill sites. This is the main objective of the **"LIFE PLASMIX"** project, which **energetically recovers plastic waste** from the remainder fraction (waste remaining after separation of recyclable waste). The resulting recycled plastic can be used as raw material, thus reducing the purchase of virgin material.

Compost bio-optimisation



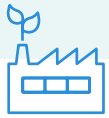
The **"INSECTUM"** project of the CIEN programme run by the Industrial Technological Development Centre was designed to recover urban biowaste and agri-food by-products through **insect-based bioconversion**, thus turning them into useful products for various sectors.

Generation of new by-products and biomaterials



The Environmental Services area promotes the **revaluation and recovery of waste, effluents, and gases from landfills** through several projects ("SCALIBUR", "B-FERST", "DEEP PURPLE", "RECYGAS" and "VALOMASK") with a view to transforming them into biofuels or bioproducts for the chemical and agricultural industries.

Industrial waste revaluation



This line of research includes projects that promote the development of **self-sufficient and decontaminating bicycle lanes** produced with sustainable materials ("Bicisendas"); projects that incorporate various wastes for the formation of granular layers, with the aim of effectively **sealing metallic mining waste deposits**; or finally, the **recovery of metals** present in photovoltaic panels (such as silver), for their subsequent application in the electronics sector ("PV4INKS").

Efficient resource consumption

Raw materials and resources are consumed to carry out some of the Group's activities, including certain activities in the Infrastructures and Cement areas. FCC is therefore committed to a **responsible and sustainable use of resources**, and to **adapting production processes** to promote the use of waste or alternative raw materials. Accordingly, the different business areas have developed the following measures:

Measures for an efficient consumption of resources

Environmental Services

- Consumption of recycled materials instead of raw materials.
- Use of recovered waste.

Water

- Development of protocols that guarantee the efficient consumption of reagents used in End-to-End Water Cycle Management, in accordance with established regulations.

Cement

- Promotion of the use of alternative raw materials and fuels, through the valorisation of materials obtained from by-products and waste from other industries (fly ash, blast furnace slag, foundry sands, etc.).

Infrastructures

- Continuous monitoring of the resources and materials used to optimise their consumption.
- Use of reusable materials or materials with a high degree of recyclability.
- Use of recycled materials.
- Actions to raise awareness and sensitise staff.
- Re-use of waste generated in the activity (soils, stones, rubble, etc.).
- Request for materials with returnable packaging and their re-use.

Real Estate

- Introduction of Ecolabel cleaning products in BREEAM-certified buildings.



Torre Realia BCN, in Barcelona (Spain), a building committed to sustainability and the environment.

Materials used (T)[19]

	2020	2021	2022
Raw materials (metals, minerals, wood, etc.)	41,396,446	55,156,900	18,190,859
Auxiliary materials (lubricants and reagents)	96,849	132,395	95,128
Semi-finished products	3,726,276	4,026,757	1,860,823
Container and packaging material (paper, cardboard, plastics)	8,671	9,600	53,355
Total	**45,228,242**	**59,326,193**	**20,200,166**

The preceding data were restated for 2021 following a data revision by the Infrastructures area. The decrease in the use of raw materials and semi-finished products was mainly due to the reduction in the consumption of works in the Infrastructures area. Additionally, the increase in the consumption of packaging material was due to the increase in street cleaning contracts in the Environmental Services business.

[19] The 2021 data were restated to reflect the revision of the figures provided by the Infrastructures area.

Waste production and management

The Group is mindful of the importance of **responsible waste management**, and applies measures and good practices for its reduction, use and subsequent reincorporation into the production process. This management varies according to the particularities of each of the business lines, and the different types of waste resulting from the activities carried out, as indicated below:

Main generated waste types	Implemented measures
Environmental Services	
○ Resulting from processing and composting domestic waste, wood waste, leachate, etc. ○ Waste generated as a result of vehicle fleet maintenance.	○ Acquisition of vehicles made with easily recoverable elements. ○ Waste segregation and disposal measures. ○ Establishment of waste minimisation plans. ○ Valorisation of compost for energy recovery processes or for agricultural purposes.
Water	
○ Sludge extracted from the wastewater treatment process.	○ Re-use of sludge and slurry for compost and organic amendment production. ○ Control of the characteristics and flow rates of wastewater entering the treatment plant.
Infrastructures	
○ Effluents and waste from the construction activity itself ○ Generation of debris in demolition operations.	○ Promotion of the System of Good Practices for the correct segregation of waste and the recovery of construction rubble and debris. ○ Re-use of inert materials such as soil, clean rubble, and topsoil, as well as management of excavation surpluses. ○ Request for returnable packaging from the supplier.
Cement	
○ Arising from facility maintenance activities (laboratory, cleaning, execution of works or other ancillary activities). ○ Part of the final product is stored and sold in sacks, generating packaging waste for the user.	○ Re-use of waste from the production process, avoiding landfill disposal. ○ Segregation and subsequent recovery of waste for its use as raw material. ○ Staff awareness-raising campaigns.
Real Estate	
○ Produced by the activities of the tenants of the properties.	○ Processing of waste management according to its nature, through contracts signed with authorised waste managers.

In any case, all FCC Group activities are supported by authorised managers, who establish the most appropriate procedures for the final treatment of waste, in accordance with current legislation. The table below illustrates the increase in non-hazardous waste equivalent to the increase in turnover, while hazardous waste has decreased during this period.

Generated waste (T)

	2020	2021	2022
Generated hazardous waste	91,671	276,094	211,330
Generated non-hazardous waste	1,044,675	2,230,599	2,658,318
Total	**2,323,266**	**2,506,693**	**2,869,648**

Waste intended and not intended for disposal (T)

	Intended for disposal	Not intended for disposal	Not typified
Hazardous waste	104,043	107,285	2
Non-hazardous wastes	1,286,632	1,371,683	3
Total	**1,390,675**	**1,478,968**	**5**



Environmental Recycling Complex "La Campiña", in Loeches, Madrid (Spain).

First comprehensive recycling environmental complex to be built in the Community of Madrid

This novel recycling complex of 60 hectares in the municipality of Loeches, La Campiña, as it has been named, has as its main objective to avoid the annual emission of 90,000 tonnes of CO_2 and to meet the challenging European Union targets for recycling and reduction of landfill waste.

The project serves over 735,000 residents in the 31 municipalities east of Madrid and distinguishes itself throughout Europe by being capable of managing 270,000 tonnes of waste per year, with automated lines, optical separators, and robots with artificial vision, thus removing the need for manual separation.

This has streamlined management of five treatment lines consisting of packaging, domestic and vegetable waste, as well as furniture and household items, making this recycling complex the first to fully comply with the Regional Waste Management Plan and secure four ISO certifications (14001, 50001, 9001 and 45001) in a single year. This is not only an achievement, but also the most innovative waste recovery centre on the continent.

Water resources

Water is a fundamental resource, and its scarcity has a direct impact on people's quality of life. In this regard, climate change directly affects the availability of this resource in many geographical areas, through the alteration of rainfall patterns, increasing the risk of drought and extending situations of water stress.

For this reason, the different areas of the FCC Group promote the **efficient use of water resources** and aim to provide solutions **to reduce water stress** everywhere it operates.

End-to-end water resources management

The Group's main impact on water resources stems from the Water area, which specialises in end-to-end water resource management.

Through its activity, the business guarantees the optimisation of public and private water resources, comprehensively managing and controlling all the phases that make up the end-to-end water cycle, as described below:



Wastewater Treatment Plant El Salitre, Bogotá (Colombia).

Water abstraction
Aqualia collects water from different sources: seawater, saline wells, springs, etc.

Drinking water treatment
Depending on its origin and quality, different technologies are applied in drinking water treatment plants, providing drinking water of optimum quality.

Desalination
Water desalination processes are carried out at the facilities in order to maximise the use of water resources and find solutions to water scarcity.

Distribution
Aqualia provides drinking water for consumption to the population, through different pipelines linked to the header tanks, which go from the municipalities to the buildings.

Collection
Water discharges generated by buildings and runoff water resulting from rainfall reach the treatment facilities through the sewerage network. They are managed by the Water area for re-use or discharge into the natural environment after treatment.

Treatment
The optimal design and proper management of wastewater treatment plants allows for the cleaning of wastewater, improving its physical and sanitary characteristics.

Re-use
The treated water is re-used for irrigation of parks, cleaning, or recovery of environmental flows.

Industry
Aqualia provides all types of water solutions for the industrial sector and its processes. To this end, it designs, builds, and operates installations, offering an appropriate service to each client, both with turnkey installations and by supplying equipment, accompanied by the necessary technical assistance.

Irrigation
The area collaborates with the Irrigation Communities and other entities in the agricultural sector, maintaining and managing irrigation infrastructures that guarantee the availability of water in optimal conditions.

The main figures related to Aqualia's integrated water management are shown in the table below. The data for 2022 are notably higher than 2021 values, reflecting the international expansion of the FCC Group's Water division:

In addition, the Water area excels in its strong commitment to innovation, participating in numerous **RD&I projects** that enable it to improve the efficiency of its operations. Some examples of these projects are:

Natural capital: input (m³)

	2020	2021	2022
Volume of water	908,281,618	995,313,590	1,590,377,560
Drinking water produced	643,416,868	769,080,428	1,287,185,226
Treated water	665,830,462	656,867,498	835,276,327
Raw water purchased	201,161,827	208,151,866	220,994,447
Total water consumed in potabilization and desalination processes	174,980,591	178,795,022	223,408,922
Volume of water distributed	666,335,239	643,732,387	1,215,790,587

Re-use of water leaving WWTPs (m³)

	2020	2021	2022
Total volume of water treated in WWTP	682,243,654	723,762,128	835,276,327
Volume of water re-used	56,400,000	45,937,030	80,862,569
% total re-used	**8.3%**	**6.3%**	**9.7%**

RD&I projects

H2020 NICE Project

The EU-funded NICE project is jointly run by an international consortium, with the participation of the Water area. This project focuses on nature-based solutions to promote **circular urban water loops** worldwide. NICE will thus analyse, test, implement, compare, and monitor solutions to mitigate water pollution with a view to creating a circular urban water system.

LIFE Reseau Project

Aqualia is one of the main partners in the LIFE Reseau project, which seeks to **reduce by up to 100% the discharge of untreated stormwater overflows (SWOs) in heavy precipitation areas**. To do this, it will develop and validate a novel solution for retrofitting and upgrading conventional activated sludge (CAS) Wastewater Treatment Plants (WWTP) and combined sewer networks (CSN).

REWAISE Project

REWAISE, an innovative project led by Aqualia, is part of the European Union's Horizon programme, and aims to create a new **intelligent aquatic ecosystem**. A digital infrastructure will be developed for this purpose, based on nine "living labs" distributed throughout Europe. These pilots will demonstrate the full-scale functioning of innovative operational technologies and new management methods to help ensure a sustainable water supply for European society.

Water consumption

In addition to Aqualia, the rest of the FCC Group's businesses require the use of water for the normal development of their activity. The following figure specifies the main activities in which there is a greater interaction with water, as well as the measures implemented to manage it.

The **data on water abstraction** at FCC are broken down below, excluding the data corresponding to self-consumption in the Water area, as this is a residual consumption compared to the quantities of water managed, and which are shown in the previous subsection.

Activities	Implemented measures
Environmental Services	
○ Cleaning and maintenance of gardens and green areas. ○ Street sweeping service.	○ Encouragement of the use of alternative sources to the network (reclaimed water, rainwater, etc.).
Infrastructures	
○ Watering of roads to prevent dust generation and emission. ○ Maintenance and cleaning of machinery. ○ Application in certain construction techniques, such as gunning.	○ Re-use of effluents and wastewater. ○ Consumption control. ○ Awareness-raising campaigns for site personnel. ○ Installation of efficient taps.
Cement	
○ Gas and facilities cooling. ○ Consumption of drinking water, irrigation of gardens and catering areas.	○ Improvement of the water networks of the facilities to prevent losses. ○ In-depth consumption control.
Real Estate	
○ Human consumption. ○ Garden irrigation. ○ Air conditioning.	○ Daily measurement of consumption and control of possible leaks. ○ Replacement of cooling towers. ○ Development of a recycling greywater for sanitary use pilot test in residential buildings.

Water abstraction (m^3)[20]

	2020	2021	2022
Municipal water supply or by other water companies	9,521,108	9,927,550	9,516,766
Surface waters (wetlands, rivers, lakes, and other water streams)	850,832	1,001,832	642,429
Sea water	-	-	-
Brackish waters	-	-	-
Groundwater	1,952,512	1,139,239	1,320,878
Rainwater captured and stored by the organisation	218,934	295,928	30,163
Water recycled or re-used	1,996,106	2,042,356	2,151,556
Other water resulting from extraction, processing, or uses of raw materials	-	-	-
Total	**14,539,493**	**14,406,904**	**13,661,792**

Of the previous information, the 2021 values for surface water and rainwater have been restated as a result of the revision of the data by the Infrastructures area. The reduction of rainwater collection in 2022 stems from the elimination of this type of consumption in contracts in the Environmental Services area. On the other hand, the decrease in surface water use results primarily from an improvement in FCC Environment UK's internal reporting.

[20] The 2021 data were restated to reflect the revision of the figures provided by the Infrastructures area.

Management of additional environmental impacts

Protecting biodiversity

Contributing to the maintenance of natural capital is another priority defined in FCC's Sustainability Policy. The Group thus strives to foster the **conservation of biodiversity** and to support the **recovery of affected ecosystems**.

This commitment to protecting biodiversity is reflected in the Group's adherence to the **Biodiversity Pact** of the Spanish Business and Biodiversity Initiative (IEEB), which it has been a member of since 2013. FCC also collaborates with **nature protection associations** in different initiatives, and conserves areas of incalculable ecological value such as Las Lagunas de Medina del Campo, El Porcal in Madrid, and the CEAAN Coto de la Isleta in El Puerto de Santa María (Cádiz).

FCC Group activities are very diverse in nature. Consequently, the impacts on biodiversity and measures taken to protect it vary from business to business. Some examples are:

Environmental Services

The area generates positive impacts on urban environments through its maintenance and upkeep of parks and gardens, and beach cleaning activities.

On the other hand, the treatment and disposal of waste can affect biodiversity, which is mitigated by revegetation of landfills with native species. Accordingly, natural barriers are formed to stabilise the waste mass and reduce odour nuisance.

Infrastructures

Where their activity may affect biodiversity, the area tries to mitigate the impacts through various measures, such as: physical demarcation of sensitive areas, preferential use of existing roads before opening new ways, and final restoration of affected areas.

It also carries out other actions to protect ecosystems, such as the physical protection of specimens, the transplanting of plant species, the relocation of nests or animal species, the creation of wildlife refuges or the planning of the work according to the life cycles of the species. In addition to these measures, some projects require specific biodiversity plans.

Water

All contracts included in the management system include information on installations with a potential damage on biodiversity. Moreover, any accident with a potential impact is monitored and recorded.

Cement

The main impact of this area is through the extraction of natural resources in quarries. Restoration measures in exploited areas are undertaken to mitigate the impact on the landscape, including the repair of the soil morphology and revegetation with autochthonous species.

In addition, the Cement area establishes various agreements with nature protection associations, working together with them to promote biodiversity in the quarries.

Real Estate

The location of the properties is in urban areas, so the impact on the biodiversity of this business area is limited. The BREEAM certification process for heritage buildings, however, includes the development of an Environmental and Biodiversity Management Plan for each building. In them, different measures are implemented for the conservation of native species, such as the installation of nests.

The following table specifies the Group's main biodiversity conservation or restoration indicators:

With respect to 2021, both the measures to protect sensitive areas and to **restore affected spaces** have been increased, mainly as a result of the forestry maintenance work carried out in La Herrería and Riofrío forests by Matinsa, a Group's company dedicated to the maintenance of large infrastructures.

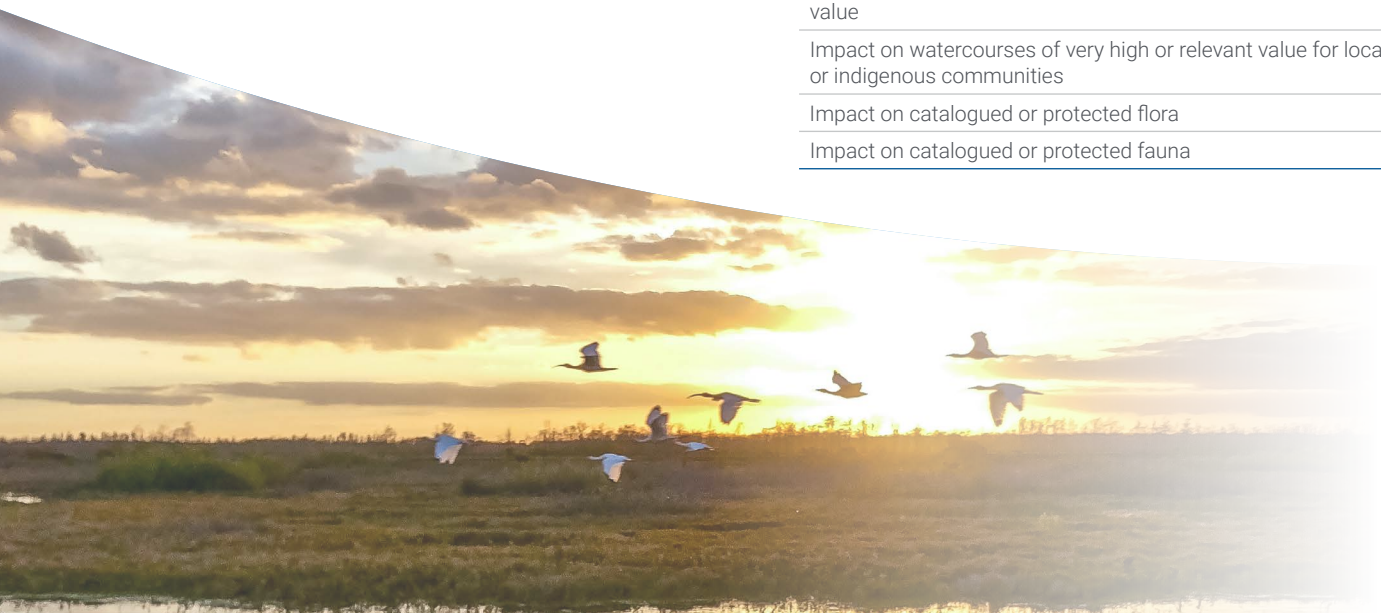
In relation to the Group's impact on sensitive areas, the number of facilities and the surface in hectares located in areas with some type of **biodiversity protection** status are shown below:

Measures taken to preserve or restore biodiversity (ha)

	2020	2021	2022
Protected sensitive areas	1,142	1,237	1,854
Restored affected areas	700	940	1,364

Protected sensitive areas and affected sites

	2021		2022	
	Number of facilities	Surface area (ha)	Number of facilities	Surface area (ha)
Location in protected natural sites or highly valuable for biodiversity	155	938	243	503,474
Location where the landscape is catalogued as relevant	9	954	9	946
Impact on natural watercourses in protected sites	2	10	1	3
Impact on natural watercourses in areas of high biodiversity value	7	850	8	851
Impact on watercourses of very high or relevant value for local or indigenous communities	9	857	10	850
Impact on catalogued or protected flora	10	1,445	13	2,060
Impact on catalogued or protected fauna	11	1,355	14	1,970



There was a significant increase over the previous year in the number of locations in protected natural areas, as a result of the integration by Servicios Medio Ambiente Iberia of work centres associated with Protected Natural Spaces.



Vallcarca quarry, Barcelona (Spain).

Bonelli's eagles at the Vallcarca quarry in Sitges, Barcelona.

Mining restoration experts chose the Vallcarca quarry as an example of a balance between exploitation and biodiversity.

The Vallcarca quarry covers 202.29 hectares and is located in the Garraf Natural Park (Barcelona). Among the fauna in the area, the Bonelli's eagle is undoubtedly the most prominent specie in the quarry.

The most recent developments in mine restoration techniques involve the reuse of organic waste to form "technosoils". This technique is used to recreate reliefs like the originals, which are then covered with topsoil and replanted with native species.

One proof of this is the pair of Bonelli's eagles living there, which successfully breed every year, increasing the number of specimens of this species. Geologists, mining engineers and biologists of the quarry have been working for three decades to ensure that the pair continues to nest on the slopes of the southern face. They can be seen daily, living in harmony with the industrial activity.

Pollution reduction

In keeping with its environmental commitment, FCC strives to limit the impact of its activities on the environment. The Group therefore identifies potential sources of pollution and establishes measures to reduce their impact, while always considering compliance with the legal requirements established in the different countries in which it operates.

Air pollution (NOx, SOx, particulates)

Environmental Services

Main sources

- Waste management activities
- Use of the vehicle fleet.

Implemented measures

- Monitoring and traceability of biodegradable material sent to landfill.
- Dynamic route optimisation depending on the level of waste in the containers using sensors.
- Use of hydrogen vehicles.
- Reduction of km travelled on routes using spatial calculation programmes.

Water

Main sources

- Wastewater treatment plants
- Use of the vehicle fleet.

Implemented measures

- Compliance with legal requirements on atmospheric emissions.
- Design, in the different contracts, of environmental risk sheets, stipulating the preventive measures to be taken.
- A target has been set for 2030 to renew the fleet of passenger cars and light-duty vehicles with low-emission vehicles.

Infrastructures

Main sources

- Earthmoving or demolition activities.
- Movement of vehicles and machinery.

Implemented measures

- Spraying of water on roads to reduce particulate emissions.
- Speed monitoring of vehicles on site.
- Use of more modern machinery.

Cement

Main sources

- Use of clinker kilns in cement production.
- Use of machinery and vehicles.

Implemented measures

- Implementation of selective non-catalytic reduction techniques for NOx emission reduction.
- Installation of burners with associated low NOx emissions.
- Fuel metering control.
- Installation of sleeves and electrostatics to reduce concentrations in piped sources.
- Installation of filters in conveying and transfer of powder materials.
- Watering of tracks and paths.
- Use of sweepers and vacuum trucks to prevent diffuse emissions.

Real Estate

Main sources

- Use of boilers and air conditioning equipment.

Implemented measures

- Regular controls using analytical tests, monitoring compliance with the pertinent legislation in force.
- Installation of aerothermal systems instead of natural gas boilers in developments.





Control room of the cement factory in Mataporquera, Cantabria (Spain)

Spills and discharges

Environmental Services

Main sources

- Leachate generation.
- Discharges of wastewater resulting from carrying out the activity.

Implemented measures

- Establishment of a procedure for wastewater discharge control.
- Control and analysis of discharges to ensure compliance with environmental legislation.
- Monitoring of BOD5 and nitrogen concentrations in leachate.
- Installation of rainwater collection and diversion systems to prevent rainwater from coming into contact with waste.
- On-site treatment of leachate or, if unavoidable, transfer to authorised external waste managers.
- Installation of water and/or oil interceptors for spill prevention.

Water

Main sources

- Water discharges inherent to carrying out the activity.

Implemented measures

- Analytical control of discharges with in-house and external laboratories.
- Establishment of emergency plans to respond to accidental spills and/or discharges.

Infrastructures

Main sources

- Process wastewater generation.

Implemented measures

- Water quality monitoring.
- Installation of treatment plants.
- Implementation of a gutter washing area on site.
- Installation of decanting systems to remove suspended solids.
- Neutralisation of water pH with acids or CO_2.

Cement

Main sources

- Discharge of rainwater and sanitary sewage.
- Generation of leachate from stored material.

Implemented measures

- Installation of purification systems in quarries and factories to guarantee the quality of the discharge.
- Implementation of closed circuits for wastewater reuse.
- Storage of waste under roof, on concreted surfaces, and with retention bins.
- Compliance with regulatory inspections of tanks for hazardous substances, such as fuels.

Atmospheric emissions (T)[21]

	2020	2021	2022
NOx	11,801	10,395	10,269
SOx	1,218	1,237	1,501
Persistent organic pollutants (POPs)	–	–	44
Volatile Organic Compounds (VOCs)	306	256	320
Particulates (MP)	1,443	618	438
HCl	62	55	59
HF	2	3	2
Other emissions	–	–	265

Significant spills[22]

	2020	2021	2022
Total number of significant spills (No.)	18	33	28
Total volume of significant spills (m³)	23	54	21

Water discharges by destination (m³)

	2020	2021	2022
Surface water	1,954,567	1,144,552	1,436,279
Groundwater	75,832	9,080	78,225
Sea water	62,170	45,865	76,518
Third-party water (total): municipal network and treatment plants	1,481,451	2,962,241	1,932,895
Third-party water transferred for use by other organisations	–	–	15,673
Total	**3,574,020**	**4,161,737**	**3,539,590**

On the discharge data for 2021, the figures corresponding to third-party water were reclassified, as a result of the revision of the information.

Concerning to **noise pollution**, some of the Group's areas may generate noise or vibration nuisance in the environment. In this regard, waste collection operations, especially during the night, carried out by Environmental Services, the activities carried out in quarries by the Cement area or the execution of works by the Infrastructures business are particularly noteworthy. In all these cases, appropriate preventive measures are established, such as the acoustic insulation of machinery, the installation of anti-noise barriers or mobile screens, or the training and awareness-raising of personnel.

Additionally, measures have been taken to prevent **light pollution**, such as the installation of motion sensors to connect outdoor lighting and to consider the orientation and location of the lamps.



FCC Environmental Services 100% electric truck in Omaha (Nebraska, USA).

[21] The 2021 data were restated to reflect the revision of the figures provided by FCC Medio Ambiente Iberia.

[22] The volume of spills produced by the Water business is not included, as this data is not available, apart from the information referring to the water cycle management process.

People who work for people

Talent at FCC

The FCC Group has kept working to improve and develop policies with two objectives in 2022: firstly, **to have the best human resources** and, secondly, **to promote social commitments** to its teams and from them to society.

In this regard, issues such as the improvement of talent management, the promotion of diversity and equality, and the promotion of people's health and wellbeing continue to be the main pillars of the people management line of work. This is reflected in the Sustainability Policy, approved in April 2022.

The best teams

Promoting initiatives that enable staff **professional development**, means that foster their **continuous training**, generation of **diverse teams**, care for their **wellbeing** and adequate **compensation** are fundamental components of the FCC Group's quest to achieve the best teams and professionals.



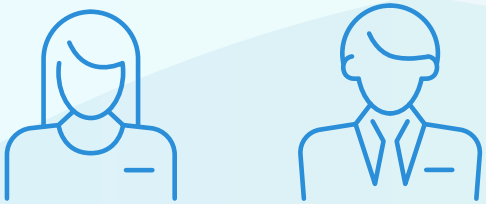
People at FCC

The FCC Group has a workforce of **64,799 people**, with a noteworthy **8.82% increase in the staff** in 2022 compared to the previous year. They are distributed as follows by gender and business area:

FCC also operates in **39 countries.** They are distributed by geographic area as follows:

More than **64,000 people** work in the FCC Group, in **39 countries**

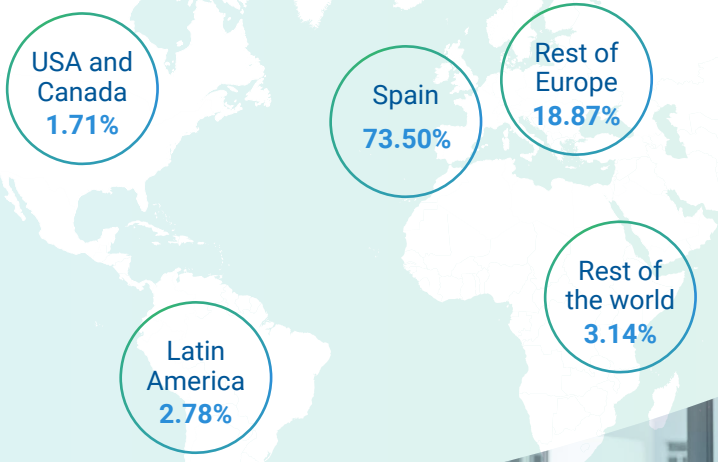
Workforce by gender



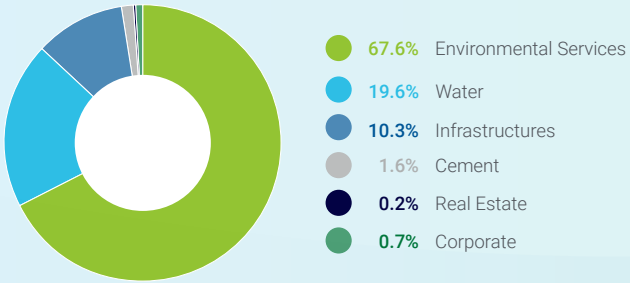
Women **22.7%**

Men **77.3%**

Workforce by geographic area



Workforce by business

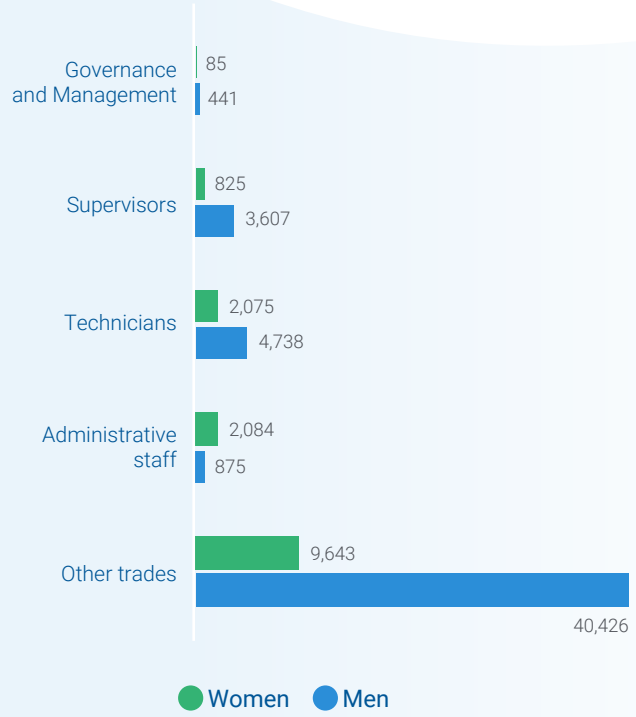




Organisational structure

The distribution by gender and functional level at the close of 2022 is shown below, highlighting that, in general, the number of women has increased at practically all levels compared to the previous year:

Distribution by gender and functional level



Hiring

Employment contracts are formalised according to the specific needs of each of the business areas' activities and are based on the type of contract that best suits them.

Of the total workforce, **53,827** employees have **permanent contracts** and **10,972** have **temporary contracts**, with the number of permanent contracts increasing by 21.35% compared to the previous year.

On average, 50,488 workers had permanent contracts and 12,742 had temporary contracts in 2022.

It is also important to note that the number of new hires has increased in 2022 compared to the previous year:

The number of **permanent contracts** has increased by **21.35%** compared to the previous year

	2021			2022		
	Men	Women	Total	Men	Women	Total
Governance and Management	22	9	31	14	3	17
Supervisors	246	44	290	282	68	350
Technicians	709	307	1,016	780	360	1,140
Administrative staff	104	362	466	123	309	432
Other trades	8,465	2,566	11,031	10,032	2,876	12,908
Total	**9,546**	**3,288**	**12,834**	**11,231**	**3,616**	**14,847**

Training and development

Training and development for all employees constitute one of the essential pillars of talent management and are key to addressing the needs and requirements that arise from the challenges to be faced in the development of the activities.

The FCC Group promotes different **training plans** adapted to the needs of the different business areas, and a **transversal plan** that includes the main and common axes thereof.

The following initiatives are particularly noteworthy within the framework of the above-mentioned plans:

Intricately linked to training, the FCC Group has specific programmes to promote the **development of talent and create opportunities for personal and professional growth**. These training programmes, together with the project to improve the **FCC Campus e-learning platform**, are designed to meet business-related training needs (upskilling) and enable the development of the new skills that will be required in the jobs of the future (reskilling), thereby increasing the versatility, satisfaction, and employability of FCC Group employees, including the following programmes:

Initiatives

- Training linked to the Compliance model, reflecting its consolidation in the Group.
- Digitalisation and cybersecurity, as essential focuses in the digital area.
- Reflection and awareness-raising on issues related to Diversity and Equality, and Sustainability as essential commitments of the Group.
- Health and wellbeing workshops.
- Development of competencies and skills necessary for interpersonal relations and people management (Individual and Team Coaching, etc.).

Training programmes

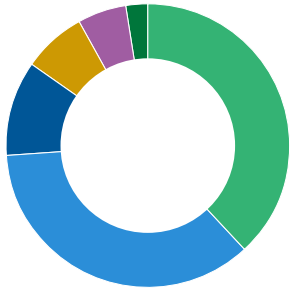
- The 5th Edition of the International Programme for Young Talents in the Infrastructures area, with a training that aims to promote the development of recent graduates to subsequently facilitate the filling of positions in international projects, with seven young talents participating in the programme in 2022.
- Executive skills development programmes for management and leadership levels, and development programmes for operation and service managers in the Environmental Services area.
- Training in the Leadership Model of the Water area to foster participatory, healthy, and inclusive leadership management.
- Individual Coaching programmes, for the development of executive skills, and Team Coaching, for the development of high-performance teams.
- Neuro-sales programme in the Cement area, geared towards developing neuro-skills related to sales, with the aim of complementing and broadening experience in negotiation.
- BIM master's degree applied to building and civil engineering in Infrastructures area, oriented towards learning the BIM methodology for the management of building and civil engineering projects through a 3D digital model of the project with all its physical and functional characteristics.

The data on **training hours** by functional level, business area and gender are broken down in the following table:

	Governance and Management		Supervisors		Technicians		Administrative staff		Other trades		Total 2022
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	
Environmental Services	2,287	581	13,378	3,714	9,777	6,384	1,748	4,463	149,000	26,460	217,792
Water	1,386	246	15,702	7,226	7,645	7,214	1,989	7,289	32,237	2,364	83,298
Infrastructures	1,172	347	6,331	1,121	19,873	7,614	815	1,358	29,124	205	67,960
Cement	392	60	892	131	2,302	308	477	257	3,806	117	8,742
Real Estate	58	76	34	14	412	32	18	20	2	0	666
Central Services	1,309	644	298	517	967	1,796	177	288	52	13	6,061
Subtotal Nacional	**6,604**	**1,954**	**36,635**	**12,723**	**40,976**	**23,348**	**5,224**	**13,675**	**214,221**	**29,159**	**384,519**
Environmental Services	2,394	950	18,156	5,585	17,411	7,914	2,092	4,602	56,076	3,603	118,782
Water	1,182	391	10,929	6,529	12,048	2,052	1,359	9,689	26,308	2,543	73,030
Infrastructures	886	167	4,147	1,063	9,019	2,022	1,041	1,241	2,476	102	22,164
Cement	154	0	450	109	624	24	96	10	308	27	1,802
International Subtotal	**4,616**	**1,508**	**33,682**	**13,286**	**39,102**	**12,012**	**4,588**	**15,542**	**85,168**	**6,275**	**215,778**
Total	**14,682**		**96,326**		**115,438**		**39,029**		**334,823**		**600,297**

The following results should also be highlighted with regard to the **training provided by knowledge areas** in 2022:

Training hours by area of knowledge



- 228,580 Health and Safety
- 216,243 Technical*
- 64,068 Languages
- 43,087 Skills
- 33,834 Diversity and Compliance**
- 14,485 Miscellaneous

(*) Technical: oriented to developing the technical and digital knowledge and skills of professional profiles and encompassed, but not limited to, the following knowledge areas: administration and finance, marketing and communication, business development, procurement, HR, and digital.

(**) Diversity and Compliance: actions aimed at strategic objectives of diversity and good corporate governance, and which brings together the following knowledge areas: equality, diversity, legal, compliance and social responsibility.

FCC Campus



*The **FCC Corporate University consolidated its position as a global benchmark** for continuous and agile learning in 2022 and has made it possible to meet training needs both online and in person in a virtual classroom. It was thus able to cover the periods when the pandemic still meant that personal contacts had to be reduced, increasing the possibilities of disseminating and attending each training event. In fact, by the end of 2022, a total of 87 online training pills were launched in 210 calls nationally and internationally.*

The Campus provided relevant training activities in 2022, such as **"Let's Talk about Equality"**, aimed at creating a space for reflection on equality in the company, which was attended by 4,802 employees. Similarly, the training on the **Code of Ethics and Conduct**, developed in the specific edition called "Ethmor el Escudo" (Ethmor the Shield), was significant, training 7,351 employees through a new aesthetic and approach. This ratifies the commitment to comply with the Code of Ethics.

Cybersecurity training was also provided with a view to creating a culture of security at FCC and laying the foundations for protection (not only of confidential information of the FCC Group, but also its clients and suppliers), with the participation of 7,560 workers. **Sustainability** training was also launched late in the year to internally promote the Group's objectives in this matter and, as of 31 December, 3,182 employees had participated.











Additionally, the **OnBoarding Programme** for digital users in Spain through Campus allows new recruits to learn the fundamentals of the Group and its businesses, as well as to take all the key training courses that will help them adapt to the company.

A new development phase began in 2022 on the FCC Campus e-learning platform, which will optimise the development, management, and monitoring of the programme. The FCC Group continues improving the digitalisation of the employee experience in order to boost talent.

While Campus brought a more modern graphic look and feel to its Home to improve student experience in 2022, the plan for 2023 also includes digitalising internal content developed by FCC experts, further improving in user experience and the blended methodology. All of this with the aim of maintaining a commitment to quality training content that adds value, positioning Campus as a benchmark in the space of continuous learning for the FCC Group, which can evolve to meet the challenges that the future has in store.

Salary policy

FCC remunerates its employees in accordance with criteria of sector and geographical **competitiveness,** internal **equity**, and level of **responsibility**.

FCC operates in a wide range of production sectors (construction, water, cement, concessions, services, and real estate) in 39 countries and, in general, the remuneration of its employees is subject to the applicable collective bargaining agreements (**over 900 agreements** of different scope in Spain in 2022).

The averag[23] remuneration of the executive team is €130,789.10, broken down by gender as follows: average remuneration for women: €99,161.75; and average remuneration for men: €136,595.09.

The executive team includes both senior management (reporting directly to the CEO) and people who hold positions of management and responsibility in the FCC Group.

The FCC Group has worked and developed, and continues to do so, the necessary tools to comply with the legal provisions regarding the recording and auditing of remuneration, as a result of the Group's firm commitment to equal opportunities and with the aim of effectively serving the principle of transparency in remuneration.

Wage gap

FCC's remuneration management is based on the criteria of **objectivity, external competitiveness, and internal equity**. FCC does not differentiate by gender, so that remuneration is equitable according to the level of contribution to the business (functional level) and the level of responsibility and value in each job position.

In the calculation of the pay gap in Spain, two types are considered, gross and adjusted. The figure below shows the results in business year 2022:



Gross wage gap

22.38%

Calculated as the percentage difference between the median of total salary for men and women.

Adjusted wage gap

4.25%

Calculated by considering those aspects that compare men and women in a similar situation, such as gender, functional level, seniority, applicable collective bargaining agreement, etc.

In any case, it should be noted that the percentage difference is not indicative of gender pay discrimination, as there are factors outside the Company's scope of action that contribute significantly to increasing the gender pay gap. These include the masculinisation of most of the sectors in which the Group operates, working conditions arising from subrogation, individual performance, economic crises, political situation, socio-cultural reasons, academic training and experience in the position held.

With regard to the salary gap in the rest of the countries in which FCC operates, in most of them there is no definition nor a specific concept of gap. However, the **UK** does have consolidated legislation on pay gap matters, with the two companies in the **Environmental Services area having a 0% wage gap** in both cases.

Variable remuneration

The FCC Group's variable remuneration system considers criteria related to **business objectives** and the fulfilment of **individual goals**, linking personal performance with the business project and the Group's culture of compliance.

In 2022, 81.15% of people at executive and middle-management levels have benefited from the FCC bonus.

[23] Including variable remuneration, allowances, indemnities and payments to long-term savings pension systems.

Diversity and equality

FCC believes that managing diversity and equality is a business, social, ethical, and legal imperative, which adapts to the needs of the market itself, the society of which it is a part and the culture in which it lives. The FCC Group is committed to achieving the Sustainable Development Goals (SDGs) outlined in the United Nations 2030 Agenda, and this space is a clear commitment to making a direct contribution to SDG 5 'Gender Equality'; SDG 8 'Decent work and economic growth'; and SDG 10 'Reduced inequalities'. The FCC Group also joined the commemoration of **European Diversity Month** in 2022, recalling the company's motivation to continue making progress in the creation of inclusive work environments.

In recognition of the work carried out in this area, and particularly from the perspective of awareness-raising and sensitisation, FCC received the **Best Practice Award for Cultural Transformation in Diversity and Inclusion** in 2022 for the You_diversity project. Granted by the Adecco Foundation and the Excelencia en Sostenibilidad Club in the 5th Edition of the Diversity and Inclusion Awards, these awards are organised every year by both entities to recognise business work in the management of corporate diversity, the design of equity and equality policies and the initiatives to promote social and labour inclusion.

On November 16, FCC joined the Diversity Foundation campaign to commemorate the **International Day of Tolerance**



FCC has received the Best Practice Award for Cultural Transformation in Diversity and Inclusion by the Adecco Foundation and the Excelencia en Sostenibilidad Club in the 5th Edition of the Diversity and Inclusion Diversity and Inclusion Awards in recognition of business work in the management of corporate diversity, the design of corporate diversity, the design of equity and equality policies and the initiatives to promote social and labour inclusion.

you_*diversity*

This space is used for training and dissemination activities, campaigns and events related to equality and diversity, both for the Group and the different business areas, as well as for partnering entities and institutions.

It was conceived with the aim of bringing together the Group's values and commitments to equality and diversity, which encourages the participation of all the people who form part of the FCC Group, through collaboration and synergy.

Hosted on the company's intranet, it is also available to all employees on the FCC360 App and is designed to encourage and promote the transformation of the corporate culture in terms of equality, diversity, and inclusion.



FCC also maintains its adherence to the **Spanish Diversity Charter** for the period 2021-2023, renewed from previous occasions, in recognition of its equality policies and its commitment to social inclusion, as well as for being an increasingly diverse and socially responsible company that promotes actions and projects to foster inclusion and equality through employment.

In terms of **gender equality**, FCC firmly believes that the principle of equal opportunities is an unwavering commitment to action, as set out in its Code of Ethics and Conduct and in each of its Equality Plans in Spain. The Equality Plan in force in the United Kingdom is also noteworthy.

The FCC Group currently has **12 Equality Plans**, four of which are Group Equality Plans. All these plans encompass lines of action, including the following common ones:

- Promoting the incorporation of women in positions where they are under-represented.
- Development of measures to raise awareness and sensitise the staff about personal and family co-responsibility matters.
- Use of non-sexist language and communication in the company's internal communication channels and documentation.
- Training and sensitising staff on gender-based violence and carrying out collaborative actions in campaigns against gender-based violence.

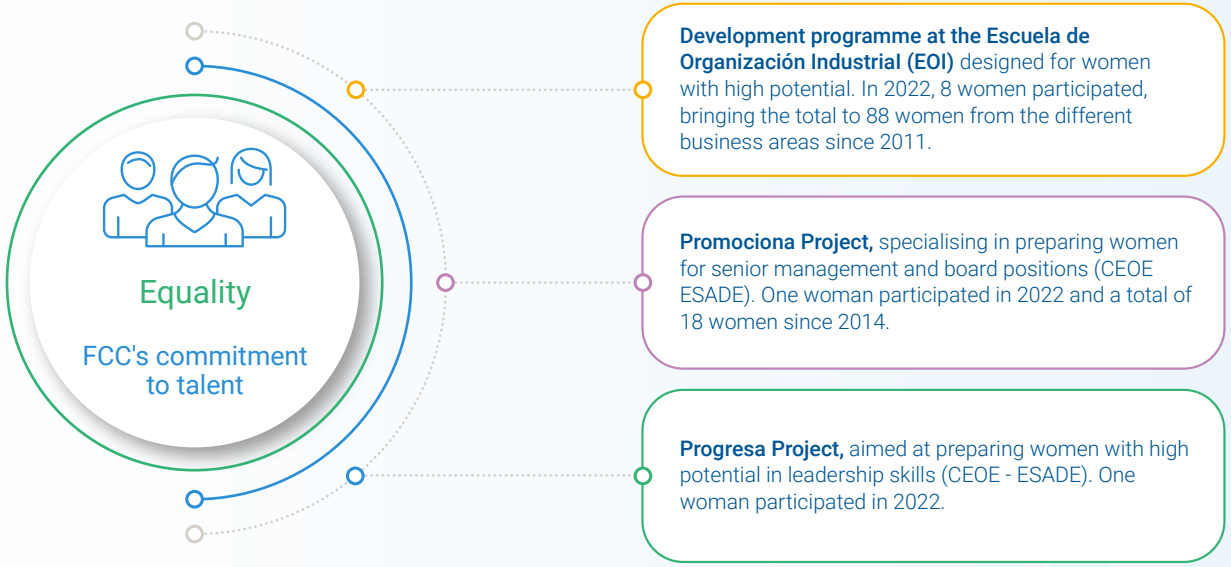
Throughout 2022 and given that Equality is a permanent item on the Group's agenda, the implementation of the negotiated Equality Plans and the negotiation of two remaining Plans that complete the framework of Equality Plans in FCC has continued.

The FCC Group's **Code of Ethics and Conduct** also promotes, as an essential principle, the creation of a fair and diverse working environment that favours the professional and personal development of its employees, also stating that selection and promotion decisions in the FCC Group are always based on merit and on objective and transparent assessments.

All business area heads were recognised and periodically renew the **Equality in the Workplace Seal**, a mark of excellence awarded by the Ministry with the Equality portfolio, with the Group currently having five Distinctives.

Accordingly, the FCC Group develops and participates in training programmes aimed at creating an enriching working environment, free of discrimination of any kind and favouring diversity, including, most notably, the following two initiatives for the **training and development of women in management positions**.

you_diversity





In addition to the transversal programmes, various initiatives have been developed with the aim of recruiting the best talent, irrespective of gender.

In terms of awareness-raising and sensitisation actions, FCC is once again joining in the celebration of **International Women's Day**, in a commitment to equality. This year, FCC also wanted to vindicate its rejection of any kind of discrimination, highlighting and supporting diverse, inclusive, and authentic companies, such as FCC, where commitment to equality and diversity are signs of identity as well as one of its fundamental pillars.

Reflecting the FCC Group's commitment to the promotion of women, at the close of 2022 **the percentage of women in management positions increased** with respect to 2021, reaching 16.2% of the total number of such positions.

On the other hand, the FCC Group is particularly committed to the **fight against gender-based violence** in all its facets, and it does so through zero tolerance of this violence, and by disseminating and raising awareness of it, as well as promoting the social and professional integration of the victims.

To this end, the Group maintains close collaboration with the network of **"Companies for a Gender-Violence Free Society"** in its work to disseminate and raise awareness, as well as to support the employment of women who suffer from this scourge, having signed agreements in 2022 to promote social sensitisation and awareness against gender violence within the framework of this initiative. It also actively collaborates with several foundations and entities to promote labour insertion and integration of victims, such as Incorpora Foundation (La Caixa), Adecco Foundation, Once Foundation, and Red Cross.

In this line, every 25 November, for the **International Day for the Elimination of Violence against Women**, the FCC Group makes calls both inside and outside the company, launching information and awareness-raising actions in workplaces to remind people that the company stands firmly in favour of eradicating this type of violence.



Event to commemorate the International Day for the Elimination of Violence against Women

FCC gives the **award** to the **016 Service** provided by the Government Delegation **against Gender Violence**

As part of this fight against gender violence, and on the occasion of this international day, for the fifth consecutive year, the FCC Group wanted to award and recognise the work carried out by the organisations and associations that fight against gender violence and care for and are concerned of the women who are victims of this social scourge. This 2022 **FCC gave an award to the 016 Service** provided by the Government Delegation against Gender Violence, for the legal advice and immediate psychosocial care provided by specialised personnel for all forms of violence against women and dedicated the event to the dissemination of the relevant work it carries out.

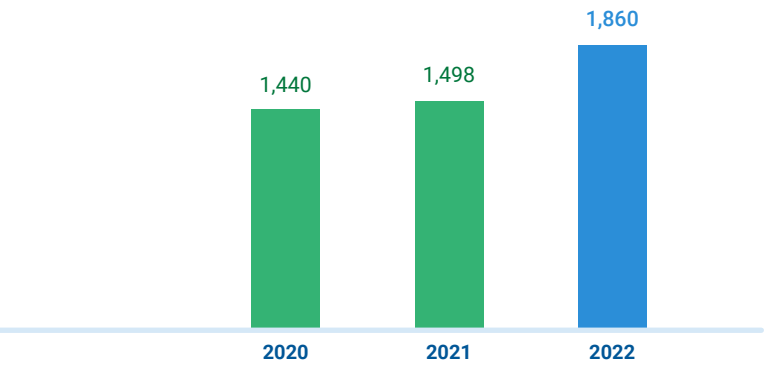
FCC's commitment to diversity, equality, inclusion in the workplace and promotion of a real culture of respect, tolerance and fairness governs the development of the activities of all businesses.

Thus, different areas of the Group are part of initiatives and organisations linked to promoting safe and respectful work environments in which talent is valued regardless of its **identity, gender expression and sexual orientation**, such as REDI, the Asociación Red Empresarial por la Diversidad e Inclusión LGTBI (Business Network Association for LGTBI Diversity and Inclusion).

FCC also undertakes various actions and strategies in the area of diversity and inclusion in the workplace for **people with disabilities and anyone belonging to vulnerable groups**.

In 2022, the number of employees with a recognised disability in the FCC Group increased with respect to the previous year, reaching 1,860 in Spain. As shown below, the growth trend of the last three years is consolidating:

Evolution of workers with disabilities



The Group actively collaborates with specialist organisations that advise on management of **recruitment and labour support for people with disabilities**. The main organisations with which there is collaboration in Spain are the following:

Inserta Programme

ONCE Foundation

FCC backs different projects and promotes social and labour inclusion through workshops, training courses and other actions, such as awareness campaigns.

Incorpora Foundation

La Caixa

Environmental Services has a collaboration agreement with Incorpora for the integration of groups with greater difficulties in finding employment.

Plan Familia

Adecco

Action programme present in Infrastructures, Cement and Water, focused on increasing the autonomy, integration and subsequent access to the labour market of family members with disabilities.

Síndrome Down

Foundation

Aqualia has an agreement with the Foundation for the incorporation of workers with intellectual disabilities into its workforce.

Reciclar Vidas

Ecoembes

Environmental Services has been collaborating with the insertion programme for people disconnected from the world of work (social sustainability).

Día Internacional de las **Personas con Discapacidad**

3 DE DICIEMBRE

This year, on 3 December, FCC once again joined in the celebrations for the **International Day of Persons with Disabilities** to remind people that it maintains and reinforces its commitment to this group on a daily basis. FCC is also firmly committed to being an increasingly diverse and socially responsible company, promoting actions and projects to foster inclusion and equality through employment.

Likewise, in 2022 and with a view to contributing to the labour integration of **particularly vulnerable groups at risk of social exclusion** (such as recipients of minimum insertion income, young people from institutions for the protection of minors and people from alternative accommodation centres or other authorised prevention and social insertion services), a total of 146 workers belonging to this group were hired.

FCC is aware that **accessibility** is a key factor for the social inclusion of people with disabilities. Proof of this is that the FCC Group's website is certified for Accessible Website Products by Aenor, and the necessary studies are being carried out to secure UNE 170001 Certification for Universal Accessibility, which demonstrate that the company guarantees access and universally accessible services in its corporate buildings.

In addition, each year, one of the company's main challenges focuses on designing solutions that favour the creation of a working environment free of obstacles and barriers, guaranteeing the full participation and integration of all the Group's people, regardless of their abilities. FCC has thus launched the **"Disability Awareness"** training action in 2022, aimed at those people in the company who have a direct connection with the maintenance of the facilities and with the care of people with disabilities. This initiative intends to raise awareness of the concepts of disability and accessibility, and the ideas of equal opportunities, rights, and non-discrimination, thus generating an increasingly inclusive society, with a special focus on communication.

Finally, as a complement to the whistleblowing channel covered in the Code of Ethics and Conduct, the Group has a **Protocol for the Prevention and Eradication of Harassment**, which was revised and approved in 2020, and which aims to prevent, resolve and punish cases of workplace, sexual or gender-based harassment, thus reflecting the commitment of the FCC Group, which does not tolerate the abuse of authority or any type of harassment, or any other conduct that may generate an intimidating, offensive or hostile working environment for employees.

This mandatory protocol includes a statement of principles, a definition of harassment, a procedure for dealing with harassment, a guarantee of confidentiality of the process, and a prohibition of retaliation.



La caza de sombras (Shadow hunting)

Find out what to do in case of cyberbullying.

This training was designed to raise awareness of cyberbullying and to inform about the means by which it can occur and how to act in the event of cyberbullying.

As part of the Group's commitment to prevent workplace bullying and promote respectful working environments in which dialogue and organisational and professional development prevail, and in addition to the training courses that in previous years were dedicated to the detection and eradication of harassment or the management of interpersonal conflicts, a training on **Cyberbullying** was launched at the end of 2022, thus extending its commitments and adapting them to current situations and the use of technology.

Digitisation and data management

The FCC Group continues to advance in a strategy that allows it, through **new technological tools**, to improve its results and present a greater optimisation of all existing resources.

The **Data Boutique** has been consolidating its position as a tool and platform for information management throughout 2022. In this regard, improvements have been made to the reports with which it was initially launched, and new projects have already been initiated to broaden its scope of action and with the aim of covering **new metrics for people management** and moving towards increasingly advanced analyses, guided, in any case, by the purpose of providing support in decision-making.

In the same line of work, the Group began implementing **SuccessFactors** (a new global human resources information system) in 2022, which will improve **access** to its employees' **data**, contributing to the **standardisation of processes** based on reliable, consolidated, and accessible online data, which will also **improve the user experience**.



Staffing data

Non-financial report

Equality diagnosis

Disability report

Recruitment

Dialogue

Social dialogue

FCC understands the need for social dialogue to establish a link with its workers, which is materialised in **dialogue with the teams, the legal representatives of the workers, trade unions and other social agents**. The aim is not only to promote agreements through **collective bargaining**, but also to ensure that the various collective processes are carried out in a transparent manner, setting up monitoring committees and providing workers and their representatives with all the necessary information.

Social dialogue is thus an essential instrument that promotes consultation and collective bargaining among FCC Group employees. Accordingly, it not only enables the **achievement of collective bargaining agreements** of general interest embodied, among others, in the subscription of the different Equality Plans, compacts, and collective bargaining agreements of different scopes, but also to **know the concerns of its staff**, as well as to **disseminate the objectives of decisions** with a direct impact on it.

The FCC Group also considers it essential to maintain an adequate network of communication and participation with the social partners in preventive matters, through the **Health and Safety Committee or equivalent bodies** established for this purpose, in aspects such as monitoring the planning of preventive measures, accident rates and absenteeism due to illness, emergency measures, health promotion actions, etc.

As for the percentage of employees covered by collective bargaining agreements, this varies depending on the applicable legislation, the existence of a collective bargaining agreement and even employee representation, considering in all cases the commitment to comply with the applicable legislation and/or collective regulations. In Spain, 100% FCC Group employees are covered by a collective bargaining agreement. In countries where there is no conventional regulatory framework, the employment relationship of workers is governed by the pertinent legislation in force.

The **percentage of employees covered by collective bargaining agreements** for the different countries where the FCC Group operates is shown in Annexes, Additional tables section, **"Social and personnel tables"**.

Procedures for informing and consulting staff, as well as notice periods for operational changes, vary depending on the country and applicable regulations, and also on the significance of such changes. Notice periods usually vary between one week and one month.

The company is a member of **Building and Woodworkers Internationa**l (BWI), which covers all construction sites in the sectors where it is active.

In 2022, the areas had a presence at a large number of bargaining tables for collective and work centre agreements, and they actively participated in **collective bargaining for the sector.**

Occupational health and safety in collective bargaining agreements

In a great number of collective agreements that are applicable in Spain, there is special mention for occupational health and safety in its broadest sense. The following are the clauses most frequently included in collective agreements signed with regard to occupational health and safety:



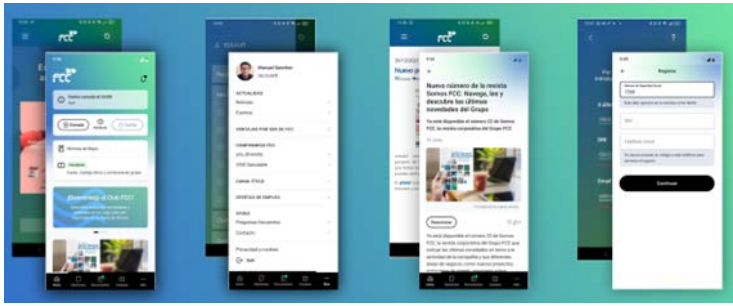
Communication with workers

FCC's internal communication is a key element in strategic management and in the development of dialogue with all employees and their legal representatives and the achievement of their commitment to the business project.

In this regard, transparency and agile and truthful information constitute two essential elements for the achievement of these objectives, for which work is carried out on **different channels, such as websites, portals, App's, Somos FCC digital magazine, posters,** etc., and, in terms of content, the aim is to share strategic objectives.

Throughout 2022, and after launching the FCC Group app **FCC360**, work was carried out on a specific project to develop this application in order to deliver the payroll, the personal income tax certificate, the training proposal, and to inform all employees in Spain of the Group's milestones. This was carried out through a user-centred design methodology, making it possible to orient the app to the specific needs of each worker profile, whilst also adapting it to the needs of the Group's different business areas.

In 2022, **35,581 workers are active users of the FCC360 App**. This is particularly relevant considering that 78% of the Group's employees are not digital users in their daily work.



FCC's **internal communication** is a key element in **strategic management** and in the **development of dialogue** with all **employees**

Worker engagement

FCC continued its commitment to innovation as a strength and as one of the Group's value creation levers in 2022. In this regard, the Group held an innovation day driven by its **"Digital Innovation Lab"** (DI_Lab), a forum for sharing knowledge and developing ideas, with a view to improving the efficiency of the company's processes through digital transformation, adding value to businesses, and improving agility in identifying and understanding current and future challenges in the digital world. During this event, employees were given the chance to propose their digital transformation initiatives, focused on improving the efficiency of the company's processes, with the best alternative receiving an award.

The training activities of the **"Digital Innovation Lab Team Programme"** for cross-cutting teams should also be highlighted, with the following objectives: identifying and activating specific challenges linked to innovation, in addition to raising awareness of, and practising agile methodologies as new ways of approaching improvement and innovation projects.

Moreover, new communication channels keep opening up through **opinion surveys**, which help the Group gauge the impact of the initiatives or training actions launched in almost real time. It is about being sensitive, testing initiatives and identifying opportunities for improvement.



Innovation Day promoted by Digital Innovation Lab (DI_Lab), in Las Tablas, Madrid (Spain).

Health, safety, and wellbeing

Strategy and culture

The FCC Group's principles of action in matters of occupational health, safety, and wellbeing revolve around maintaining real and effective integration in all its decisions and activities; involving the network of collaborators, contractors and suppliers in the preventive culture; and ensuring a system of continuous improvement of working conditions to increase safety standards, on the basis of obtaining and maintaining health and safety certifications in accordance with the most demanding international standards, such as **ISO 45001**.

Another essential element relates to setting up the needed controls and guarantees to ensure that all decisions **necessarily comply with the legal framework and the internal regulations** of each Group company on this matter.

Finally, furthering people's health and wellbeing through specific policies aimed at promoting **healthy working environments** and increasing individual capacity to maintain and improve physical and emotional health and quality of life is another essential axis that closes the circle of these principles.

The FCC Group, from its Code of Ethics and Conduct, urges to guarantee safe working environments with the permanent objective of avoiding any damage to health, and to commit to being a healthy company.

Changes in the main indexes

There were **2,182 occupational accidents with sick leave** in the FCC Group in 2022, of which 1,841 involved men and 341 involved women.

In 2022, the overall accident **frequency rate** stands at **21.78** and the **severity rate** at **0.90**. These markers[24] also remain well below the equivalent indices published by the Ministry of Labour for each sector of activity.

Trends in the main accident and absenteeism rates are shown in Annexes, Additional tables section, **"Social and personnel tables"**.

In 2022, the overall accident frequency rate and the severity rate **remain well below** the equivalent indices published by the Ministry of Labour for each sector of activity

[24] Frequency and severity rates are calculated over 1,000,000 and 1,000 hours worked, respectively.



Health and safety and RD&I integration

One of the mainstays was the implementation of **programmes to improve health and wellbeing**, which contribute to the reduction of absenteeism from work and common illnesses, supported by the general managements, and which have been coordinated through regular meetings at different decision-making levels, from the contracts and production centres themselves to the general management.

Of the specific measures taken, actions and programmes for the **prevention of musculoskeletal disorders** have been particularly developed. Some of the more notable ones are:

- Back schools for stretching at the start of the working day.
- Practical sessions with external expert advice to minimise the risk of musculoskeletal problems and to increase education on musculoskeletal issues from a neurophysiological point of view.
- Design and use of ergonomic devices and equipment.

Another relevant aspect has been the consolidation in the improvement of the **contractor control processes** in health and safety matters, with the full implementation of the inclusion of essential management and accidentability requirements, validated by those responsible for prevention designated by the business areas, within the supplier approval process managed by the corporate purchasing department.

Some of the actions carried out in the **Environmental Services area** include further and more effective investigations of accidents and detection of deviations that could affect the whole, as well as increased coordination between the different departments: production, machinery, studies, purchasing, ORP and HR.

In the **Water area**, the progressive improvement of the indicators that measure proactive actions integrated into health and safety has continued in 2022, such as management walkarounds (safety visits by management) and safety talks (conversations between managers and workers about safety), essential tools for integrating prevention at all levels.

The **Infrastructures area** is participating in the implementation of the PRACAN project in the field of occupational health research, a national collaborative project with public funding to improve occupational risk prevention in construction environments through the development of an innovative active robotic platform for the identification, control, and monitoring of the risks of carcinogenic agents. Starting in 2022, the project's specific objectives relate to the access and development of different mobile nodes for risk identification and a decision-making software, as well as protocols for action, and the study and definition of different identifiers concerning asbestos and its aspiration.

Finally, the **Cement area** renewed the ISO 45001 certification of its management system in Spain in 2022, reflecting the guarantee and strength of the health and safety management implemented in all its factories.

LIVE Healthy Movement

Emotional wellbeing

Within the framework of the promotion of holistic health and healthy lifestyle habits among the working population, one of the main concerns during 2022 remained the **care of mental and emotional wellbeing** in the current context of change and uncertainty. A number of different initiatives were carried out with different scopes:

- **Training and awareness-raising activities** on psycho-emotional wellbeing and quality of life at work improvement, covering topics such as: emotional control, emotional intelligence, dealing with uncertainty and change management, self-confidence, stress management and productivity.

- Collaboration in the development of **MentallyPro**, a pioneering research and innovation project for **psycho-emotional healthcare** at work.

- **Digital wellbeing information resources,** such as digital disconnect recommendations.



Resources for promoting health and healthy lifestyles

There were several resources implemented during 2022 to promote health and the creation of healthy habits among the workforce, such as registrations for popular races and participation in sports leagues, workshops and training on postural hygiene, and improvements to facilities.

LIVE Healthy Awards

Actions that highlight and recognise the work carried out in the organisation in the field of occupational risk prevention and health promotion are considered essential in the FCC Group, to strengthen the culture of prevention and health, and to stimulate the development of good practices and the use of internal knowledge.

In 2022, the FCC Group held the **5th Edition of its LIVE Healthy Awards** (Premios VIVE Saludable), granted by an assessment committee made up of members of the management of the different business areas, external persons belonging to benchmark organisations in the field, and representatives of trade union organisations.

The winning entries were selected from a pool of nearly **40 proposals from all the organisation's geographical and business areas**. The awards were given to initiatives or actions carried out by FCC departments, teams, business areas or individuals that contribute to strengthening the culture of prevention and the promotion of health and wellbeing in the workplace.

live healthy

The awards were divided into three categories:

- **Occupational risk prevention:** It recognises the commitment with proven effectiveness in the management of occupational risk prevention, as evidenced by the following: significant milestones, processes implemented, innovative technical measures, entrepreneurial initiatives, and any other action towards the control of risks at work and the improvement of safety conditions. This award went to initiatives such as the design and implementation of motorised street cleaning trolleys, LED lighting in visitable sewer galleries and the demolition of beams, pillars, and slabs by remote-controlled robot.

- **Promoting health and wellbeing:** This category recognises work towards the promotion of healthy values, habits, and practices, the contribution in preserving and improving people's health and wellbeing, and the search of innovative alternatives for a healthier working environment. This prize went to initiatives such as the implementation of a protocol for the management of health, wellbeing and especially the adaptation of workstations for particularly sensitive and older workers, programmes to improve ergonomics based on the design of an exercise plan at work and the prevention of musculoskeletal disorders, and a project on emotional wellbeing in the context of COVID-19.

- **Personnel record:** This is a professional recognition of workers who have made an outstanding contribution to the improvement of health and safety at work in their area of responsibility.

Community relations and participation

The FCC Group engages with influential agents at the community level in the field of health and wellbeing, with the aim of contributing and being enriched in a joint collaboration and participating in the advances, improvements and new trends that are taking place. For instance, the FCC Group is a member of **AESPLA** (Asociación Española de Servicios de Prevención Laboral) and participates in the different actions the association carries out. It also has collaboration agreements in this area with organisations such as **Fundación MAPFRE** (promotion of health in the workplace).

FCC Medical Services

The constant efforts and criteria developed by the FCC Group have made it possible to see through the Medical Services how employees have a better and greater health culture, which translates into an improvement in the results of the clinical examinations carried out, as well as in the concern awakened regarding all kinds of activities related to the promotion of a healthy life.

FCC's Medical Services provide support to the different organisational units in the implementation of health promotion actions and in the maintenance of healthy company management models. **A total of 17,699 health checks were performed** this year alone.

More specifically, in the past year 2022, the actions of the Medical Services in the field of health promotion have been oriented towards two fundamental objectives:

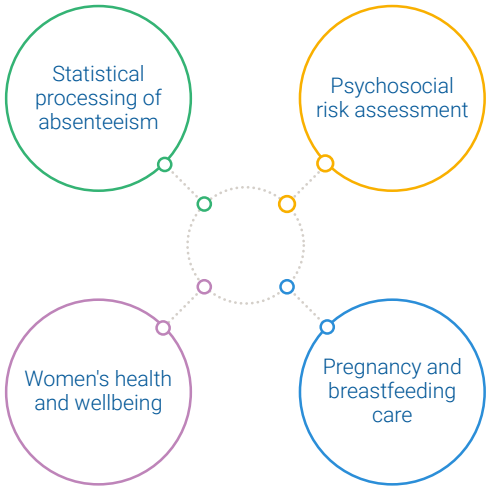
- **Healthy eating**, especially for overweight workers.
- **Smoking reduction**.

Actions have also been carried out, for example, to promote dental health and raise awareness of **breast cancer**.

In addition to these specific actions, the medical check-ups **provide guidance on the risk factors** that workers may have, such as hypertension, diabetes, or a sedentary lifestyle, among others, advising in all cases and directing them to their family doctor for the relevant follow-ups.

Gender perspective in health and safety

Considerable progress was made in 2022 in the inclusion of the gender perspective in occupational health and safety management in the FCC Group, working mainly in the following **four areas**, thus developing, in turn, the approaches reflected in the equality plans subscribed to in the organisation:



The **training and awareness-raising** actions include the ones that cover aspects with a **gender focus**

In the **statistical processing of absenteeism**, in addition to the disaggregation of the main indicators of absenteeism and health by gender, work has been done on the characterisation of accident rates and occupational illnesses by job, differentiating by gender, and looking in depth at the differences in the typology of specialised health care for common illnesses between men and women.

Psychosocial risk assessments with results and risk levels disaggregated by gender were also reviewed.

The different **training and awareness-raising** actions carried out in the field of health and wellbeing include the ones that cover aspects with a gender focus, such as workshops and health seminars on breast cancer.

Finally, regarding the care and protection of **pregnancy and breastfeeding**, the specific risk control measures for jobs occupied by pregnant or breastfeeding women are periodically screened by the Medical Service. Workplaces with a high level of occupancy also have equipped breastfeeding rooms to cover the specific needs that may arise during this stage.

Organisational culture

The **organisation of working time** in the different companies of the FCC Group responds to the production needs of each activity, in accordance with the standards and regulations applicable in each sector and location.

The FCC Group considers the appropriate management of the organisation of work to be fundamental to guarantee the **well-being of its employees** and has various initiatives in place to achieve this objective. The Group places special emphasis on work-life balance, flexibility, co-responsibility, and disconnection, which are adapted to the different realities and organisational or productive needs of each centre, function, or activity, in which regard the following are particularly noteworthy:

- Flexible working hours and holiday entitlement.
- Leaves to attend to personal and family matters.
- Early-out workdays during summer periods and Fridays.
- Extension of baby nursing leave, reduction of working hours and leave of absence.
- Improved permissions: illness and death.
- Extension in reserving the position: leave of absence.

Work-life balance

The creation of a healthy working environment that promotes the quality of life of its employees and particularly in terms of **work-life balance**, has become a priority objective for action for FCC. Accordingly, the search for the right balance between the professional and personal lives of its employees materialised in 2022 by promoting measures such as the ones listed below, most of which were agreed in the Equality Plans signed within the FCC Group:

- Prioritising meetings during the working day
- Enhancing the use of videoconferencing as a meeting channel
- Developing awareness-raising campaigns and actions on work-life balance and sharing of responsibilities between women and men.
- Raising awareness of work-life balance rights and the use of parental leave among men.

Digital disconnection

The Group has a **Policy on the Use of Technological Equipment**, which recognises and guarantees the right to disconnect from the digital world for employees, adapting it to the nature and characteristics of each job. In this regard, awareness-raising actions on this issue are continuous and regular.



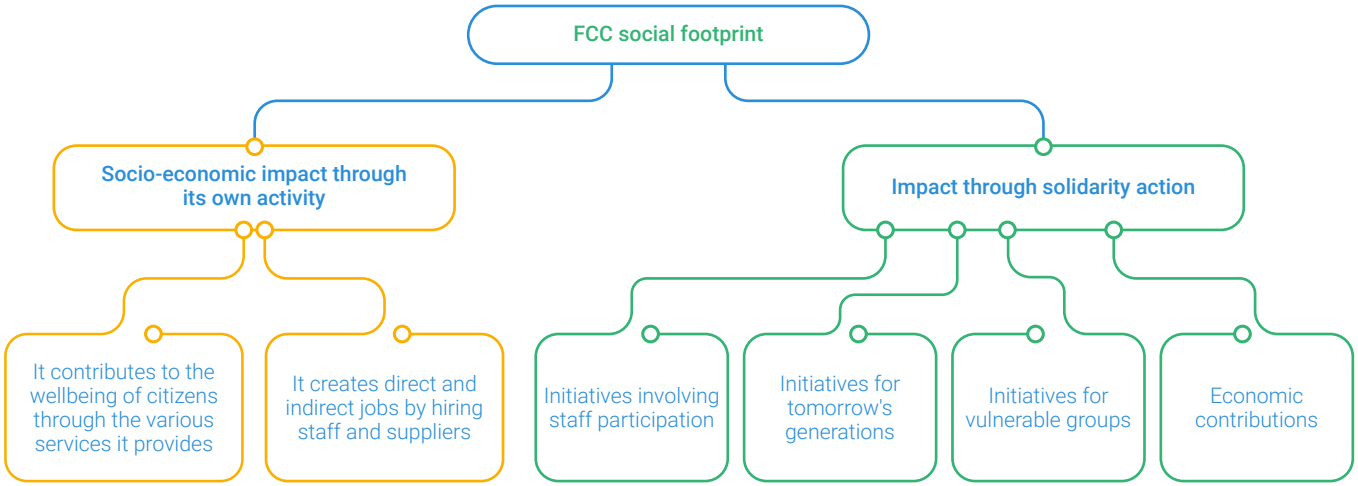
Social footprint

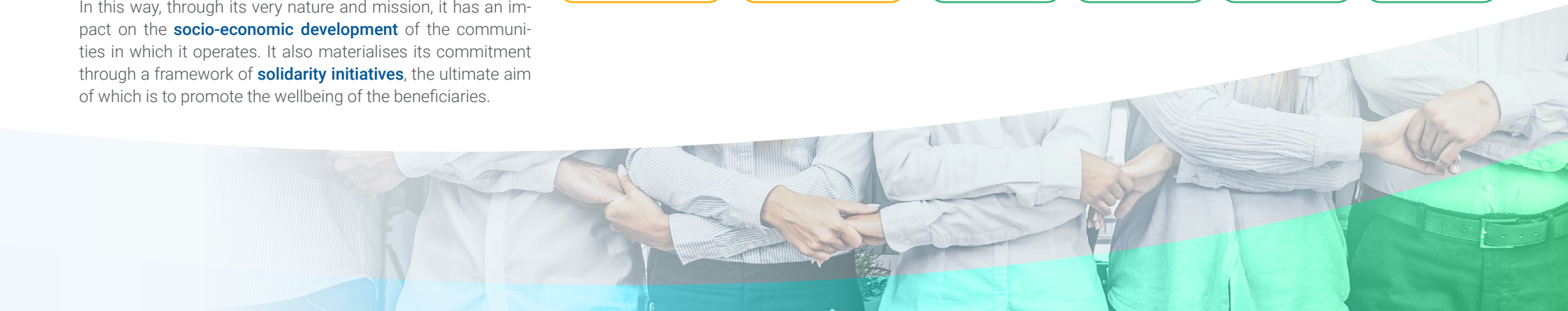
Solidarity contribution

In recent years, the global social scene has undergone major transformations at great speed. High unemployment rates and the loss of purchasing power in households are the direct consequences of the crises that have occurred, increasing the percentage of the population at risk of exclusion. In response to this, society has begun to call for greater commitment from companies, demanding their support for causes that go beyond economic ends and contribute real value to the territories in which they operate.

Through the application of the **Sustainability Policy** and based on its corporate culture, shared by all its members, the FCC Group understands the value that its products and services contribute to society, and is committed to promoting the development and wellbeing of communities.

In this way, through its very nature and mission, it has an impact on the **socio-economic development** of the communities in which it operates. It also materialises its commitment through a framework of **solidarity initiatives**, the ultimate aim of which is to promote the wellbeing of the beneficiaries.





Activity at the service of communities

The Group carries out **activities that are essential for the development and operation of cities**, including the supply of basic resources such as water, cleaning and maintenance services, the construction of buildings and infrastructures, etc. FCC's products and services therefore contribute value to society since they directly impact on the wellbeing of citizens.

Consequently, the constant search for the best technical solutions to optimise production and service provision generates a significant social and environmental impact on the communities where it operates.

Likewise, driving progress means being aware of citizens' demands and concerns. For this reason, the Group's different business areas have implemented different **communication channels**, according to their specific characteristics. The FCC Group thus works in sync with the needs and expectations of the communities, favouring understanding, connection, and continuous communication.

In addition to the social contribution generated by the Group through the products and services it offers, FCC contributes to the development of the communities in which it operates by **creating direct and indirect jobs for its inhabitants**. In particular, the activity of the different businesses that make up FCC directly generates jobs necessary for running its operations, while, indirectly, through the hiring of suppliers and contractors.

In particular, the Group is especially interested in contracting local suppliers because, in addition to reducing delivery and execution times, they contribute to the socio-economic development of the communities in which it operates, while also reducing the environmental impacts of transporting goods. In 2022, a total of **97% of the procurement volume was awarded to local suppliers**, defined as those sourced from the country where operations are located.

Key initiatives with positive local impact in 2022

The Infrastructures area **analyses the potential impact on local communities** arising from the works it undertakes and designs specific action plans.

The Water area has started up a Seawater Desalination Plant (SWDP) in Guaymas-Empalme (Mexico). This plant will alleviate the current drinking water shortage situation affecting **over 155,000 local residents**.

In 2022, Aqualia was awarded a project to address the water emergency on the island of La Gomera, through the construction of two seawater desalination plants, capable of generating **up to 6,000 m³ per day of water for human consumption**.

FCC Environment UK has begun to **calculate the social value derived from its services in monetary terms**. It will thus be able to demonstrate, in an auditable way, the contribution it makes to the different geographies in which it works.

43,161
National and international suppliers

42,294
Local suppliers (98%)

3,817 M€
Volume of spending on local suppliers

Solidarity action

While the Group's products and services aim to contribute directly to the development and wellbeing of communities, FCC develops other types of initiatives that help it to fulfil its commitments and enhance its positive impact.

The FCC Group specifically designs and participates in different actions of a social nature, ranging from the creation of **alliances with entities belonging to the third sector** to the promotion of the social vocation of FCC employees. The company also strives to have a positive and enriching influence on the **education** and awareness of the younger generation and to help **integrate people at risk of social exclusion**.

Corporate solidarity

The members of the FCC Group share a culture and values that include a **commitment to the development and improvement of the wellbeing of communities**. For this reason, FCC gives to its human capital the opportunity to participate in different solidarity programmes, allowing them to discover common affinities and commit themselves to social needs, while at the same time fostering their pride of belonging and supporting the achievement of the company's mission, based on improving the lives of citizens.

Corporate solidarity initiatives in 2022



Melior Foundation's "Not without my schoolbooks" campaign, for the collection of textbooks and school supplies, in the headquarters of FCC in Madrid (Spain).

The FCC Environment CEE subsidiary in Romania, under the name of **FCC Humanity**, has a group of volunteers who organise actions to help the families of employees in situations of vulnerability.

With a schoolbook and material drive at FCC's offices in Madrid, the Group collaborated with the Melior Foundation, to provide some **30 families at risk of exclusion** with the necessary educational and school resources.

FCC Group employees have participated in the three blood donation campaigns carried out in 2022, "Donate Blood and Save Three Lives", **positively impacting a total of 696 lives**.

Through the **"Give your clothes a new life"** campaign, in conjunction with Madre Coraje, the FCC Group has distributed information and clothing containers at FCC headquarters in Madrid. The main objective of this campaign is to provide humanitarian aid in Spain, Peru, and Mozambique by donating clothes and shoes.

Education and awareness-raising initiatives

For FCC, the education of new generations is a real driving force for change and social transformation, which translates into the **social development and progress** of the communities where it operates.

This line of social action is embodied at the FCC Group through its different lines of business, by signing **collaboration agreements** with training centres or through participation in educational events and conferences.

In particular, FCC is committed to **environmental education and awareness-raising** among young people as a means of improving the future that these generations represent. The business areas also organise **visits to their facilities**, which allows them to build bridges between the theoretical and practical knowledge of the students and give them first-hand understanding of their activities and processes.

Education and awareness-raising initiatives in 2022

The Water area's **educational website**, aqualiaeduca.com, provides children with **interactive content and didactic material** through which they can discover the world of water management, learning about the importance of using this resource responsibly.

The **Infrastructures** area distributed **more than 400 books to schoolchildren** in the local communities of Mapocho Río (Chile), encouraging them to be ambassadors of the park that the business area is building.

In order to support the celebration of the 7th anniversary of the SDGs, the **FCC Group** has launched its **fourth edition of the international drawing competition** this year called "Back to the future: you can change the world".

FCC Environment CEE's Slovakian subsidiary continued its participation in the environmental project **"Smietko"**, an **educational programme** for **schools** in the regions where the subsidiary is present, the main themes of which are paper collection and environmental education.

Together with the CEMA Foundation, the **Cement** business has created **"Colegios + sostenibles"** (more sustainable schools), an **awareness-raising campaign** aimed at awakening the interest of children in caring for the environment.

Through its alliance with the University of Almeria, **Aqualia** has created the **Aqualia Chair of the End-to-end Water Cycle**, the aim of which is to establish common channels for carrying out dissemination and research initiatives on the water cycle.

The **Real Estate area** has created a **public space on its own corporate website** through its **"Inmopedia"** portal, in which different questions of interest about the real estate sector are presented, such as the concepts of rating or energy efficiency of homes, among many others.



Integration of vulnerable groups

Convinced of the role it can play in favouring the **transformation of cities into inclusive environments**, the FCC Group has carried out different types of actions to raise awareness, support and integrate groups in 2022:

Integration initiatives for vulnerable groups in 2022

People with disabilities

Through numerous partnership agreements with different organisations in the sector, over **1,450 people with disabilities** have contributed to caring for the environment and improving cities through their work at **FCC Medio Ambiente**.

Through the Plan Familia and Empleoparatodos projects, collaboration agreements between the **Cement** business and the Adecco Foundation, this area has continued to contribute to **improving the employability of people with disabilities**.

Through the assignment of space in common areas of the buildings, the **Real Estate** area hosts temporary events with a social purpose, including the **sale of products to promote the integration of people with disabilities**.

People with difficulties in accessing the labour market

Through the Incorpora programme, in which "la Caixa" Welfare Projects and the **Environmental Services** area collaborate, there have been more than **200 job placements** for people with disabilities and/or at risk of exclusion.

The **Real Estate area collaborates both with special employment centres and with social integration companies**, such as the Helechos Foundation, thus favouring the integration into the labour market of people who find it difficult to access this market.

Victims of gender-based violence

Reflecting its rejection of gender violence and its support for victims, **FCC Construcción** has launched a campaign called "Next stop?", which simulates a metro line to **raise awareness of the different types of mistreatment**.

Under the slogan "Hugs that move worlds" and around the aqualiaconmigo.com website, the **Water** area has launched a new **campaign in support of women victims of gender violence**. Thus, the area has invited everyone to fight this social problem through hugs, affection, and solidarity. Each hug added to the campaign has been converted into financial support for the development of a programme of accompaniment for women in this situation.

Individuals with limited resources

As part of its commitment to the society of Alcalá de Guadaira, the **Cement** area has delivered several **batches of products** valued at €3,000 to the most vulnerable families, whose situation has been aggravated as a result of the pandemic.

FCC Environment UK has set up a number of **re-use shops** with the aim of giving a second life to its items, with the proceeds going to people in disadvantaged situations.

LGTBIQ+ community members

As part of the Business Network for LGTBI Diversity and Inclusion (REDI), the **Environmental Services** area has called for various **initiatives to raise awareness** of the situation of LGTQI+ people in the labour market.

Apart from being, for another year, the main sponsor of the **race for diversity** organised in Badajoz in favour of the LGTBI community, **Aqualia** has signed an agreement with FELGTBI+ under which it **joins the "Companies for Diversity"** (EMIDIS) **programme**.



Economic contributions

FCC donated a total of **€1,154,818** to foundations and non-profit organisations in 2022. The Group also partners over **160 industry associations**. The details of these partnerships are set out in Annexes, Additional tables section, **"List of main associations"**.

€1,154,818

Donated to foundations and non-profit organisations

Contribution type (€)

	2020	2021	2022
Donations to non-profit organisations and foundations	1,160,289	1,048,399	1,154,818
Sponsorships	1,452,856	1,761,051	2,238,463
Contributions to associations	1,554,968	1,847,790	2,303,888
Other	155,768	170,544	230,913
Total	**4,323,882**	**4,773,448**	**5,928,082**

Of the above data, the amounts provided in 2021 by Central Services have been reclassified. The increase in sponsorship activities is mainly due to the international expansion of the Water area, so the business has increased this type of actions, for example, in France or Georgia. Likewise, over the course of 2022, the amounts allocated to collaborations with associations have been increased, since many events in which the Environmental Services area was involved had been limited with the COVID-19 pandemic.

Any collaboration, donation, or sponsorship is destined to entities selected in accordance with objective criteria, with an organisational structure that ensures the correct administration of the resources and that are in line with the FCC Group's own activity. It is also necessary that each of these contributions be documented and duly authorised. Whenever possible, and in order to know the final destination of the resources, FCC monitors the use of each contribution.

Value chain

Client and supplier management

Based on its clear **focus on the client**, the FCC Group strives to identify, satisfy needs, and exceed expectations, seeking to establish stable, long-term relationships. To this end, it provides different channels to facilitate feedback and dialogue, so that a process of continuous improvement can be maintained.

Furthermore, in order to create a **supply chain based on ethics, efficiency, and transparency**, the Group works with suppliers and subcontractors who apply strict standards and impeccably. They must therefore adhere to the Group's commitments and satisfactorily pass an approval process prior to the commencement of any contractual relationship with FCC.

Client experience

Our dedication to client service is a key feature of FCC's culture and is shared by all its members. As expressed in the Code of Ethics and Conduct, the clients are the centre of the Group's activity and, for this reason, all the people who make up FCC work every day to provide products and services with a differential value, of the highest quality, that satisfy their needs. The company thus strives to establish **long-lasting relationships based on mutual trust and honesty**.

Given the diversity of products and services offered through FCC's different business lines, the Group covers the needs of different types of clients, which are grouped into the following categories:



Public sector bodies and organisations

Private sector

Consumers

Quality and end-user protection

For the FCC Group, maintaining solid long-term relationships with its clients means continually differentiating itself and maintaining high quality standards for all the products and services it markets.

For this reason, all Group business lines have implemented a **quality management system certified according to ISO 9001**, with the exception of the Real Estate area. These systems enable the Group to define and formalise the processes necessary to effectively provide products and services, in accordance with legal requirements, that meet the needs of the clients, thereby increasing their satisfaction.

For its part, the certification of quality management systems is a priority for the Group, as this brings alignment with the best international practices existing in the market and is evidence of FCC's strong commitment to excellence in its proposal for products and services.

The Group conducts **quality surveys** to find out what its clients think. A total of 210,914 were sent out in 2022, with 4,757 FCC clients responding.

Ensuring the health and safety of end-users is also a fundamental requirement for the confidence of clients. To this end, the FCC Group promotes the following practices, based on strict compliance with applicable legislation:

Environmental Services

FCC Medio Ambiente

- It has implemented complete and strict safety measures, both in the design of the processes and activities to be carried out, as well as in the handling of vehicles and machinery by its workers, to prevent traffic accidents as a result of its operations.

FCC Environment UK

- It employs software for recording, investigating, and resolving events related to client safety and health.

FCC Environment CEE

- The Czech Republic has a Risk Register, which makes it possible to recognise and manage health and safety risks. It also audits its processes in this area both internally and externally.

Water

- It has a network of 10 accredited laboratories in Spain, Czech Republic, and Italy. Each maintains a structure with independent decision-making in accordance with ISO 17025 on the requirements for the competence of testing and calibration laboratories.
- It carries out over one million analyses annually, thus guaranteeing the quality of drinking water available for human consumption.
- It manages the cleaning of some 2,900 drinking water reservoirs or tanks worldwide, without affecting the supply and ensuring its excellence.

Infrastructures

- It conducts assessments, since the outset of a project, of the health and safety risks to end users. It also has regulatory certificates to ensure compliance with these aspects.
- It guarantees compliance with the legal requirements applicable to construction works, products and services, which often include specific health and safety requirements.
- It Includes, if applicable, the CE marking on the manufactured products.

Cement

- It provides all its clients with safety datasheets for all the products it sells.
- Labelling is done in accordance with the European regulation (CLP) for all packaged products.
- It has registered all cements marketed in Spain with the National Institute of Toxicology and Forensic Sciences, where end consumers can be attended in case of a health emergency. This registration has also been carried out in all European countries where its products are marketed, with the existing counterpart bodies.

Real Estate

- It has a dual review and quality control system for all its projects, thus exceeding the requirements of the pertinent legislation currently in force.
- It enforces compliance with the Technical Building Code, specifically the "DBHS", the purpose of which is to determine the rules and procedures that enable health requirements to be met.
- The "DBSUA" is taken into consideration, with regard to the regulations associated with safety in use and accessibility.
- This area is currently in the process of certifying building heritage management.

Client satisfaction

Understanding the opinions and needs of the clients is essential to devise, design and market products and services that provide differential value. The FCC Group's compilation of this information must rely on a constant dialogue with its clients, based on transparent communication of the characteristics of products and services.

Different **communication channels,** adapted to the diverse types of clients in each of the Group's business lines, are essential for this dialogue to take place effectively. Therefore, taking into account the diversification of the FCC Group, each of the areas is responsible for monitoring the satisfaction of its clients, and establishes its **own tools for attending to and ascertaining their opinions**, which are set out below:



Aqualia's call centre, aqualiacontact, in Madrid (Spain).

Environmental Services

FCC Medio Ambiente

- All complaints received by FCC Medio Ambiente are registered in the VISION computer application.
- Client satisfaction questionnaires are launched through different channels (telephone, mail, fax, email, or visit from the sales department).

FCC Environment UK

- It has contact forms on its website, specifying telephone numbers, opening hours, and e-mail addresses of the different facilities.

FCC Environmental Services

- Direct assistance through the regional or facility representative.

FCC Environment CEE

- Telephone and online contact with the client service department or sales staff.

Water

- Development of the *Aqualia Contact* app, for carrying out all the formalities related to the provided services.
- Virtual Office, available on the corporate website, through which clients can carry out all their formalities at any time.
- Telephone assistance through the Client Service Centre (CAC).
- Personalised attention through physical offices.
- Client service profiles on Twitter.

Infrastructures

- Development of the figure of the "client contact", who is in charge of managing collaboration, attending to and processing suggestions and information, as well as communicating the actions to be taken by FCC in response to them.
- Launch of surveys adapted to the reality of the different companies in the area. For example, FCC Construcción conducts end-of-construction surveys, while Matinsa carries out the assessment of client satisfaction by means of questionnaires at the end of the year.

Cement

- Regular visits by sales staff to advise the client on the application of their products.
- Digital Channel for clients, available through the corporate website, which offers the possibility of immediately managing orders, accounts, or invoices, as well as making payments and suggestions.
- Launch of client satisfaction surveys.

Real Estate

- For clients who have purchased a home, a separate e-mail address has been set up for each development.
- For clients who rent a property, this business area has a mobile app from which they can carry out certain procedures related to that property.
- For clients and users of shopping centres, a team specialised in this area makes on-site visits.
- For clients and users of offices, taking into consideration their special needs, a person responsible for each building has been named in order to be able to attend to any concerns that may arise.

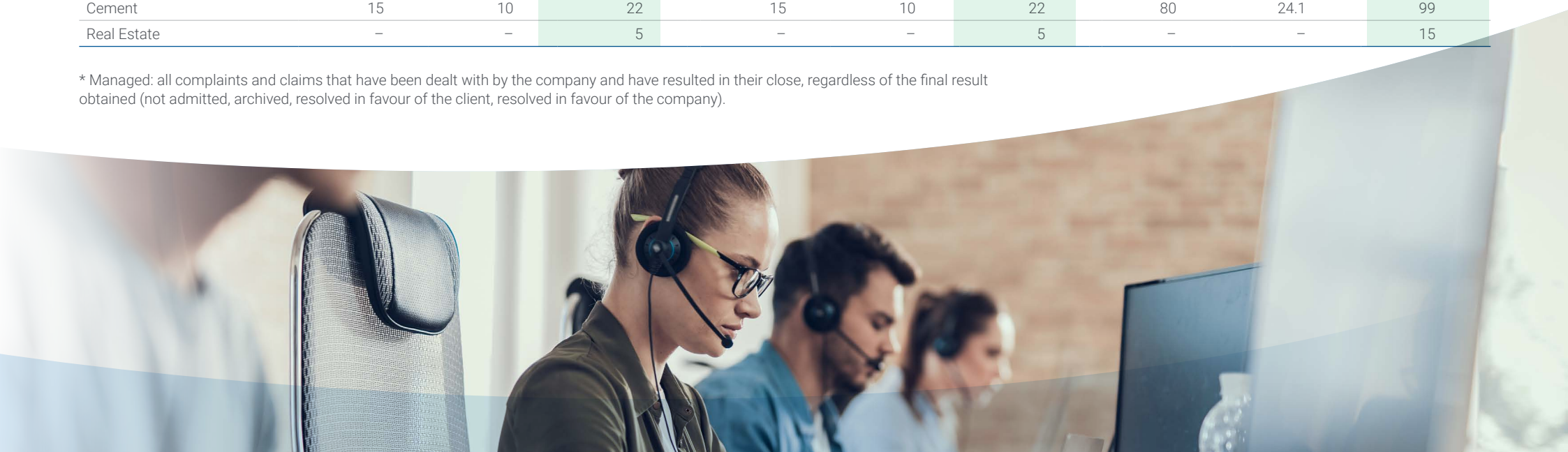
In any case, the aforementioned mechanisms help to monitor the client's satisfaction, along with the appropriate **reception and management of any possible non-conformities**. The constant monitoring and exhaustive analysis of this information allows to reinforce a constant **process of continuous improvement** that aligns the needs of the client with the actions to be developed by the Group. The complaints and claims received and handled in each of the Group's business lines during 2022 are set out below:

As indicated, the Water area has received a higher number of complaints during 2022 as a result of the international expansion of the business. Likewise, in the Cement area, the average resolution period has increased, due to the receipt of technical product complaints, which entail a thorough analysis and investigation.

Claims and complaints

	Received			Managed*			Average resolution period (days)		
	2020	2021	2022	2020	2021	2022	2020	2021	2022
Environment	6,697	9,350	7,992	10,043	9,346	7,991	4.6	2.9	8
Water	16,180	15,948	30,641	16,180	15,948	30,641	10	16	10
Infrastructures	105	177	97	103	177	97	49	22	39
Cement	15	10	22	15	10	22	80	24.1	99
Real Estate	–	–	5	–	–	5	–	–	15

* Managed: all complaints and claims that have been dealt with by the company and have resulted in their close, regardless of the final result obtained (not admitted, archived, resolved in favour of the client, resolved in favour of the company).



Responsible purchasing

The Group recognises suppliers and contractors as its business partners, providing the products and services FCC needs to develop its activity in accordance with the requirements and expectations of its clients.

Specifically, the FCC Group has **43,161 suppliers**, mainly in Spain. However, there are also suppliers located in other European countries, the Middle East and North, Central and South America. The main supplier types vary according to the business area, as can be seen below. In the Real Estate area, the supplier typology is comparable to the one indicated in the Transversal model.

Supplier types

Cross-cutting

- Supply of electricity, natural gas, fossil fuels, etc.
- Information Technology (IT) services and products.
- Cleaning and security surveillance services.
- Industrial and passenger vehicle supply.
- Courier and mail services.

Water

- Desalination and purification equipment suppliers.
- Subcontractors for civil engineering and machinery rental.
- Reagent and other chemicals supply.
- Meter and accessory supply.

Environmental Services

- Equipment suppliers: waste collection lorries, sweepers, scrubbers, containers, waste compactors, etc.
- Maintenance and repair companies.
- Hardware stores and spare parts suppliers.

Infrastructures

- Subcontractors for civil engineering, foundations, metal structures, earthworks, signalling, etc.
- Concrete, rebar, and prefabricated component supply.
- Subcontractors for electricity and lighting.



43,161
suppliers

Cement

- Electricity, fuel, and water supply.
- Maintenance and repair services for facilities.
- Raw material and consumable supply.
- Transport and logistics services.
- Packaging and containers supply.
- Supply and rental of machinery.

Commitments made by suppliers and contractors

Group relationships with suppliers and contractors must be based on the promotion of **stable, long-lasting, and mutually beneficial business relationships**.

This implies that business partners must share FCC's commitments, and, to this end, the Group promotes occupational health and safety practices and encourages collaboration with suppliers and contractors who are capable of accrediting social, environmental, and ethical standards. In this regard, the FCC Group uses the following **tools to extend its commitments to suppliers and contractors**:



Code of Ethics and Conduct

It covers the basic principles to be observed by suppliers and contractors. In particular, they must:

- Demonstrate **ethical behaviour** in business relations, expressing rejection of corruption, bribery, and fraud.
- Protect fundamental **human and labour rights**.
- Demonstrate compliance with **occupational health and safety** standards, ensuring a safe and healthy working environment.
- Respect for the **environment** in all its activities, in compliance with legislation, minimising environmental impacts and establishing sustainable environmental management.



Purchasing manual

Under the principles of **competitiveness, transparency and objectivity**, the Purchasing Manual seeks to foster the creation of solid and lasting commercial relations between FCC and its suppliers, contractors, and partners.



General Terms and Conditions

This document regulates the commercial relations between FCC and its suppliers and contractors. It establishes the obligations of the latter, including those related to **occupational risk prevention** and **environmental protection**.

Likewise, it establishes the obligation for suppliers and contractors to accept and commit to comply with the **Code of Ethics and Conduct**, the FCC Group's **Anti-Corruption Policy**, as well as to assume the ten **principles of the United Nations Global Compact** and to respect fundamental **human and labour rights**.

Supply chain monitoring

In order to verify compliance with the commitments of suppliers and contractors, the FCC Group has implemented an **approval and assessment process** based on a risk analysis, which considers ESG issues. Accordingly, suppliers and contractors must follow the next process in order to be able to work with FCC:

Thanks to the application of this approval process, all new suppliers and contractors of the company are assessed and selected according to the environmental and social criteria outlined. A total of **495 suppliers and contractors** were approved by the FCC Group in 2022, which has a total of **1,365 approved**. Likewise, only 18 have been classified as high risk and, after applying the Due Diligence process, 16 were finally approved and accredited, with the rest pending submission of documentation.

In addition, the FCC Group **regularly assesses** its suppliers and contractors, sending satisfaction surveys to the Group departments involved. The aim is to streamline decision-making on upcoming awards, improve negotiations, as well as to continue or cancel the approval of its suppliers and contractors.

Finally, with the aim of reinforcing the supervision of the supply chain in the FCC Group, processes have been established to carry out **compliance audits** of suppliers and contractors classified as "critical". However, no supplier has been classified with this category so far and therefore no audit was performed in 2022.

Approval process

1. The supplier or contractor must first complete its **registration** on the FCC Group's platform.
2. It must then sign a **Responsible Statement**, which incorporates aspects of anti-corruption, receiving and giving gifts, conflicts of interest, and respect for fundamental human rights.
3. Thirdly, the supplier or contractor must answer a series of **questionnaires**, in which **social, environmental, and governance criteria** are assessed. In particular, it reports on:
   - Information concerning its financial situation.
   - Quality and environmental management certifications.
   - Occupational risk prevention systems.
   - Information concerning the company's operations (only in the case of a product supplier), specifying the allocation of responsibilities, training, client service, process control, supplier approval and assessment procedures and systems for measuring client satisfaction.
   - Data related to the workforce, including number of employees, percentage of female employees, average age of staff and average length of service.
   - Information on respect for human rights, anti-discrimination, work-life balance measures, employee satisfaction rating systems, as well as on ethical or social management systems certifications and adherence to the UN Global Compact.
   - Own Ethical Codes and acceptance of the FCC Group's Code of Ethics and Conduct
   - Description of the crime prevention model and whistleblowing channels, existence of a Compliance Officer, policies for the prevention of money laundering and terrorist financing, and sanctions or convictions for corruption, bribery, or influence peddling.
   - Implemented systems for cybersecurity and data protection.
4. Based on the above information, **suppliers and contractors are assessed** according to their risk level:
   - If suppliers or contractors do not obtain a high-risk rating (A, B or C ratings), a certificate of approval will be issued, and recommendations for improvement of their activity will be sent.
   - If they are classified as high risk (Rating D), a due diligence process is carried out to detect and prevent potential risks from materialising in the contractual relationship. Based on the results of this process, the purchasing department will be responsible for concluding whether the supplier or contractor should be approved and under what conditions, establishing, if necessary, preventive, or corrective actions.

Ethics at the highest level

Group Governance

Governance Model

Good corporate governance, understood as a set of principles and processes that determine the structure and functioning of governance bodies, represents a fundamental strategic framework for the growth and consolidation of any type of organisation. Boards are also shifting to new models of engagement with their stakeholders, in line with a new context where accountability requires them to take on new responsibilities and work under the scrutiny of shareholders, employees and regulators.

FCC Group is aware of this reality and throughout its history has designed a structure, based on its own regulations, which contributes to the strengthening of a common challenge: **transparency and good governance of all FCC subsidiaries**.

An example of its commitment to efficient and transparent management is the preparation of the **Corporate Governance Report**, which contains complete and justified information on the Group's structure, and the company's corporate governance practices, including an analysis of the degree of compliance with the recommendations of the Good Governance Code.

The **Unified Good Governance Code of Listed Companies** reflects the highest international standards of corporate governance. Since this code came into force, the FCC Group has implemented a large part of its standards, incorporating 84.48% of them into its own corporate governance



Governing Bodies

As specified in Chapter 1.3 "Governance Structure" of this Sustainability Report, the Governance presiding over the FCC Group is headed by five key bodies, including the **General Shareholder Meeting**, the Group's highest decision-making body, the **Board of Directors**, whose purpose is to direct, supervise, and guide the actions of the management and, finally, the **Executive Committee**, the **Audit and Control Committee** and the **Appointments and Remuneration Committee**.

The **General Shareholders Meeting** met once in 2022, with an attendance of 91.47%, having reached a consensus on the amendment of the By-laws of the FCC Group.

Meanwhile, the **Board of Directors** met a total of nine times, with an average attendance of 87.39%, and reached the following resolutions on Corporate Governance:

- Approval of the FCC Group Sustainability Policy.
- Update of the FCC Group's Compliance Model, amending the Code of Ethics and Conduct and approving the FCC Group's Competition Policy.

Finally, the **Executive Committee** met eight times, the **Appointments and Remuneration Committee** met six times and the **Audit and Control Committee** met nine times. The latter's compliance and sustainability issues include the following:

- To report favourably to the Board on the Company's Non-Financial Information Report (Sustainability Report), corresponding to 2021.
- To report favourably to the Board on the approval of the "FCC Group Sustainability Policy".
- To report on the work necessary, within FCC, to comply with the legal obligations for the implementation and reporting of an Environmental Sustainability model, which complies with the requirements of the EU Taxonomy model.
- To create an internal corporate unit for the promotion and management of the necessary work, under the joint control and supervision of the Sustainability Management and the General Administration Management.

The **Governance presiding over the FCC Group** is headed by the General Shareholder Meeting, the Board of Directors, the Executive Committee, the Audit and Control Committee and the Appointments and Remuneration Committee

Board of Directors

Appointment and selection

The **General Shareholder Meeting** is responsible for the appointment and re-election of directors. Directors may be re-elected indefinitely, once or more times, for periods of four years maximum. The proposed candidates must also be natural persons of recognised good repute, solvency, technical competence, and experience, as established in the Regulations of the Board of Directors. In any case, the proposal shall be accompanied by a report from the Board justifying the competence, experience, and merits of the proposed candidate, which shall be attached to the minutes of the General Meeting or the Board.

Composition

In 2022, the Board of Directors comprised a total of 14 persons, one of whom left at his own request in March. At the end of the year, the Board has **31% female representation**, and its members are of various nationalities, including Mexican, Spanish, and French. The average age of the members of this body is 61 years.

Assessment and training of the Board of Directors

Executive directors have received the same training as senior management on the Code of Ethics, as well as ESG criteria and sustainability training.

On a semi-annual basis, the Compliance and Sustainability Management attends the board to monitor the performance of the function, as well as the mandatory year-end and half-year-end reports.

Conflicts of interest

In line with the **Regulations of the Board of Directors of the FCC Group**, this body must, above all, steer clear of situations of conflict of interest. However, should such a case arise, the executives must notify the Board of Directors, through the Compliance and Sustainability Management, in due time, of any situation of direct or indirect conflict. In any case, conflicts of interest incurred by the directors shall be included in the report, under the terms established by Law.

Likewise, as regards the communication of critical concerns during the year, there have been five situations in which a director has had to abstain from voting due to a conflict of interest in certain resolutions approved by the Board.

Remuneration model

The mission and values of the FCC Group promote a culture based on ethics and commitment to sustainable development and its stakeholders, always based on transparency. This commitment is the central pillar of the company's day-to-day activities, favouring its leadership position in its various fields of action, orientating its strategy, and guiding the ethical behaviour of the human capital that participates in the daily construction of a common project, starting with its administrative body.

In line with this steadfast purpose, the Group has a **Remuneration Policy for directors**, updated in 2021, which expires in 2023. Its ultimate objective is to ensure the development of the Group's mission and values, so that directors' remuneration is appropriate to the dedication and responsibilities assumed.

FCC also prepares its **Annual Report on the Remuneration of Directors of listed companies**, a report that presents, in aggregate terms, the main characteristics of the remuneration policies and practices applied to its directors.

With regard to the setting of remuneration, the General Shareholder Meeting shall have the power to decide it in accordance with the following principles and criteria:

- Remuneration commensurate with the achievement of agreed objectives within the framework of prudent risk management.
- Remuneration commensurate with the dedication, qualification, and responsibility of the post.
- Remuneration in line with shareholders' interests.
- Attractive remuneration to engage and retain talent.
- Competitive and transparent remuneration.
- Motivation-stimulating remuneration.

Finally, it is necessary to specify that, regardless of the fixed remuneration received by the directors, in accordance with the Remuneration Policy and art. 38 of the Group's By-laws, the directors in their capacity as such shall receive allowances for attending meetings of the Board of Directors and its Internal Committees. The Group also allocates a variable amount to the executive directors directly conditional upon the achievement of corporate objectives.



Integrity and compliance

Regulatory authorities are increasingly emphasising the relevance and enforceability to commit to and maintain a corporate culture based on integrity and due diligence. The current economic and social environment has made companies operate in a more complex marketplace, where compliance risks have increased and are constantly changing.

This context highlights the need for organisations to respond with their know-how to the new rules of the game, which require a strong focus on integrity in their day-to-day management, together with mechanisms guided by principles of effective governance and accountability.

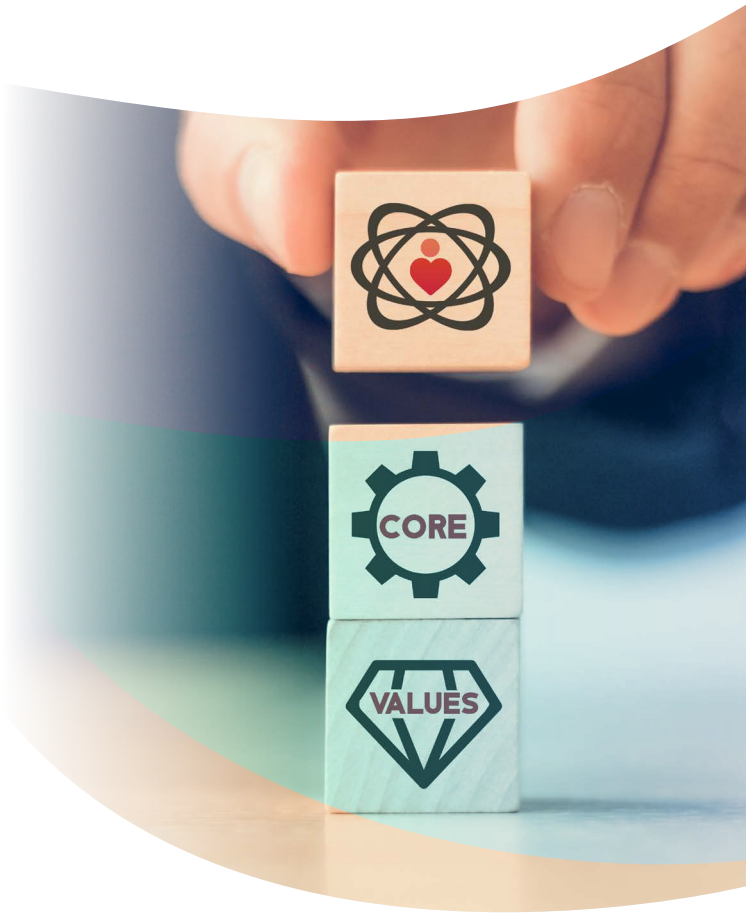
In line with this perspective, the FCC Group perceives regulatory compliance as its starting point and joins the challenge of constantly improving and reinforcing its ethical behaviour, based on its Compliance Model. This translates into a strong commitment to the promotion of and respect for Human Rights, as will be specified below, and mechanisms to deal with possible cases of corruption, money laundering, and unfair competition.

Compliance Model

Transparent conduct, respect for legality and due diligence and accountability are the cornerstones of the FCC Compliance Model. Its purpose is to prevent and detect risks of non-compliance, including those related to criminal offences, and to minimise their possible negative impacts.

In this regard, the Compliance Model is based on the **Code of Ethics and Conduct**, the supreme standard of this model, developed through policies, procedures, and internal controls, as can be seen below, which are periodically reviewed and updated.

- Crime Prevention Manual.
- Anti-Corruption Policy.
- Gift Policy.
- Agent Policy.
- Policy on relationships with partners in relation to compliance.
- FCC Group participation policy in bidding processes for goods or services.
- Competition Policy.
- Compliance Committee Regulations.
- Investigation and Response Procedure.
- Procedure for the Whistleblowing Channel.
- Protocol for the Prevention and Eradication of Harassment.



In this regard, it is essential to point out that the Real Estate area, although it shares the Group's principles, has its own Code of Ethics, in accordance with the pertinent legislation currently in force.

Thus, with a view to making progress in the Compliance Model, the following actions were carried out in 2022:

Actions carried out in 2022

- Revision of the regulatory block of the Compliance Model and specific modification of the Code of Ethics and Conduct.
- Approval of the Competition Policy by the FCC Group Board of Directors.
- Support provided by the Compliance areas to the Group's Internal Audit function to supervise the Compliance Model each year.
- Revision and updating of the control matrices of the Group's various businesses.
- Conducting two self-assessments in May and November 2022, and certification in the Compliance Tool of the controls designed, within the Group's Compliance Model, to minimise the most significant criminal risks.
- Adjustment of training content for the 2022 Annual Training Plan, in line with the provisions of the FCC Group's three-year Compliance training plan, and approval of the 2023 training plan.
- On-site training in Spain on Competition and online training on the Code of Ethics and Conduct.
- Compliance risk assessment of suppliers in accordance with the established procedure, requiring the direct involvement of the Compliance function in cases of high risk. In 2022, 495 new suppliers were assessed under the defined criteria, and 23 of them (18 letter Ds and five red flags) required evaluation by the Compliance areas. None of the suppliers received an unfavourable assessment by Compliance, and two suppliers are currently under assessment.
- Completion of 211 third-party due diligence assessments from the Group's businesses.
- REALIA's incorporation to the FCC Compliance model: various meetings have been held with the subsidiary's legal team to incorporate its compliance model into the FCC model as the controlling company. A comparative study was done between the two models and Realia was informed of the steps to be taken for its incorporation/accession to the model by its Board, awaiting implementation.

The **Compliance Committee** met a total of **15 times** in 2022, 12 of which were ordinary meetings and three were extraordinary meetings

Model Supervision

In addition to the set of rules and procedures, the Compliance Model also has a high-level body in charge of fostering and supervising the model, namely the **Compliance Committee**. This committee oversees Group Crime Prevention and comprises the following roles:

- Corporate Compliance Officer (chairman).
- Managing Director of the Legal Advice Department (voting member).
- Human Resources Director (voting member).
- Compliance Officers from the different businesses (invited).

Finally, the Managing Director of Internal Audit may sit on the committee, with the right to speak and vote, when necessary. In any case, the object of its intervention shall be the execution of the investigations.

The **Compliance Committee met a total of 15 times** in 2022, 12 of which were ordinary meetings and three were extraordinary meetings.

Common culture of due diligence

All employees of the organisation share responsibility for knowing, observing, and enforcing the Compliance Model, as well as helping to identify compliance risks. In this regard, FCC places its **Whistleblowing Channel**, governed by the Group's Whistleblowing Channel Procedure, at the disposal of each and every employee. This mechanism guarantees anonymity, and is accessible by post, e-mail, and a form on the corporate intranet.

In the reporting period, **190 notifications were received through the Group's Whistleblowing Channel**. After analysis, 157 of them were considered relevant and therefore processed in accordance with the Group's Compliance Model, representing 83% of the total. At the close of this report, 98% of these notifications had already been investigated, or sent to the business for handling in the case of low-risk notifications.

Furthermore, in an effort to involve its staff in the culture of integrity that characterises FCC and, at the same time, to guarantee full knowledge and observance of the Compliance Model, the company provides training on the Code of Ethics and Conduct at its FCC Campus. **Six training actions on Compliance** were launched or underway in 2022.

Integrity of conduct

Fight against corruption

The FCC Group's **Code of Ethics and Conduct** rejects any action resulting in cases of corruption, bribery, kickbacks, or any form of extortion, thus complying with the pertinent legislation currently in force. It also establishes certain preventive and control measures that enable it to ensure transparent behaviour.

The Group has an **Anti-Corruption Policy**, which sets out FCC's guiding principles in the fight against corruption:

- Compliance with legality and ethical values.
- Zero tolerance for bribery and corruption.
- Surveillance of data property and confidentiality.
- Rigorous control, reliability, and transparency.
- Prevention of money laundering and transparent communication.
- Extension of commitment to business partners.
- Promotion of continuous training on ethics and compliance.
- Transparent relationship with the community.
- Conflicts of interest.

The **Code of Ethics and Conduct** rejects any action resulting in cases of corruption, bribery, kickbacks, or any form of extortion and **establishes preventive and control measures to ensure transparent behaviour**

In addition, the mentioned Policy is supported by the following commitments made by the Group:

- **Agent Policy:** It sets out the principles on which the relationship between FCC and any commercial agent or business partner is based.
- **Gift Policy:** It aims to foster an ethical culture in the organisation, in terms of gift giving and acceptance.
- **Bid Policy:** It establishes the basic elements for preparing and submitting proposals by the FCC Group in contracting processes called by public or private entities.

The entire set of regulations described above is **accessible to all members** of FCC, and they are also published on the corporate website.

In addition, the FCC Group establishes mandatory training for the groups directly affected. As of 31 December 2022, **more than 4,800 employees received anti-corruption training**.

On the other hand, in order to **assess its exposure** to corruption-related crimes, FCC conducts a preliminary analysis of its operations as a whole, taking into consideration the various geographies in which it operates. A **risk matrix** is drawn up from the assessment and a roadmap of selected risk **controls** is designed at national and international level, as set out below.

- Conducting due diligence prior to contracting certain partners, agents, and suppliers.
- Approval of sponsorships, donations, and collaborations by the Communications Management.
- Group's selection procedure, based on a system of competences to ensure transparency and equality in all selection processes.
- Approval of travel and representation expenses.
- Procedure for communication and approval of purchasing needs and Purchasing Manual.
- Bank statement reconciliation to detect outstanding or unreasonable movements.
- Power of attorney management for each company.
- Annual training plan on Crime Prevention and Anti-Corruption.
- Declaration regarding conflict of interest in recruitment processes.

These controls are primarily intended to prevent the perpetration of potential criminal offences and, if necessary, to exonerate the legal entity from liability.

Money laundering

As an example of its commitment to prevent money laundering and the financing of terrorist activities, the FCC Group carries out an **analysis of the risks** to which the company could be exposed. In 2022, the following have been identified:

- Failure to review the procedures for control and identification of clients indicated in the Anti-Money Laundering Act (identification of natural or legal person, source of funds, activity or employment, penalty, age, bank account certificate, etc.).
- Failure to comply with the reporting obligation under the Anti-Money Laundering Act:
  a. Non-compliance due to failure to report identified evidence or systematic reporting of money laundering or terrorist financing.
  b. Refusal to cooperate with SEPBLAC's Commission for the Prevention of Money Laundering and Monetary Offences.
- Failure to apply the internal control measures established in the Anti-Money Laundering Act (Royal Decree-Law 11/2018 of 31 August) for regulated entities (policies and procedures, manual, internal control body and employee training, etc.).

In an effort to eliminate the potential for such situations to arise, the following **controls** have been imposed:

- Updated Money Laundering Prevention Manual.
- Identification of the parties concerned in a real estate asset, in order to assess the operation's risk.
- Creation of a body for the supervision and monitoring of money laundering preventive measures.
- Training employees on Money Laundering.
- Review of contracts for sale of goods, lease, and lease with option to purchase.
- Inclusion of a Money Laundering Prevention clause in real estate promotion marketing contracts.
- Review of legal representatives for the revocation of powers for those who have left the company.
- Establishment of an internal advisory and reporting line.

FCC approves its Competition Policy

***The Group Board of Directors approved its Competition Policy in 2022** to ensure that the company's activities are aligned with competition legislation.*

This policy is part of the Group's Compliance Model and provides the Group, its Management, and its employees with guidance on how to prevent any breach of competition, as well as the potential consequences that may arise in the event of non-compliance.

Human rights

The negative effects of globalisation and the lack of regulation in developing countries have often resulted in situations of violation of fundamental rights, such as forced labour or lack of freedom of expression and association.

Companies are therefore increasingly required to promote a culture aligned with respect for human rights, and to establish appropriate systems and means to monitor compliance.



Well aware of this reality, **the FCC Group abides by and promotes fundamental human rights,** integrating them into its corporate culture, its business strategy, and its operations, as well as extending its commitments to its supply chain. Thus, in line with the United Nations Guiding Principles on Business and Human Rights, FCC has its own policies and procedures to mitigate and remedy possible violations.

In this regard, the **FCC Group's Human Rights Policy**, approved by the Board of Directors in 2019 and available in 14 languages, reflects the Group's commitment to the promotion and fulfilment of the rights contained in the United Nations Universal Declaration of Human Rights (UDHR) and in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, as well as in the ILO's eight fundamental conventions.

Specifically, this policy instrumentalises the Group's commitment to:

- Recognise the right of workers to **freedom of association** and collaborate with staff representatives.
- Ensure fair and favourable working conditions that guarantee **decent and gainful employment**.
- Take a stand against any form of **modern slavery or servitude**, including forced or involuntary labour and child labour.
- Reject all forms of **discrimination**.
- Ensure the safety of its workforce and operations by continuously improving working conditions and creating a **safe and healthy working environment**.
- Responsible use of **personal data** and information collected.
- Establish **respectful and credible relationships with the local communities** where it operates, including aspects such as respect for the specific rights of indigenous communities and the environment.

It is also worth highlighting the FCC Group's adherence, since 2006, to the **United Nations Global Compact**, whose 10 principles include the duty of companies to support and respect the protection of fundamental human rights, both internally and within its value chain.

In an effort to ensure that everyone at FCC shares and remains aligned with the commitments established in this matter, in 2022 and on the occasion of Human Rights Day, a new impetus has been given to the dissemination of FCC's policy and commitment to the UDHR as a fundamental element of the Group's corporate culture and values. In addition, specific reference to the protection of human rights within the company has been included in the sustainability training provided this year.

During 2022, FCC has received no complaints that have resulted in a violation of these fundamental rights and freedoms by the Group.

Risk management

The nature of the various activities and the environmental, economic, social, and geopolitical evolution of the different geographical locations in which the FCC Group operates mean that it is exposed to a number of significant **risk factors**.

These risks pose a threat to the achievement of the company's objectives, its image, and its reputation. The Group is therefore fully aware of the importance of establishing integrated organisational mechanisms for its management.

In this regard, FCC has a series of codes, regulations, processes, controls, and specific actions focused on detecting and responding to the risks and opportunities it faces.



Risk management and control systems

The FCC Group has a **Risk Management Model** applicable to all the companies that make up the Group, and to all those in which it exercises effective control. Its objective is to identify, analyse and assess the potential risks that could affect the different areas of the Group, and to establish the mechanisms integrated into the organisation's processes to manage them.

FCC also has a **Crime Prevention Model** that strengthens the control environment, a Code of Tax Conduct and a Tax Control Framework Standard. All of them integrate the set of processes for the identification and assessment of tax risks and the assignment of responsibilities, both management and reporting, for these specific risks.

The main activities of the Risk Management Model are as follows:

- The impact and probability of occurrence assessment of financial and non-financial risks.
- The implementation of prevention and control activities to reduce the impact of risks.
- The establishment of reporting and communication flows.

This Model is based on the integration of the risk-opportunity vision and the assignment of responsibilities, diversifying functions and favouring monitoring and control of risks to guarantee an optimal control environment. It is also supported by the following **governing bodies** of the FCC Group, establishing their responsibilities:

Responsibilities of the governing bodies

Board of Directors

- Determination of risk management and control policy (including tax risks).
- Identification of the main risks.
- Monitoring of adequate internal control and reporting systems.
- Ensuring the future and competitive viability of the Group.

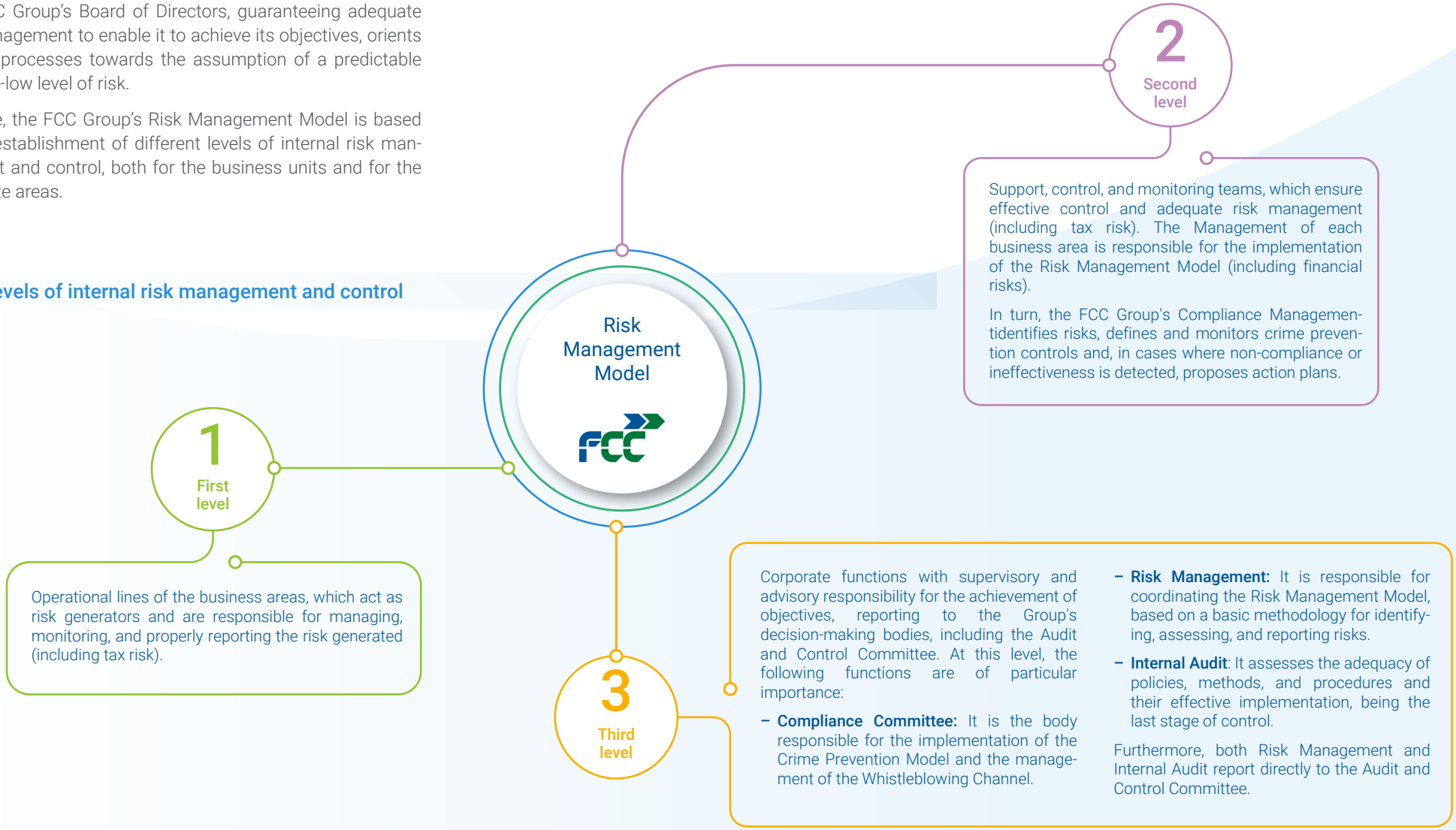
Audit and Control Committee

- Ensuring the proper functioning of the risk management and control systems, supervising the internal risk management and control unit.
- Analysing the effectiveness of the internal control and the risk management model.
- Ensuring that the Internal Audit unit's activity is primarily focused on relevant risks, including reputational risks.

The FCC Group's Board of Directors, guaranteeing adequate risk management to enable it to achieve its objectives, orients internal processes towards the assumption of a predictable medium-low level of risk.

Likewise, the FCC Group's Risk Management Model is based on the establishment of different levels of internal risk management and control, both for the business units and for the corporate areas.

Levels of internal risk management and control



Main risk factors

The very nature of the FCC Group's activity, the dynamic and changing environment of the different countries in which it carries out its activities, or failures in the exhaustive application of the Group's principles of ethics and compliance, could place FCC under the threat of various risk factors, which are described below:

Downturn in the economic environment

- Slowdown in economic growth.
- Inflationary pressures.
- Rising interest rates, leading to cuts in demand and investment forecasts.
- Rising prices for energy, raw materials, and goods.
- Lack of availability of certain components.

Geopolitical and regulatory instability

- War and humanitarian crisis.
- Increased political and social tensions.
- Regulatory changes in key areas.
- Transformations in public-private partnership models.

Sustainability

- Requirement for sustainable objectives.
- Alignment of objectives with the requirements and expectations of regulators and stakeholders.

Climate and environmental risks

- Short- and medium-term climate change.
- Extreme weather events.
- Exposure to potential accidents, causing harm to the environment and to society.

Technological disruption

- Need for innovation efforts and specific investments.
- Ability to maintain and strengthen the FCC Group's position in a competitive environment.

Cyberthreats

- Exposure to cyberthreats, affecting tangible and intangible assets.
- Risk of paralysis of operations, uncontrolled access, and leakage and/or hijacking of data information.

Tenders

- Fluctuations triggered by changing external variables, inflationary pressures, regulatory changes, socio-political instability, etc.

Disputes and contractual breaches

- Differences in the interpretation of regulatory and contractual requirements.
- Non-compliance by clients, suppliers, or delays in the supply chain, which could increase litigation and impact on the timing and outcome of projects.

Loss of human capital

- Increasing demand for skilled labour in certain countries.
- Wage tension and a potential increase in conflict.

Appraisal of real estate investments

- Increased uncertainty in the economic and social environment.
- Potential impacts on real estate asset appraisals.

Fluctuation of exchange rates

- Risks arising from debt denominated in foreign currencies, investments in international markets, and collections in currencies other than the euro.

Fluctuation of interest rates

- Potential increase in financing costs for the Group linked to its borrowing at variable interest rates.
- Costs of debt refinancing and new debt issuance.

Impairment of the commercial fund

- Possible losses/adjustments due to its impairment or another Group's tangible assets.
- Consequences on economic performance.

Recoverability of deferred tax assets

- Cyclicality of the Tax Group's profit.
- Future changes in tax rates, especially corporate tax rates in Spain.

Credit and liquidity risks

- Group exposure to client's credit risk and liquidity facilities available to them.

Financing

- General instability leading to temporary disruption in capital markets, requirements, or guarantees requested by financiers.
- Feasibility of economic models justifying the repayment of funds, specific situations of concentration of funding sources.

Risks materialised in 2022

While 2022 has been a year of economic recovery after the health crisis of the COVID-19 pandemic, the normal course of the FCC Group's activities was affected, partly as a result of the materialisation of the following risks:

- Increasing geopolitical tension and conflict in Ukraine.
- Rising inflation rates that have led central banks to raise interest rates.
- Rising energy and material costs.
- Difficulties in the availability of certain components, which have interfered with certain production processes.
- Contractual disputes that have led to litigation in different jurisdictions.

Response plans and monitoring

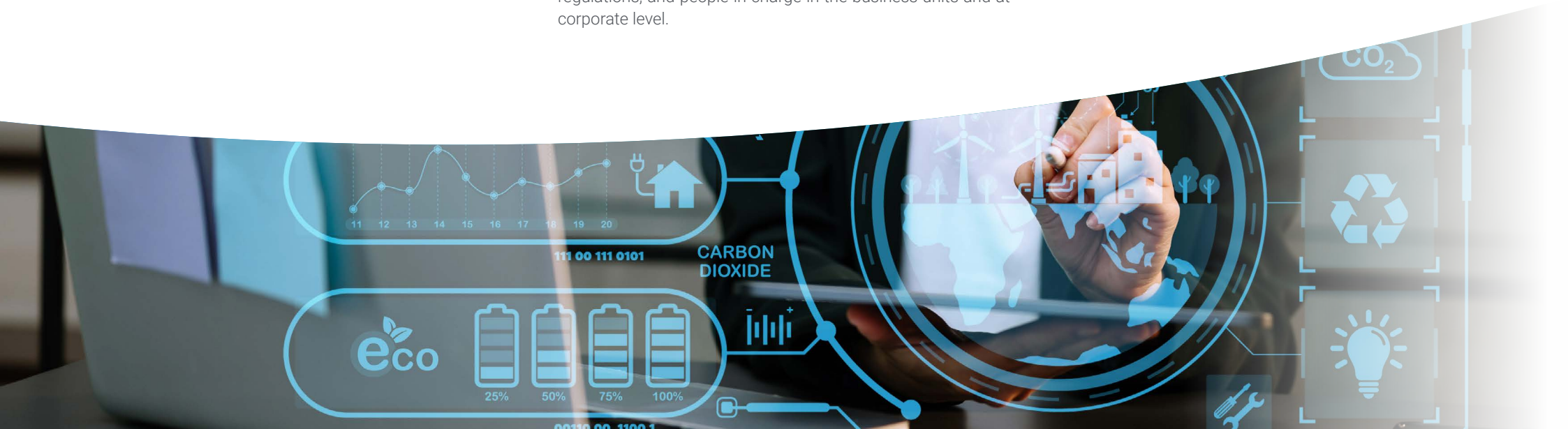
The FCC Group actively incorporates risk management and action into its business model and governance system.

In relation to **environmental and climate risks**, it has developed an environmental policy that combines stringent compliance with pertinent legislation currently in force with the establishment of preventive analysis and planning to minimise the environmental impact of the activities it carries out. It also analyses and assesses the physical risks arising from climate change and the transition to a low-carbon economy.

In turn, the FCC Group has an operational unit to prevent, detect, analyse, and mitigate factors related to data security events as a result of the increase in **cyberthreats**. It also has an Information Security Management System, an internal policy for complying with the requirements of data protection regulations, and people in charge in the business units and at corporate level.

On the other hand, **purchasing and contract management processes** with clients and suppliers incorporate risk mitigation and monitoring mechanisms for the identification of legal risks. Business areas have expert teams which are supported by the Compliance and Purchasing Managements.

Finally, **financial risks** are controlled and managed by specialised departments in the business units, together with the General Administration and Finance Management.



Data protection and privacy

The negative consequences of technological progress and digitalisation include the increased vulnerability of companies to situations in which **information may get lost** due to various causes, such as cyber-attacks, human errors, or physical accidents.

The FCC Group has adopted preventive actions, implemented a regulatory framework, and developed cybersecurity projects that enable it to protect the information it holds in order to prevent these events, which can lead to considerable economic losses and seriously affect its reputation.

Cybersecurity model and principles

The FCC Group **Cybersecurity Model** defines the basic principles and minimum requirements for the development of security measures for information systems. This Model provides a proportionate guarantee of the confidentiality, integrity, and availability of the information at FCC.

The Group also has a **regulatory framework** for information security and cybersecurity, which covers all the necessary aspects and is applicable to the different business areas of FCC.

The Group constantly ensures the confidentiality, security, and proper use of the information it manages in its processes and, particularly, the **personal data** of its clients, partners, and suppliers. FCC therefore adheres to the following principles when processing such data:

- Transparency and confidence in the secure processing of personal data at all times.
- Responsibility and commitment in the use of personal data, based primarily on its confidentiality.
- Efficient and secure management of the personal data processed in the FCC Group.
- Availability of personal data on a need-to-know basis, and only by persons who need it for their functions.
- Integrity of information, preventing unauthorised handling and tampering.

Continuous improvement of security

The FCC Group concentrated its IT security efforts in 2022 on three main initiatives to foster a culture of cybersecurity at a transversal level in the company:

- Identifying and developing **cybersecurity capabilities and knowledge**, fostering a cybersecurity-aligned culture at all levels of the organisation.
- Implementing and prioritising **cybersecurity measures**, based on a risk and threat analysis, and paying special attention to systems that support critical infrastructure and essential services.
- Establishing mechanisms to **supervise and monitor** the state of cybersecurity, ensuring compliance with applicable regulations.



Cybersecurity Awareness Campaign

The FCC Group has promoted a campaign during 2022 to raise awareness of issues associated with information security.

As part of its efforts to foster a culture of cybersecurity at all levels of the organisation and with the aim of developing the necessary skills and knowledge in this matter among its workforce, FCC launched a new cybersecurity awareness campaign in 2022.

This awareness campaign is an additional initiative to the ongoing training provided by the Group in this area and ensures a general alignment in anticipating and responding to risks arising from new technologies. Every Group employee has thus received training in the safe and appropriate use of Internet browsing and e-mail. The training also covers issues such as social engineering and phishing, including phishing simulations.

Several areas of the Group's business lines are also **ISO 27001 certified**, attesting that the information security management systems implemented are in line with international best practices. Specific certifications are available in:

Additionally, the **National Security Scheme (ENS) certification** was incorporated in 2022 for the VISION platform of the Environmental Services area, as well as for the FCC Industrial development environment of the Infrastructures area.

Environmental Services

- VISION business application.

Water

- Client service centre.

Infraestructures

- FCC Construcción's works document management system.
- Development environment at FCC Industrial.



Tax transparency

Tax control, transparency, and trust have become essential principles for the corporate world. An increasing number of companies are adopting protocols to ensure full tax compliance and, in turn, to provide relevant information about their taxation to both the tax authorities and the public.

From this perspective, and in line with the steps taken on the road to excellence in its governance model, the establishment of its compliance model and the protection of data security, the FCC Group is actively involved in achieving full transparency in tax management. This is reflected in the creation of its own **tax strategy**, reinforced by a tax **risk identification and management system**, which ensures compliance with applicable tax regulations and provides for appropriateness in the co-ordination of tax practices.

FCC tax strategy

As mentioned above, the FCC Group has a defined and integrated tax strategy, which is based on two fundamental rules: its Code of Tax Conduct and its Tax Control Framework Standard, which are specified below.

Code of Tax Conduct

The FCC Code of Tax Conduct is mandatory and establishes the policies, principles, and values that should guide the company's behaviour in tax matters.

In addition, this code establishes the necessary observance by the Group's employees of the Tax Control Framework Standard and the procedures relating to the management of the tax area set out therein. The application of the standard and procedures will depend on the nature of each individual's duties and activities.

The FCC Code of Tax Conduct is aligned with the Group's mission, vision, and values.

Tax Control Framework Standard

The FCC Tax Control Framework Standard lists and develops the responsibilities assumed by the members of the Group's tax function, in line with a model which strategy is defined by the Corporate Tax Management and is ultimately supervised by FCC's Audit and Control Committee.

This standard addresses a number of issues, including the following:

- The FCC Group will always opt for reasonable interpretations of the standard or interpretations shared by the relevant administrative bodies or courts of law in jurisdictions where the Group operates.
- Neither tax planning strategies nor tax positions will be acceptable as long as the economic benefit is exclusively of a tax nature. In other words, such movements or positions must be consistent with FCC's business or commercial purpose.
- It will not be possible to carry out agreements that could be considered as "artificial" from a tax point of view.
- The parameters and criteria defined in this standard should be taken into account when classifying tax risks, as described in the relevant chapter below.

In addition, this strategy is supported by the **governing bodies** of the FCC Group, with the aim of guaranteeing impeccable management and establishing their responsibilities in tax matters. Specifically:

Board of Directors

- It formally reviews and approves the tax strategy.
- Responsible for approving the Group's Code of Tax Conduct and the Tax Control Framework Standard. Specifically, both documents were first approved by the Board in 2014 and revised in 2018.
- In line with the express provisions of the Tax Control Framework Standard, some decisions may require the prior approval of the Board of Directors due to the risk involved.

Audit and Control Committee

- It is responsible for reviewing the Group's tax policies, and the main tax risks and litigation identified. Specifically, these risks will be reported half-yearly to the Audit and Control Committee for oversight.

This tax strategy establishes the **obligation for all FCC employees to observe**, within their activity and functions, with the provisions set out in the Tax Control Framework Standard. In addition, they have the right and duty to report, through the Whistleblowing Channel, possible unethical or illegal conduct within the Group. The following additional obligations are laid down for employees in the tax function:

- Observing, on the basis of sufficiently reasoned and reasonable interpretations and sufficiently verified facts, the tax regulations applicable in each jurisdiction.
- Compliance with both the Tax Control Framework Standard and the specific procedures for communication, action, and review relating to the tax area.
- Ensuring that relevant tax decisions are overseen by the Group's senior management and have taken into consideration the various business variables, as well as the potential risks involved.
- Developing a relationship of transparency and mutual trust with the tax authorities in each country.
- Actively engaging in the tax forums of those business associations and international organisations of which the FCC Group is a member, with a view to proposing specific tax measures aimed at achieving a fairer and more harmonised tax system.

It is essential to point out that the FCC Group is working on its **Tax Policy**, the purpose of which is to create value both for its shareholders and for the rest of its stakeholders. In this regard, all transactions conducted within the framework of this policy will be carried out for business reasons, in full compliance with applicable regulations and taking into account the possible impact of its tax decisions in the communities where it operates.

All FCC employees have the **right and duty to report**, through the **Whistleblowing Channel**, possible unethical or illegal conduct within the Group

The FCC Group has also voluntarily adhered to the **Spanish Tax Agency's Code of Good Tax Practices**. The recommendations set out in this code are intended to improve the application of the Spanish tax system by increasing legal certainty, reciprocal cooperation based on good faith and legitimate trust between the Agency and businesses.

Finally, the Group also draws up its annual **Tax Transparency Report**. The presentation of this report reinforces the FCC Group's desire for transparency, demonstrates its commitment to the standards of good tax practices and, at the same time, allows its stakeholders to have access to this information.

The FCC Group strives to **identify and manage** potential **tax risks** due to the serious consequences that an incorrect treatment of such risks may cause

Tax risk identification and management

As a result of its proactive and preventive perspective, the FCC Group strives to work on risk management, with special attention to the identification and management of potential tax risks. This approach is due to the serious financial, reputational, and governance consequences that could result from the incorrect treatment of such risks.

In that way, FCC works to **identify** cases in which the decisions taken may result in tax risks. In this regard, and in accordance with the Group's Tax Control Framework Standard, risks will be classified in terms of their potential quantitative and qualitative impact, in accordance with the parameters and criteria defined by this standard. These may be **reputational, implementation, compliance, and external risks**.

In this regard, depending on the risk assumed, decisions will be taken by the Tax Department of the business area involved or, where appropriate, by the head of the Corporate Tax Department. However, as mentioned above in the tax powers of the Board of Directors of FCC, certain risks, due to the nature of the risk assumed, will require the approval of the Board.

It is nevertheless essential to clarify that, even if the tax rulings are in accordance with the law, the FCC Group will not be able to take tax rulings that are classified as "serious risk".

Following the process of identifying fiscal risks, these will be **managed** through internal mitigation, control, and management tools. In this respect, the FCC Group's Audit and Control Committee will be responsible for reviewing tax litigation and risks on a half-yearly basis.

Tax results

In compliance with its tax obligations and the applicable tax regulations, the FCC Group presents in Annexes, Additional tables section, **"Tax transparency tables"**, the data corresponding to profits after tax, taxes on profits and public subsidies received country by country for the financial year 2022.

This information has been audited by an external auditor of FCC, in line with the necessary requirements of independence and objectivity.



Annexes

Additional Information

About this Report

Regulatory context

The FCC Group's Sustainability Report for the period from 1 January to 31 December 2022 aims to disclose information on its most significant impacts on the economy, the environment, and people, including any affecting human rights. The FCC Group draws up an annual Sustainability Report.

Non-financial reporting improves transparency and increases the company's accountability for its social, environmental, and governance impacts. It also contains information on environmental, social, personnel, human rights, anti-corruption, and anti-bribery issues, which helps to quantify, monitor and manage business performance and impact on society.

This Report was drawn up in accordance with the GRI (Global Reporting Initiative) Standards. In addition, non-financial reporting is included in accordance with Spanish Law 11/2018 of 28 December, on non-financial information and diversity, and it is consequently incorporated into the management report (corresponding to the period from 1 January 2022 to 31 December 2022) of the FCC Group.

Principles of reporting

This Sustainability Report was drawn up on the basis of the principles of the Global Reporting Initiative, which guarantee the quality of the report, enabling stakeholders and users of the information to make assessments and informed decisions on the impacts of the organisation.

The FCC Group guarantees compliance with the principles of accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability in the preparation of its Report.

In accordance with the principle of verifiability, FCC has determined material issues by updating its materiality analysis for the year 2022, developed in **"Materiality Analysis"** section of this report, taking into account the Group's impacts on its main stakeholders.

The information reported in the Sustainability Report was also verified by an independent expert to guarantee its reliability. The assurance report, including the scope, objectives, review procedures used, and conclusions, is included as an annex to this document.

Point of contact

Queries relating to the report, or the information presented can be sent to the following e-mail address: sostenibilidadfcc@fcc.es

Scope

The information included in this Sustainability Report covers the scope of consolidation used for the financial consolidation of Fomento de Construcciones y Contratas S.A. and subsidiaries. Accordingly, the scope of this report extends to the data of 100% of the investee companies over which the FCC Group has management control, regardless of its percentage of ownership interest in them.

Annex I to the consolidated financial statements lists the companies of the FCC Group at 31 December 2022. This annex can be consulted, as of the date of preparation of this document, on the website of the Spanish National Securities Market Commission (CNMV): CNMV – Annual financial reports.

The main change to the scope of the information is that in 2022, for the first year, the information corresponding to the FCC Group's Real Estate area has been included.

The FCC Group is present in numerous geographies and has a diverse range of activities, which is why it requires an additional effort to be able to extend the scope of the information included in its Sustainability Report to all the companies that make it up.

The companies excluded from the scope because they have not incorporated non-financial information in 2022 are shown below.

Business	Scope exclusions
Environmental Services	Azincourt Investment, S.L., Corporación Inmobiliaria Ibérica, S.A., Ecogenesis Societe Anonime Rendering of Cleansing and Waste Management Services, Egypt Environmental Services, S.A.E., Empresa Comarcal de Serveis Mediambientals del Baix Penedés – ECOBP, S.L., Energyloop, S.A., Enviropower Investments Limited, FCC Environment Services (UK) Limited, FCC Equal CEE Andalucía, S.L.,FCC Equal CEE Baleares, S.L.U., FCC Equal CEE Canarias, S.L.U., FCC Equal CEE Murcia, S.L., FCC Medio Ambiente Reino Unido, S.L.Unipersonal, FCC Medioambiente Internacional, S.L.U., FCC Servicios Medio Ambiente Holding, S.A. Unipersonal, Golrib, Soluções de Valorização de Residuos Lda., Houston Waste Services, LLC, Houston Waste Solutions, LLC, Industria Reciclaje de RAEES, S.L. International Services Inc., S.A. Unipersonal, Jaime Franquesa, S.A., Reciclado de Componentes Electrónicos, S.A., Recuperació de Pedreres, S.L., Serveis Municipals de Neteja de Girona, S.A., Servicio de Recogida y Gestión de Residuos Sólidos Urbanos del Consorcio Vega Sierra Elvira, S.A., Sistemas y Vehículos de Alta Tecnología, S.A., Telford & Wrekin Services Limited, Tratamientos y Recuperaciones Industriales, S.A., Valoración y Tratamiento de Residuos Urbanos, S.A., Valorización y Tratamiento de Residuos, S.A. Agadax s.r.o, FCC Centrum Nonprofit Kft., FCC Eko-Radomsko sp. z.o.o.
Water	Aguas de la Sabana, S.A. E.S.P.
Infrastructures	ACE Scutmadeira Sistemas de Gestao e Controlo de Tràfego, Colombiana de Infraestructuras, S.A.S., Concesiones Viales S. de R.L. de C.V., Concretos Estructurales, S.A., Conservial Infraestructuras, S.L., Consorcio FCC Iquique Ltda., Construcción Infraestructuras y Filiales de México, S.A. de C.V., Construcciones Hospitalarias, S.A., Constructora Meco-Caabsa, S.A. de C.V., Constructora Túnel de Coatzacoalcos, S.A. de C.V.,Consorcio FCC Meco y Santa Fe de Costa Rica y Nicaragua, S.A., Desarrollo y Construcción DEYCO CRCA, S.A., Edificadora MSG, S.A. (Panamá), Edificadora MSG, S.A. de C.V. (El Salvador), Edificadora MSG, S.A. de C.V. (Nicaragua), FCC Américas, S.A. de C.V., FCC Américas Panamá, S.A., FCC Colombia, S.A.S., FCC Construcción, S.A. (Concesiones), FCC Constructii Romania, S.A., FCC Construction Australia Pty Ltd, FCC Construction International B.V., FCC Construction Northern Ireland Limited, FCC Construçoes do Brasil Ltda., FCC Edificadora CR, S.A., FCC Electromechanical Llc., FCC Elliott Construction Limited, FCC Industrial de Panamá, S.A., FCC Industrial e Infraestructuras Energéticas, S.A. Unipersonal, FCC Industrial Perú, S.A., FCC Industrial UK Limited, FCC Inmobilien Holding GmbH, FCC Servicios Industriales y Energéticos México, S.A. de C.V., FCC Soluciones de Seguridad y Control, S.L.,Fomento de Construcciones y Contratas Canadá Ltd., Impulsora de Proyectos Proserme, S.A. de C.V., Meco Santa Fe Limited, Megaplás Italia, S.p.A, Servicios Dos Reis, S.A. de C.V.
Cement	Áridos de Navarra, S.A., Canteras de Alaiz, S.A., Dragon Alfa Cement Limited, Dragon Portland Limited, Intermonte Investments, S.A., Prebesec Mallorca, S.A., Tratamiento Escombros Almoguera S.L., Uniland Acquisition Corporation, Uniland International B.V., Uniland Trading B.V.
Real Estate	Costa Verde Habitat, S.L., FCC Real Estate (UK) Limited, Jezzine Uno, S.L. Unipersonal, Vela Borovica Koncern d.o.o., Guillena Golf, S.L. Unipersonal, Inversiones Inmobiliarias Rústicas y Urbanas 2000, S.L., Planigesa, S.A., Realia Contesti, S.R.L., Valaise, S.L. Unipersonal.
Other activities	Asesoría Financiera y de Gestión, S.A., Autovía Conquense, S.A., Cemark - Mobiliario Urbano e Publicidade, S.A., Concesionaria Túnel de Coatzacoalcos, S.A. de C.V., FCC Concesiones Al Ansar, S.A. Unipersonal, FCC Concesiones de Infraestructuras, S.L., FCC Midco, S.A., FCC Topco, S.A.R.L., FCC Versia, S.A., Fedemes, S.L., PPP Infraestructure Investments B.V., Sociedad Concesionaria Tranvía de Murcia, S.A., Vialia Sociedad Gestora de Concesiones de Infraestructuras, S.L.

The non-financial information included in the Report, despite the scope exclusions reflected in the table above, covers 94% of the FCC Group's turnover, thus ensuring a true and fair view of the company's financial performance.

The exclusions from the scope of these companies, due to the lack of incorporation of non-financial information, are because they are inactive or in liquidation, are holding companies, are companies without productive activity or have been incorporated in the last six months of the financial year. The Group's approach to non-financial reporting allows voluntary reporting for those companies incorporated in the second half of the year. This is done so that new companies have a reasonable time to adapt to FCC's management systems. However, where this information is available, it will be incorporated into the data provided by each business line.

Finally, the exclusions from the scope of specific indicators, despite being already detailed in their respective sections of the report, are presented below.

Indicator	Scope Exclusions
Resources dedicated to environmental risk prevention	Water, Real Estate
Non-monetary resources dedicated to environmental risk prevention	Water, Real Estate
Atmospheric emissions of polluting substances	Real Estate
Water discharges	Water[25], Real Estate
Waste managed by the Environment area	Subsidiary of the Environmental Services business in Austria
Water abstraction	Water[26], FCC Environmental Services
Material consumption	Real Estate, FCC Environmental Services
Energy consumption	Real Estate
GHG Emissions	Real Estate, FCC Environmental Services
Protected vulnerable areas and affected areas	Real Estate
Complaints and claims received and handled	FCC Environmental Services

The environmental section includes data on energy consumption, water consumption, waste generated, and GHG emissions for the Group's corporate buildings (Las Tablas, Federico Salmón, and Balmes offices). These indicators, with a very low weighting with respect to the FCC Group, are the significant ones in the environmental management of these centres.

Regarding the exclusions from scope in the specific indicators mentioned above, these omissions are justified due to the impossibility of providing exhaustive and good quality information at the closing date for the submission of this report. About the indicated omissions, with respect to the turnover of the FCC Group, Water contributes 17.2%, the Real Estate business accounts for 3.5% and the subsidiaries of the Environmental Services business in Austria account for 2.1% and FCC Environmental Services for 3.2%.

With regard to fuel consumption information, GJ conversion factors have been used according to "Greenhouse gas reporting: conversion factors 2022", published by DEFRA.

Meanwhile, the Infrastructures area has calculated the environmental data, estimating the information corresponding to the last quarter of 2022.

[25] Since Aqualia's activity is to manage the end-to-end water cycle, the quantities of water discharged as a result of the purification and re-use processes are shown in section **"End-to-end water resources management".**

[26] Aqualia's self-consumption data, which is a residual volume compared to the quantities of water managed shown in section **"End-to-end water resources management"**, is not available.

Additional tables

Group Policies

Policy	Description	Goal	Approval and Implementation
Remuneration Policy	It refers to the principles, structure, and inclusions of the remuneration package for directors, and incorporates the amendments contemplated in the Corporate Enterprises Act by the reform introduced by Law 5/2021 of 12 April.	In addition to setting out general principles and rationale for the directors' remuneration policy, it provides information on the process for determining such a policy. Likewise, it establishes in which cases the remuneration for the performance of executive duties applies and in which cases the annual remuneration corresponds.	**Approved by:** the Ordinary General Shareholder Meeting. **Implemented by:** the Board of Directors of the company.
Anti-Corruption Policy	It mentions the applicable principles for preventing corruption and fraud contemplated in the Group's Code of Ethics and Conduct, as well as the implementation mechanisms.	The policy seeks to reiterate the company's commitment to regulatory compliance and ethical behaviour in its business activities. These rules shall apply to all employees and companies of the Group.	**Approved by:** the Board of Directors. **Implemented by:** the Corporate Compliance Officer and the Compliance Committee.
Policy on relationships with partners in relation to compliance	Considers due diligence protocols and principles. It also focuses on the implementation of compliance requirements in the management of operations carried out with partners.	It aims to implement principles and criteria to be maintained in terms of communication, acceptance, and application of the compliance mechanisms stipulated in the FCC Group's Crime Prevention Model. This applies to all business partners, including companies, special purpose entities, joint ventures, temporary joint ventures, and consortia.	**Approved by:** the Board of Directors. **Implemented by:** the Corporate Compliance Officer and the Compliance Committee.
Agent Policy	This policy sets out the general principles that must be maintained in any FCC Group relationship with a commercial agent or business developer. It also covers the basic elements of the procedures for the selection, negotiation, and control of the activity of these figures.	The aim of this policy is to prevent the relations that the FCC Group may enter into with third parties from placing the company in a situation of risk, particularly in relation to certain conduct, such as malpractice or acts of corruption.	**Approved by:** the Board of Directors. **Implemented by:** the FCC Group as its agents or commercial developers and the Compliance Officer.
Gift Policy	It sets out the principles relating to the giving or acceptance of gifts and their scope of application.	This policy aims to regulate the practice of accepting and giving gifts. This is done in order to maintain a professional relationship with current and potential suppliers.	**Approved by:** the Board of Directors.

Policy	Description	Goal	Approval and Implementation
Bid Policy	Its purpose is to determine the essential and common elements of the FCC group for the preparation and presentation of proposals to contracting processes required by private or public entities.	The FCC Group seeks to ensure that its tendering processes are conducted consistently and in line with the Group's Code of Ethics and Conduct. In particular, with its values of honesty, respect, rigour, and professionalism.	**Approved by:** the Board of Directors. **Implemented by:** FCC Group employees with an obligation to report any irregularities to the Whistleblowing Channel.
Competition Policy	The policy includes the Principles of conduct in contacts or relations with competitors, as well as its scope of application, the legal framework within which it is governed, and the lines of action to be followed in this area.	It seeks to set out the basic principles of competition law that both the executive team and the entire staff of the FCC Group should be familiar with. It should also provide guidelines for action to prevent a competition fine.	**Approved by:** the Board of Directors. **Implemented by:** FCC Group executives and employees with an obligation to report any irregularities to the Whistleblowing Channel.
Human Rights Policy	The Human Rights policy mentions the scope of application of this topic, the commitments it incurs, and due diligence mechanisms it will apply, as well as the officials and executives responsible for implementing these commitments.	This policy is aligned with the Guiding Principles on Business and Human Rights, approved by the United Nations Human Rights Council (2011), and with the Global Compact (to which FCC adhered in 2006). Thus, the company assumes its commitment to respect the Human Rights established in the United Nations Universal Declaration of Human Rights and the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work.	**Approved by:** FCC Board of Directors. **Implemented by:** Group Corporate Responsibility Committee and CSR committees. Similarly, corporate directors in the countries where the Group operates.
Protocol for the Prevention and Eradication of Harassment	The protocol covers prevention principles, measures, and mechanisms, as well as research and response procedures. Basic information on Data Protection and the archiving mechanism are additional points mentioned.	The protocol seeks to address the principles set out in the Code of Ethics and Conduct and to reject any kind of harassment or abuse of authority. It also disapproves of any behaviour that leads to bullying or hostility.	**Approved by:** Obeying the provisions of the Code of Ethics and Conduct. **Implemented by:** Corporate Compliance Committee and the Corporate Compliance Officer.
Code of Ethics and Conduct	This Code is the highest-level standard of this model. It covers the policies, procedures, and internal controls that are assessed to prevent, detect, and eradicate misconduct. Additionally, it practically implements the values shared by the company.	It ensures that all persons linked to any line of business of the FCC Group are guided and act in accordance with ethical parameters and principles. Likewise, to comply with laws, regulations, and contracts. It also aims to prevent and detect risks of non-compliance and minimise any potential impact.	**Approved by:** the FCC Group Board of Directors. **Implemented by:** Audit and Control Committee with the support of the Compliance and Internal Audit Committee.

Environmental tables

Environmental management

Noncompliance with environmental laws and regulations

	2020	2021	2022
Total monetary value of fines (€)	304,256	43,861	42,339
Total number of non-monetary sanctions (No.)	23	5	21
Cases submitted to dispute resolution mechanisms (No.)	53	14	40

Greenhouse gas emissions

Direct GHG emissions (Scope 1) (tCO_2e)

	2020	2021	2022
tCO_2e emissions from fossil fuel combustion at stationary sources under operational control	1,435,292	1,484,852	1,556,269
tCO_2e emissions from fossil fuel combustion in mobile sources under operational control	274,804	282,799	280,396
tCO_2e emissions generated in water management complexes with operational control (e.g., leakage in digestion processes, etc.)	77,987	80,224	93,991
Direct emissions from energy recovery stations in operationally controlled plants (Energy from Waste thermal treatment plants)	641,867	634,735	600,786
tCO_2e emissions associated with biological treatment in plants under operational control (composting and biomethanisation)	51,834	77,148	85,641
Direct emissions from calcination of carbonaceous raw materials in clinker kilns	2,360,049	2,607,731	2,616,559
tCO_2e emissions associated with operationally controlled landfill disposal	1,517,932	1,457,336	1,269,959
Direct emissions from coolant leaks	–	15	553
Other direct emissions	–	–	–
Total	**6,359,764**	**6,624,839**	**6,504,153**

Indirect GHG emissions (Scope 2) (tCO_2e)

	2020	2021	2022
tCO_2e emissions associated with electricity or steam purchased from third parties - geographical method	604,073	549,838	630,050
tCO_2e emissions associated with electricity or steam purchased from third parties - market method (optional)	–	–	–
Total	**604,073**	**549,838**	**630,050**

Direct GHG emissions (Biogenic Origin) (tCO_2e)

	2020	2021	2022
Emissions from the consumption of biogenic fuels in stationary and mobile sources under operational control	2,006,143	2,090,644	2,083,924

GHG emission reductions as a result of abatement initiatives (tCO_2e)

	2022
Direct GHG Emissions (Scope 1)	34,036
Indirect GHG Emissions (Scope 2)	7,794
Arising from emission offsets	–

The specific measures adopted by the different business lines to reduce the emissions expressed in the previous table are specified below:

- **FCC Medio Ambiente Iberia**: Procurement of electricity with Guarantees of Origin (GoO) and energy efficiency improvements.
- **Water:** Ad-hoc measures at each facility to improve energy efficiency (implementation of photovoltaic panels, hydraulic turbines, replacement of equipment and vehicles, etc.).
- **Infrastructures**: Re-use of leftover earth or rocks, clean rubble and plant residues from pruning and treatments on construction sites. This includes the proper maintenance of machinery and speed limits on construction vehicles.
- **Cement**: Savings in electricity consumption by replacing motors in various facilities (filters, elevators), replacing pumps with variable speed drives, optimising the air network, implementing expert systems in crude oil milling, and switching to LED lighting. Likewise, a reduction in Scope 1 emissions is achieved by increasing the use of biomass fuels (replacing petroleum coke with biomass) at the Alcalá de Guadaira factory.



Energy consumption[(18)]

Consumption of fossil fuels in stationary and mobile sources under operational control (GJ)

	2020	2021	2022
Petrol	97,236	64,346	100,147
Diesel	3,766,750	3,819,086	4,001,426
Boiler oil (Diesel C)	18,320	29,088	95,629
Fuel Oil	8,954	12,233	18,649
LPG (Liquefied Petroleum Gas)	2,094	2,175	5,035
Petroleum naphtha	-	-	-
Natural gas	118,346	125,087	171,141
Compressed natural gas (CNG)	473,421	498,937	677,574
Liquefied natural gas (LNG)	-	327	-
Petroleum coke	-	-	-
Kerosene	662	623	443
Coal (domestic)	1,082	-	1,087
Coal (industrial)	–	-	-
Propane		3,363	4,262
Waste (fossil fraction)	7,207,458	7,602,329	7,273,523
Butane	15	7	3
Conventional fossil fuels in clinker kilns	12,214,421	12,724,095	14,359,785
Alternative fossil fuels in clinker kilns	1,509,222	1,945,334	3,020,065
Total	**25,421,421**	**26,827,028**	**29,728,770**

Consumption of renewable fuels in stationary and mobile sources under operational control (GJ)

	2020	2021	2022
Biodiesel	-	152,128	1,706
Bioethanol	-	2,842	-
Biogas burned in boilers without electricity generation	238,919	202,287	234,876
Biogas burned in engines or turbines with electricity generation	1,397,791	1,297,256	1,552,670
Waste (biomass fraction)	8,487,487	9,278,924	8,871,101
Biomethane	549	688	532
Landfill gas	4,552	4,350	213,460
Biomass	1,364,247	1,683,963	1,683,086
Total	**11,493,456**	**12,622,438**	**12,557,430**

Consumption of self-produced renewable energy (GJ)

	2020	2021	2022
From wind turbines	255	377	363
From photovoltaic panels	753	4,205	13,506
From hydraulic turbines	-	-	673,806
Total	**1,009**	**4,582**	**687,675**

Direct energy consumption (GJ)

	2020	2021	2022
Direct consumption from non-renewable sources	25,421,421	26,827,028	29,728,770
Direct consumption from renewable sources	11,494,555	12,627,020	12,571,300
Total	**36,915,975**	**39,454,048**	**42,300,070**

Indirect energy consumption (GJ)

	2020	2021	2022
Indirect consumption from non-renewable sources	6,075,789	6,123,109	5,509,876
Indirect consumption from renewable sources	112,181	406,908	1,455,265
Total	**6,187,970**	**6,530,017**	**6,965,140**

Reduction of energy consumption as a result of conservation and efficiency initiatives (GJ)

	2022
Fuel	–
Electricity	7,195
Heating	–
Cooling	–
Steam	–
Other	–

Initiatives taken to reduce energy consumption have an impact on the reduction of GHG emissions. Therefore, the measures described above [table: *"GHG emission reductions as a result of abatement initiatives (tCO_2e)"*] for the Water and Cement businesses are the reason for the figure reported in the above table. In addition, LED lighting has been installed at the Environmental Services subsidiary in the Czech Republic.

Material consumption(19)

Materials of renewable origin (T)

	2020	2021	2022
Raw materials (metals, minerals, wood, etc.)	257,475	755,363	830,462
Auxiliary materials (lubricants and reagents)	191	186	254
Semi-finished products	–	–	–
Container and packaging material (paper, cardboard, plastics)	4,327	7,581	6,671
Total	**261,993**	**763,131**	**837,387**

Materials of non-renewable origin (T)

	2020	2021	2022
Raw materials (metals, minerals, wood, etc.)	41,138,971	54,401,537	17,360,398
Auxiliary materials (lubricants and eagents)	96,658	132,748	94,874
Semi-finished products	3,726,276	4,026,757	1,860,823
Container and packaging material (paper, cardboard, plastics)	4,343	2,019	46,684
Total	**44,966,248**	**58,563,062**	**19,362,779**

Recycled input materials (T)

	2022
Total recycled inputs used	1,679,485
Total inputs used	20,167,649
Percentage of recycled inputs used	8%

Reclaimed products and their packaging materials (%)

	2022
Percentage of packaging materials recovered (paper, plastic, cardboard)	50.8

Waste

Treatment of hazardous waste not destined for disposal (T)

	2022
Preparing for re-use	158
Recycling	106,320
Other revaluation operations	700
Not typified	107
Total	**107,285**

Treatment of non-hazardous waste not destined for disposal (T)

	2022
Preparing for re-use	45,521
Recycling	441,647
Other revaluation operations	231,019
Not typified	653,496
Total	**1,371,683**

Treatment of hazardous waste destined for disposal (T)

	2022
Incineration (with energy recovery)	367
Incineration (without energy recovery)	42
Transfer to landfill	72,430
Other revaluation operations	10,460
Not typified	20,744
Total	**104,043**

Treatment of non hazardous waste destined for disposal (T)

	2022
Incineration (with energy recovery)	30,357
Incineration (without energy recovery)	8
Transfer to landfill	1,228,330
Other revaluation operations	4,863
Not typified	23,073
Total	**1,286,632**

Water[(20)]

Water abstraction from areas with water stress (m³)

	2020	2021	2022
Municipal water supply or by other water companies	5,681,748	5,609,234	6,224,421
Surface waters (wetlands, rivers, lakes, and other water streams)	470,964	93,176	32,575
Sea water	–	–	–
Brackish waters	–	–	–
Groundwater	620,075	546,313	384,217
Rainwater captured and stored by the organisation	3,515	242,319	14,462
Recycled or re-used water	1,895,215	1,931,123	1,466,746
Other water resulting from extraction, processing, or uses of raw materials	–	–	–
Total	**8,671,517**	**8,422,165**	**8,122,421**

Water abstraction by water type (m³)

	2020	2021	2022
Fresh water (total dissolved solids ≤ 1000 mg/l)	14,579,493	14,406,904	13,661,792
Other waters (total dissolved solids > 1000 mg/l)	–	–	–
Total	**14,579,493**	**14,406,904**	**13,661,792**

Pollution

Water discharges by concentration (m³)

	2020	2021	2022
Fresh water (total dissolved solids ≤ 1000 mg/l)	1,508,526	2,452,153	1,452,122
Other waters (total dissolved solids > 1000 mg/l)	117,439	621,596	1,157,329
Not typified	1,948,056	1,087,988	930,139
Total	**3,754,520**	**4,161,737**	**3,539,590**

Water discharges by concentration in water-stressed areas (m³)

	2020	2021	2022
Fresh water (total dissolved solids ≤ 1000 mg/l)	592,343	541,175	724,525
Other waters (total dissolved solids > 1000 mg/l)	100	10,081	188,135
Total	**592,443**	**551,256**	**912,660**

Social and personnel tables

Changes in the distribution of the workforce by gender (31-Dec)

	2020	2021	2022
Men	77.7%	77.1%	77.3%
Women	22.3%	22.9%	22.7%
Total	**100%**	**100%**	**100%**

Changes in the distribution of the workforce by business area (31-Dec) (Percentage)

	2020	2021	2022
Environmental Services	67%	69.7%	67.6%
Water	18%	16.5%	19.6%
Infrastructures	12%	11.3%	10.3%
Cement	2%	1.8%	1.6%
Real Estate	-	0.2%	0.2%
Central Services	1%	0.5%	0.7%
Total	**100%**	**100%**	**100%**

Changes in the distribution of the workforce by age range and gender (Dec-31)

	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
< 35 years	6,788	1,850	7,425	2,125	8,127	2,348
35-54 years	24,043	7,501	24,946	7,623	26,605	8,062
> 54 years	15,570	3,995	13,563	3,865	15,355	4,302
Subtotal	**46,401**	**13,346**	**45,934**	**13,613**	**50,087**	**14,712**
Total	**59,747**		**59,547**		**64,799**	

Changes in the distribution of the workforce by country and gender (Dec-31)

	2021			2022		
	Men	Women	Total	Men	Women	Total
Spain	34,514	11,180	45,694	35,856	11,771	47,627
Czech Republic	2,466	729	3,195	2,503	757	3,260
Georgia	-	-	0	2,382	351	2,733
United Kingdom	2,247	385	2,632	2,144	384	2,528
Colombia	782	154	936	1,188	244	1,432
Saudi Arabia	1,047	179	1,226	1,029	116	1,145
United States	494	87	581	893	152	1,045
Austria	535	157	692	560	166	726
Poland	479	138	617	494	152	646
Romania	536	125	661	502	120	622
Portugal	396	101	497	523	98	621
Slovakia	317	96	413	310	99	409
UAE	312	8	320	331	8	339
Italy	212	37	249	252	39	291
Tunisia	209	13	222	199	13	212
Hungary	131	50	181	128	48	176
France	70	27	97	104	42	146
Mexico	98	23	121	104	21	125
Chile	64	22	86	89	24	113
Serbia	79	36	115	74	28	102
Egypt	546	3	549	94	2	96
Panama	177	24	201	61	16	77
Canada	8	1	9	47	19	66
Algeria	54	7	61	54	7	61
Netherlands	44	6	50	52	7	59
Peru	26	8	34	21	8	29
Norway	6	4	10	19	7	26
Australia	8	1	9	18	7	25
Qatar	13	–	13	21	–	21
Nicaragua	24	4	28	15	3	18
Ireland	9	2	11	6	1	7
Oman	2	–	2	5	–	5
Belgium	17	2	19	4	–	4
Costa Rica	3	2	5	1	1	2
Dominican Republic	4	1	5	1	–	1
Bulgaria	–	1	1	–	1	1
El Salvador	1	–	1	1	–	1
Guatemala	1	–	1	1	–	1
Montenegro	1	–	1	1	–	1
Kosovo	2	–	2	–	–	–
Total	**45,934**	**13,613**	**59,547**	**50,087**	**14,712**	**64,799**

Changes in the distribution of the workforce by functional level and gender (31-Dec)

	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Governance and Management	437	82	444	84	441	85
Supervisors	3,067	551	3,205	634	3,607	825
Technicians	3,898	1,660	4,092	1,847	4,738	2,075
Administrative staff	1,004	1,975	1,142	2,039	875	2,084
Other trades	37,995	9,078	37,051	9,009	40,426	9,643
Subtotal	**46,401**	**13,346**	**45,934**	**13,613**	**50,087**	**14,712**
Total	**59,747**		**59,547**		**64,799**	

Changes in the number of new recruits by gender

	2020	2021	2022
Men	7,703	9,546	11,231
Women	2,540	3,288	3,616
Total	**10,243**	**12,834**	**14,847**

New hiring rate by gender

	2022
Men	15.78%
Women	5.08%
Total	**20.86%**

Changes in the number of new hires by age and gender

	2020			2021			2022		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
< 35 years	2,766	894	3,660	3,956	1,325	5,281	4,675	1,316	5,991
35-54 years	3,847	1,365	5,212	4,197	1,562	5,759	5,152	1,827	6,979
> 54 years	1,090	281	1,371	1,393	401	1,794	1,404	473	1,877
Total	**7,703**	**2,540**	**10,243**	**9,546**	**3,288**	**12,834**	**11,231**	**3,616**	**14,847**

New hiring rate by age

	2022
< 35 years	8.42%
35-54 years	9.80%
> 54 years	2.64%
Total	**20.86%**

Number of new hires by region

	Men	Women	Total
Europe	8,689	3,211	11,900
America	2,228	328	2,556
MENA	308	71	379
Australia	6	6	12
Total	**11,231**	**3,616**	**14,847**

New hiring rate by region

	2022
Europe	16.72%
America	3.59%
MENA	0.53%
Australia	0.02%
Total	**20.86%**

Changes in the number of workers by contract type and gender (31-Dec)

	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Open-ended	32,975	10,053	34,132	10,224	41,464	12,363
Temporary	13,426	3,293	11,802	3,389	8,623	2,349
Subtotal	**46,401**	**13,346**	**45,934**	**13,613**	**50,087**	**14,712**
Total	**59,747**		**59,547**		**64,799**	

Staff by region and contract type (31-Dec)

	Open-ended	Temporary	Total
Europe	50,654	9,331	59,985
America	2,055	855	2,910
MENA	1,094	785	1,879
Australia	24	1	25
Total	**53,827**	**10,972**	**64,799**

Changes in the number of workers by workday type and gender (31-Dec)

	2020		2021		2022	
	Men	Women	Men	Women	Men	Women
Full-time	42,271	9,479	41,406	9,821	45,243	10,856
Part-time	4,130	3,867	4,528	3,792	4,844	3,856
Subtotal	**46,401**	**13,346**	**45,934**	**13,613**	**50,087**	**14,712**
Total	**59,747**		**59,547**		**64,799**	

Annual average by contract type and gender

	2020		2021		2022	
	Open-ended	Temporary	Open-ended	Temporary	Open-ended	Temporary
Men	32,952	14,053	33,761	12,614	39,021	9,957
Women	10,010	3,112	10,027	3,340	11,467	2,785
Subtotal	**42,962**	**17,165**	**43,788**	**15,954**	**50,488**	**12,742**
Total	**60,127**		**59,742**		**63,230**	

Annual average by contract type and age range

	2020		2021		2022	
	Open-ended	Temporary	Open-ended	Temporary	Open-ended	Temporary
< 35 years	4,593	5,730	4,607	5,176	6,242	4,024
35-54 years	25,220	8,302	25,218	7,707	27,994	6,009
> 54 years	13,149	3,133	13,963	3,071	16,252	2,709
Subtotal	**42,962**	**17,165**	**43,788**	**15,954**	**50,488**	**12,742**
Total	**60,127**		**59,742**		**63,230**	

Annual average by contract type and functional level

	2020		2021		2022	
	Open-ended	Temporary	Open-ended	Temporary	Open-ended	Temporary
Governance and Management	544	5	511	1	507	3
Supervisors	3,238	538	3,390	392	3,943	356
Technicians	4,403	994	4,661	949	5,455	1,185
Administrative staff	2,272	598	2,455	545	2,642	409
Other trades	32,505	15,030	32,771	14,067	37,941	10,789
Subtotal	**42,962**	**17,165**	**43,788**	**15,954**	**50,488**	**12,742**
Total	**60,127**		**59,742**		**63,230**	

Annual average by workday type and gender

	2020		2021		2022	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Men	42,788	4,217	41,936	4,439	44,283	4,695
Women	9,508	3,614	9,620	3,747	10,486	3,766
Subtotal	**52,296**	**7,831**	**51,556**	**8,186**	**54,769**	**8,461**
Total	**60,127**		**59,742**		**63,230**	

Annual average by workday type and age range

	2020		2021		2022	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
< 35 years	8,983	1,340	8,316	1,467	8,647	1,619
35-54 years	29,922	3,601	29,239	3,686	30,227	3,776
> 54 years	13,391	2,890	14,001	3,033	15,895	3,066
Subtotal	**52,296**	**7,831**	**51,556**	**8,186**	**54,769**	**8,461**
Total	**60,127**		**59,742**		**63,230**	

Annual average by workday type and functional level

	2020		2021		2022	
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Governance and Management	542	8	506	6	499	11
Supervisors	3,616	159	3,622	160	4,140	159
Technicians	5,143	255	5,299	311	6,257	383
Administrative staff	2,695	175	2,749	251	2,779	272
Other trades	40,300	7,234	39,380	7,458	41,094	7,636
Subtotal	**52,296**	**7,831**	**51,556**	**8,186**	**54,769**	**8,461**
Total	**60,127**		**59,742**		**63,230**	

Changes in dismissals by gender

	2020	2021	2022
Men	532	633	728
Women	156	149	169
Total	**688**	**782**	**897**

Changes in dismissals by age range

	2020	2021	2022
< 35 years	143	206	231
35-54 years	368	377	455
> 54 years	177	199	211
Total	**688**	**782**	**897**

Changes in dismissals by functional level

	2020	2021	2022
Governance and Management	24	1	6
Supervisors	63	51	56
Technicians	114	68	129
Administrative staff	37	38	40
Other trades	450	624	666
Total	**688**	**782**	**897**

Turnover of the number of persons and rate by gender

	2022	
Men	2,649	3.72%
Women	789	1.11%
Total	**3,438**	**4.83%**

Turnover of the number of persons and rate by age

	2022	
< 35 years	1,409	1.98%
35-54 years	1,626	2.28%
> 54 years	403	0.57%
Total	**3,438**	**4.83%**

Turnover of the number of persons and rate by region

	2022	
Europe	3,118	4.38%
America	279	0.39%
MENA	40	0.06%
Australia	1	0.00%
Total	**3,438**	**4.83%**

Birth leave

	2021		2022	
	Men	Women	Men	Women
Number of workers entitled to birth leave	849	249	1.048	295
Number of employees who took birth leave	849	249	1.036	294
Number of workers who returned to work after the end of birth leave	551	156	991	214
Number of workers remaining in the company 12 months after the end of birth leave (*)	–	–	646	132

(*) This figure includes the number of workers who completed their birth leave in the year 2021, regardless of the start date of the birth leave

Average remuneration by functional level, gender, and age range* (€)

	2021			2022		
	Under 35 years old	35 to 54 years	More than 54 years	Under 35 years old	35 to 54 years	More than 54 years
Men						
Governance and Management	64,349.34	114,087.42	142,532.93	78,998.20	118,330.98	160,043.27
Supervisors	33,877.29	47,278.12	51,254.61	31,026.55	46,089.03	53,193.80
Technicians	22,534.88	35,145.17	41,515.76	23,543.00	38,189.32	42,269.46
Administrative staff	16,669.38	27,766.52	36,641.13	19,652.25	28,456.37	34,592.62
Other trades	18,202.58	24,192.21	25,807.96	20,156.99	24,192.01	25,573.88
Women						
Governance and Management**	–	93,817.78	97,569.25	65,870.19	99,893.49	134,848.23
Supervisors	24,798.00	39,012.04	43,437.94	25,579.80	37,990.44	37,441.88
Technicians	19,913.13	28,956.06	31,784.99	21,842.76	29,511.23	32,504.40
Administrative staff	16,241.63	23,943.37	26,552.09	19,039.76	24,828.26	28,233.11
Other trades	17,301.58	19,241.44	18,824.60	19,212.07	20,237.11	19,724.81

(*) FCC has defined a remuneration policy for each of the countries in which it operates, so that the aggregate average remuneration, in which remuneration data where it is established is considered, is not representative of the remuneration management carried out in each of the business units and countries in which FCC is present.

(**) Data omitted to preserve privacy.

Percentage of workers covered by collective bargaining agreement by country* (%)

	2020	2021	2022
Saudi Arabia	0	0	0
Algeria	93.44	100	93.44
Australia	0	0	0
Austria	0.10	0.10	4.55
Belgium	100	100	100
Bulgaria	0	0	0
Canada	0	0	0
Chile	0	11.63	58.41
Colombia	0	4.12	4.12
Costa Rica	0	0	0
United States	14.37	3.27	0.19
Egypt	0	0	0
El Salvador	0	0	0
UAE	0	100	100
Slovakia	33.73	33.73	32
Spain	100	100	100
France	100	100	100
Georgia	-	-	22.98
Guatemala	0	0	0
Hungary	0	0	0

	2020	2021	2022
Ireland	0	0	0
Italy	100	100	100
Mexico	0	0	0
Montenegro	0	0	0
Nicaragua	0	0	0
Norway	0	100	0
Oman	0	0	0
Netherlands	100	100	100
Panama	65.55	29	13
Peru	0	0	0
Poland	20	15.32	12.23
Portugal	13.85	31.99	24.15
Qatar	16.07	0	0
United Kingdom	7.10	11.23	25.20
Czech Republic	36.38	33.66	33.13
Dominican Republic	100	100	100
Romania	20.52	24.66	26.69
Serbia	13.86	12	12.75
Tunisia	100	100	80.19

(*) In 2022 all countries and all areas where the FCC Group operates were included.

Annual average of training hours by gender and functional level

	Men	Women
Governance and Management	26	42
Supervisors	20	33
Technicians	17	18
Administrative staff	10	14
Other trades	8	4

Changes in training hours by functional level and business area

	2021						2022					
	Governance and Management	Supervisors	Technicians	Administrative staff	Other trades	Total	Governance and Management	Supervisors	Technicians	Administrative staff	Other trades	Total
Environmental Services	5,560	44,446	32,403	16,914	181,513	280,836	2,868	17,092	16,161	6,211	175,460	217,792
Water	3,842	23,997	17,703	5,881	22,361	73,784	1,632	22,928	14,859	9,278	34,601	83,298
Infrastructures	1,478	9,285	28,403	3,381	28,500	71,047	1,519	7,452	27,487	2,173	29,329	67,960
Cement	309	2,045	2,593	358	3,388	8,693	452	1,023	2,610	734	3,923	8,742
Real Estate	321	50	446	14	0	830	134	48	444	38	2	666
Central Services	2,515	914	2,164	428	55	6,076	1,953	815	2,763	465	65	6,061
Subtotal for Spain	**14,025**	**80,736**	**83,712**	**26,975**	**235,818**	**441,266**	**8,558**	**49,358**	**64,324**	**18,899**	**243,380**	**384,519**
Environmental Services	1,329	20,851	14,915	12,449	32,815	82,359	3,344	23,741	25,325	6,694	59,679	118,782
Water	605	2,741	16,612	2,110	9,444	31,512	1,573	17,458	14,100	11,048	28,851	73,030
Infrastructures	309	1,765	2,947	650	1,710	7,382	1,053	5,210	11,041	2,282	2,578	22,164
Cement	96	342	570	51	384	1,443	154	559	648	106	335	1,802
International Subtotal	**2,339**	**25,699**	**35,044**	**15,259**	**44,353**	**122,695**	**6,124**	**46,968**	**51,114**	**20,130**	**91,443**	**215,778**
Total	**16,364**	**106,435**	**118,756**	**42,235**	**280,171**	**563,961**	**14,682**	**96,326**	**115,438**	**39,029**	**334,823**	**600,297**

Safety, health, and wellbeing

Number of workplace accidents

	2022
Men	1,841
Women	341

Workplace injuries with major consequences

	2022
FCC	10
Subcontractor	9

Trends in absenteeism[27] rates due to workplace accidents and common illnesses

	2020	2021	2022
Work Accident	0.44	0.37	0.45
Comm. Illness	4.05	4.63	6.23

Trends in accident rates

Rate	2020	2021	2022
Frequency	17.07	18.36	21.78
Severity	0.67	0.71	0.9

Changes in fatal workplace accidents

	2020	2021	2022
FCC	3	0	2
Subcontractor	1	4	4

Trends in accident rates by geographical area

	2020		2021		2022	
Scope	Acc. Freq.	Severity	Acc. Freq.	Severity	Acc. Freq.	Severity
Spain	22.93	0.97	24.61	1	25.63	1.16
Global	17.07	0.67	18.36	0.71	21.78	0.9

Changes in the number of occupational illnesses by gender

	2020	2021	2022
Women	5	2	8
Men	6	2	3

Accident rates by gender

	2021			2022		
Gender	Acc. Freq.	Severity	Incidence	Acc. Freq.	Severity	Incidence
Women	16.46	0.62	2.35	17.01	0.71	2.74
Men	18.75	0.73	3.23	22.97	0.95	3.84

Employees and non-employed workers in 2022

	Covered by the system	Covered by the system subject to internal audit	Covered by the system subject to audit or certification
Number	76,302	76,302	67,660
Percentage	100%	100%	88.67%

[27] The FCC Group recorded a total of 7,088,847 hours of absenteeism in 2022.

Tax transparency tables

Group Countries	Core organisational activities	Revenues from sales to third parties 2022 (thousands of €)	Revenues from intra-group transactions with other tax jurisdictions 2022 (thousands of €)	Tangible assets other than cash and cash equivalents 2022	Pre-Tax Profit 2022 (thousands of €)	Taxes on profit paid 2022 (thousands of €)
Germany	Construction	67	4	51	-214	33
Andorra		114				
Saudi Arabia	Water	183,480	110,933	119,739	17,497	5,975
Construction	Water and construction	45,691	8,055	176,225	23,895	5,611
Argentina	Construction			2	0	
Australia	Construction	1,317		1,557	-2,236	-733
Austria	Water	162,822	-70	41,465	31,849	4,124
Belgium	Construction	26,873		4,208	1,557	412
Bosnia and Herzegovina	Water				0	
Brazil	Construction			-4,277	146	
Bulgaria	Construction			93	-33	0
Canada	Construction	23,400		1,235	2,613	
Chile	Water and construction	43,549		44,103	-4,452	277
Colombia	Water and construction	71,923	5,925	76,135	-6,293	2,155
Costa Rica	Construction	281		108	-1,866	-121
Croatia	Real Estate	10		55		
Denmark		19				
Ecuador	Water			52	81	35
Egypt	Water and environment	21,867	7	20,498	8,655	1,583
El Salvador	Construction	2,836		872	14	25
United Arab Emirates	Water and construction	15,639	472	7,302	1,922	
Slovakia	Environment	43,297		55,607	6,539	1,691
Spain	Water, cement, concessions, eliminations, real estate	4,271,181	339,715	7,281,489	277,240	8,520
United States	Water, cement, environment, and construction	262,165	372	342,281	-14,958	-312

Group Countries	Core organisational activities	Revenues from sales to third parties 2022 (thousands of €)	Revenues from intra-group transactions with other tax jurisdictions 2022 (thousands of €)	Tangible assets other than cash and cash equivalents 2022	Pre-Tax Profit 2022 (thousands of €)	Taxes on profit paid 2022 (thousands of €)
Finland	Construction	12			-218	
France	Water	39,904	170	37,682	1,579	385
Gabon		15				
Georgia	Water	65,292	510	448,905	31,395	
Gibraltar		136				
Greece	Environment and construction	1		94	-13	
Guatemala	Construction			25	-618	0
Haiti	Construction			3,262	-1,380	
Honduras	Construction				19	
Hungary	Environment	25,529		33,958	894	177
Ireland	Construction	0		9,982	-2,219	
Italy	Water and construction	54,861	11,138	85,753	15,273	4,504
Japan		3				
Libya		6,741				
Latvia	Construction			20	-1	
Luxembourg	Central Services			10	2,973	10
Morocco	Construction			0	-552	0
Mexico	Water, concessions, central services and construction	296,059	10,762	235,801	44,304	10,028
Montenegro	Water	-359	4	1,611	-132	
Nicaragua	Construction	401		3,495	651	60
Norway	Construction	24,583		2,637	1,571	816
Oman	Water	725		1,588	707	
Netherlands	Water, cement, concessions and construction	118,780	42,384	41,492	1,080	897
Panama	Water, real estate and construction	1,688	2	120,665	760	377
Peru	Water, concessions and construction	61,146	13	104,515	11,085	2,747
Poland	Environment and construction	76,744	7	68,194	4,587	582

Group Countries	Core organisational activities	Revenues from sales to third parties 2022 (thousands of €)	Revenues from intra-group transactions with other tax jurisdictions 2022 (thousands of €)	Tangible assets other than cash and cash equivalents 2022	Pre-Tax Profit 2022 (thousands of €)	Taxes on profit paid 2022 (thousands of €)
Portugal	Water, construction, environment and central services	82,509	5,616	55,049	8,844	2,022
Qatar	Water and construction	23,550	63	11,338	7,165	916
United Kingdom	Cement, concessions, real estate, environment and construction	1,048,454	168,610	1,073,333	37,364	10,619
Czech Republic	Water and environment	385,321	38,043	596,801	38,918	8,209
Dominican Republic	Construction	-3,203		481	-155	418
Romania	Water, environment and construction	151,361	185	202,094	2,389	161
Serbia	Water and environment	5,724	5	11,697	-809	99
Sweden	Construction	18		5	-25	
Switzerland		107				
Tunisia	Water and cements	63,030	23,618	54,989	3,231	422
Turkey		32				
Uruguay	Water				31	
Total		**7,705,691**	**766,543**	**11,374,273**	**550,653**	**72,723**

Public grants received (thousands of €)

	2020	2021	2022
Construction	–	–	–
Environment	3,997	6,399	4,694
Aqualia	8,418	11,358	17,966
Cement	-	1,037	549
Concessions	7,154	3,456	3,835
Real Estate	–	–	104
Central Services	–	–	–
Total	**19,061**	**22,250**	**27,148**

List of main associations

Environmental Services Area

- Agrupación Nacional de Reciclado de vidrio (ANAREVI).
- Asociación de Empresas de Limpieza Pública (ASELIP).
- Asociación de Empresas de Mantenimiento Integral y Servicios Energéticos (AMI).
- Asociación de Plantas de Recuperación y Selección de Envases Municipales (ASPLARSEM).
- Asociación Española de Aerosoles (AEDA).
- Asociación Española de Empresas de Limpieza (ASPEL).
- Asociación Española de Empresas de Parques y Jardines (ASEJA).
- Asociación Española de Gestores de Residuos (ASEGRE).
- Asociación Técnica para la Gestión de Residuos y Medio Ambiente (ATEGRUS).
- Foro de Generadores de Energía de Residuos (FGER).
- Asociación Española de Recicladores Recuperadores de Papel y Cartón (REPACAR).
- Association of Industrial Truck Trainers.
- Chartered Institution of Wastes Management.
- Children´s Hospices Across Scotland.
- Energy & Utility Skills.
- Environmental Services Association.
- HELM.
- Policy Connect Ltd.
- Rail Freight Group.
- Renewable Energy Association.
- Road haulage Association.
- ROSPA Enterprises Ltd.
- Source Testing Association.
- The Green Alliance.
- The Wood Recyclers Association.
- Czech waste management Association (ČAOH).
- Asociace sanačních společností - Association of Remediation Companies (ASS).
- Sdružení provozovatelů technologií pro ekologické využívání odpadů - Association of operators of technologies for the ecological waste recovery (STEO).
- Association of Entrepeneurs in Waste Management (APOH).
- Circular Slovakia.
- Polska Izba Gospodarki Odpadami - Polish Chamber of Waste Management (PIGO).
- Association of Austrian Waste Management Companies (VOEB).
- Környezetvédelmi Szolgáltatók és Gyártók Szövetsége - Hungarian Association of Environmental Enterprises (KSZGYSZ).
- Romanian Waste Management Association - Asociatia Româna pentru Managementului Deseurilor (ARMD).
- Patronatul Serviciilor publice - Patronage of Public Services (PSP).

Water Area

- Asociación Española de Abastecimientos de Agua y Saneamientos (AEAS).
- Asociación Española de Desalación y Reutilización (AEDyR)
- Asociación Española de Servicios de Agua a Poblaciones (AGA).
- IMDEA-AGUA.
- Stepbywater.
- Cámara de Comercio de España.
- Consejo Nacional del Agua (CNA).
- Asociación de Empresas Constructoras y Concesionarias de Infraestructuras (SEOPAN-AGUA).
- Asociación para la Defensa de la Calidad de las Aguas (ADECAGUA).
- Agrupació de Serveis d'aigua de Catalunya (ASAC).
- Associació Abastamens Aigua (AAA).
- Catalan Water Partnership (CWP).
- Associació Industrial per la Producción Neta (AIPN).
- Asociación de Empresarios de Agua de Les Illes Balears (ASAIB).
- Alianza del Agua de Ibiza y Formentera.
- Asociación de Limpieza Técnica y Alta Presión (ALTAP).
- Confederación Regional de Organizaciones Empresariales de Murcia (CROEM).
- Zinnae Clúster urbano para el uso eficiente del agua.

- Abastecimiento de agua y saneamiento de Andalucía (ASA).
- Centro de las Nuevas Tecnologías del Agua (Fundación CENTA).
- Confederación empresarial de la provincia de Almería.
- Asociación de empresarios instaladores de agua, gas, calefacción, climatización, electricidad, telecomunicaciones, productos petrolíferos líquidos, protección contra incendios, energía solar, mantenimiento y afines de Almería y provincia (ASINAL).
- Cámara de Comercio de Almería.
- Asociación de Empresarios y Comerciantes de Benalmádena (ACEB).
- Fundación Centro Canario el Agua (FCCA).
- Asociación Canaria de Empresarios de Distribución y Tratamiento de Agua Urbana de la provincia de Las Palmas (ADITRAGUA).
- Cámara de comercio Oviedo.
- Energylab (Vigo).
- International Desalination Association (IDA).
- International Water Association (IWA).
- Federación Europea de Asociaciones Nacionales de Agua y Saneamiento (EUREAU).
- Smart Water Networks Forum (SWAN).
- Asociados a la Federación Internacional de Operadores Privados de Agua (AquaFed).
- Comité Asesor de Agua de la Fundación Ditchley (UK).
- Isle Utilities TAG (Technology Approval Group).
- World Water Innovation Fund (WWIF).
- Water Action Platform.
- Associaçao portuguesa de Distribuçao e Drenagem de Águas (APDA).
- Associaçao das Empresas Portuguesas para o Sector do Ambiente (AEPSA).
- Federazione Italiana delle Imprese dei Serivizi idrici, energetici e vari (UTILITALIA).
- Asociación del Sector de abastecimiento y saneamiento en la República Checa (SOVAK).
- Asociación para la Gestión del Agua en la República Checa (SVH).
- Asociación checa de Tecnologías sin Excavación (CZSTT).
- Asociación para el Desarrollo de la Región de Moravia y Silesia (SRMSK).
- Asociación de Operadores de Abastecimiento y Saneamiento de la República Checa (APROVAK).
- Confederation of Industry of the CR (SP ČR).
- Czech Chamber of Comerce (HK ČR).
- Association Scientifique et Technique pour l'eau et l'environment.
- Fédération des Distributeurs d'eau indépendants.
- Fédération professionnelles des entreprises d l'eau (FP2E).
- Asociación Latinoamericana de Desalación y Reuso del Agua (ALADYR).
- Water Environment Federation (WEF).
- Asociación de Servicios Públicos de Colombia (ANDESCO).
- Global Water Partnership (GWP)- Georgia.
- Georgian Laboratory Association (GeLab). - Georgia.

Infrastructures Area

- Asociación Científico-Técnica Española de Ingeniería Estructural (E.T.S.I).
- Asociación de Empresas Constructoras y Concesionarias de Infraestructuras (SEOPAN).
- Asociación de Industriales Antofagasta.
- Asociación de Normalización Española (UNE).
- Asociación Empresas de la Construcción de Madrid (AECOM).
- Asociación Española de la Carretera.
- Asociación Española de Túneles Y Obras Subterráneas (AETOS).
- Asociación Española para la Calidad.
- Asociación Madrid Capital Mundial de la Construcción, Ingeniería y Arquitectura (MWCC).
- Asociación Técnica de la Carretera.
- Asociación Técnica de Puertos y Costas (ATPYC).
- Building Smart (Spanish home of open BIM).
- Cámara Chilena de la Construcción.
- Cámara Colombiana de Infraestructuras.
- Cámara de Comercio Australia.
- Cámara de Comercio de España en Reino Unido.
- Cámara de Comercio de Lima.
- Cámara de Comercio Española Chile.
- Cámara de Comercio Catar.
- Cámara de Contratistas de Castilla Y León.
- Cámara de Contratistas de La Comunidad Valenciana.
- Cámara Oficial de Comercio de España en Panamá- FCC CA PANAMA.

- Cámara Oficial de Contratistas de Cataluña.
- Cámara Panameña de la Construcción- FCC CA PANAMA.
- Cámara peruana de la Construcción.
- Caminos, Canales y Puertos (ACHE).
- Comité Nacional Español de Grandes Presas (SPANCOLD).
- European Construction Technological Platform (ECTP).
- European Network of Construction Companies for Research & Development (ENCORD).
- Finanzas Sostenibles Naciones Unidas.
- Florida Transportation Builders Association.
- Frecom Murcia - Federación Regional Empresarios Construcción.
- Fundacio Cercle d´Infraestructures.
- Fundación Caminos.
- Fundación Plataforma Tecnológica Española de la Construcción (PTEC).
- Fundación Santa Bárbara.
- GAESCO.
- Green Building Council – ESPAÑA (GBCe).
- Gremi Construccio D'obres de Catalunya.
- Madrid Movility Hub.
- Red Española del Pacto Mundial.
- Sociedad Española de Presas Y Embalses (SEPREM).
- Spain-US Chamber of Commerce.
- Suscripción Circulo Confianza Nuevo Economía Forum.
- Tunnel Association of Canada .
- Asociación de Empresas de Ingeniería, Montajes, Mantenimientos Y Servicios Industriales (ADEMI).
- Asociación de Empresas de Mantenimiento Integral Y Servicios Energéticos (AMI).
- Asociación Profesional Empresarios de Instalaciones Eléctricas Y Telecomunicaciones de Madrid (APIEM).
- Asociación Técnica Española de Climatización Y Refrigeración (ATECYR).
- Clúster de La Industria de Defensa (CID).
- Red de Ciudades por una Movilidad con Bajas Emisiones.
- Sociedad Española de Presas Y Embalses (SEPREM).
- Asociación Española de Industriales del Plástico (ANAIP).
- Asociación Española de Riegos y Drenajes (AERYD) .
- Asociación Nacional de Derivados Del Cemento (ANDECE).
- Asociación Nacional de Fabricantes de Traviesas Para Ferrocarriles (AFTRAV).
- Instituto Tecnológico del Plástico (AIMPLAS).

Cement Area

- Agrupación de Fabricantes de Cemento de España (OFICEMEN).
- Asociación CEMBUREAU Asociación europea de fabricantes de cemento a través de OFICEMEN.
- Asociación de empresas catalanas que dedican su actividad a la extracción y el tratamiento de áridos (GREMI D'ARIDS).
- Asociación de Fabricantes de Mortero y SATE (ANFAPA).
- Asociación Nacional de Empresarios Fabricantes de Áridos (ANEFA).
- Asociación nacional de fabricantes de hormigón preparado (ANEFHOP).
- CEOE CEPYME CANTABRIA – Afiliación.
- Ciment Català Agrupación de fabricantes de cemento de Cataluña.
- Confederación de empresarios de Andalucía (CEA).
- Federación de industriales y comerciantes de Alcalá de Guadaira (FICA).
- Fundación laboral andaluza del cemento y el medioambiente (FLACEMA).
- Fundación laboral de ámbito estatal del cemento y el medioambiente (CEMA).
- Instituto español del cemento y sus aplicaciones (IECA).

Real Estate Area

- Asociación de Promotores Constructores de España (APCE).
- Asociación Promotores Inmobiliarios de Madrid (ASPRIMA).
- GAESCO.

GRI Content Index

Declaration of use

Fomento de Construcciones y Contratas, S.A. and subsidiaries have drawn up the report in accordance with the GRI Standards for the reporting period from 1 January to 31 December 2022.

GRI 1 used

GRI 1: Foundation 2021.

Applicable GRI Sector Standards

Not applicable.

Content		Report section/Direct response	Page	Omission
General Disclosures				
GRI 2: General Disclosures 2021				
2-1	Organizational details.	Fomento de Construcciones y Contratas, S.A. and subsidiaries. Headquarters: Av. Del Camino de Santiago, 40 28050 Madrid, Spain. Tax transparency tables.	134-135	
2-2	Entities included in the organization's sustainability reporting.	About this Report.	113	
2-3	Reporting period, frequency and contact point.	About this Report.	112	
2-4	Restatements of information.	Data that have been updated from the figures published in 2021 have been marked with footnotes throughout this document.	–	
2-5	External assurance.	About this Report.	112	
2-6	Activities, value chain and other business relationships.	A specialised group. Client experience. Responsible purchasing.	7-12; 88-94	
2-7	Employees.	People at FCC. Organisational structure. Hiring. Social and personnel tables.	61-63; 123-127	
2-8	Workers who are not employees.	In 2022, the number of non-employed workers totals approximately 11,503. For the coming year, work is being done on the design and implementation of tools that will allow the exact measurement and computation of this data.	–	

Content		Report section/Direct response	Page	Omission
2-9	Governance structure and composition.	Governance structure. Governance Model.	13-14; 96-97	
2-10	Nomination and selection of the highest governance body.	Governance Model.	96	
2-11	Chair of the highest governance body.	Governance structure.	13-14	
2-12	Role of the highest governance body in overseeing the management of impacts.	Sustainability Policy. Risk management and control systems.	27; 103-104	
2-13	Delegation of responsibility for managing impacts.	Sustainability Policy.	27	
2-14	Role of the highest governance body in sustainability reporting.	The Group's Sustainability Report is part of the management report, which is approved by the Board together with the preparation of the financial statements.	-	
2-15	Conflicts of interest.	Governance Model.	97	
2-16	Communication of critical concerns.	Governance Model.	97	
2-17	Collective knowledge of the highest governance body.	Governance Model.	96	
2-18	Evaluation of the performance of the highest governance body.	Governance Model.	96	
2-19	Remuneration policies.	Governance Model.	97	
2-20	Process to determine remuneration.	Governance Model.	97	
2-21	Annual total compensation ratio.	a) 37.6 b) This information is not available, as the company does not have the necessary IT tools to calculate it.	-	Section b) Information not available.
2-22	Statement on sustainable development strategy.	Letter from the Chief Executive Officer.	3-4	
2-23	Policy commitments.	Group Policies.	115-116	
2-24	Embedding policy commitments.	Group Policies. Commitments made by suppliers and contractors.	115-116; 93	
2-25	Processes to remediate negative impacts.	In the FCC Group, the appropriate remediation measures are developed through the procedures established in the Compliance Model, which includes the Human Rights Policy. Human rights.	102	
2-26	Mechanisms for seeking advice and raising concerns.	Stakeholder dialogue.	32	

Content		Report section/Direct response	Page	Omission
2-27	Compliance with laws and regulations.	Environmental issue tables. Given that significant cases of non-compliance are those which, due to their amount or subject matter, could generate reputational damage to the Group, no significant firm sanctions have been identified in 2022.	117	
2-28	Membership associations.	List of main associations.	136-138	
2-29	Approach to stakeholder engagement.	Stakeholder dialogue.	32	
2-30	Collective bargaining agreements.	Social Dialogue. Social and personnel tables.	74; 130	
Material topics				
GRI 3: Material Topics 2021				
3-1	Process to determine material topics.	Materiality analysis.	30	
3-2	List of material topics.	Materiality analysis.	31	
Integrity of conduct				
GRI 3: Material Topics 2021				
3-3	Management of material topics.	Materiality analysis. Integrity and compliance.	30-31; 98-101	
GRI 205: Anti-corruption 2016				
205-1	Operations assessed for risks related to corruption.	Integrity and compliance.	100-101	
205-2	Communication and training about anti-corruption policies and procedures.	Integrity and compliance.	100-101	
205-3	Confirmed incidents of corruption and actions taken.	No corruption cases were confirmed in 2022.	–	
GRI 206: Anti-competitive Behaviour 2016				
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices.	FCC states that the company has not carried out any irregular practices, including those that involve price manipulation or that go against free competition. In this line, and regarding the sanction addressed to FCC by the CNMC due to an alleged infringement of Article 101 of the Treaty on the Functioning of the EU, FCC strongly opposes these conclusions. For this reason, the appropriate contentious-administrative appeal has been lodged with the National High Court, so that, as of the date of presentation of this report, the precautionary measures have been suspended.	–	

Content	Report section/Direct response	Page	Omission
GRI 207: Tax 2019			
207-1 Approach to tax.	FCC tax strategy.	109-110	
207-2 Tax governance, control, and risk management.	FCC tax strategy. Tax risk identification and management.	109-111	
207-3 Stakeholder engagement and management of concerns related to tax.	FCC tax strategy.	109-110	
207-4 Country-by-country reporting.	Tax transparency tables.	133-135	
GRI 415: Public Policy 2016			
415-1 Political contributions.	Economic contributions.	87	
Promotion of innovation			
GRI 3: Material Topics 2021			
3-3 Management of material topics.	Materiality analysis. Innovating to move forward.	30-31; 33-35	
Climate change and energy consumption			
GRI 3: Material Topics 2021			
3-3 Management of material topics.	Materiality analysis. A commitment to climate.	30-31; 40-45	
GRI 201: Economic Performance 2016			
201-2 Financial implications and other risks and opportunities due to climate change.	Climate action.	40-41	
GRI 302: Energy 2016			
302-1 Energy consumption within the organization.	Energy consumption and efficiency Environmental issue tables	44-45 119-120	
302-3 Energy intensity.	760 GJ/employee	–	
302-4 Reduction of energy consumption.	Environmental issue tables.	120	
GRI 305: Emissions 2016			
305-1 Direct (Scope 1) GHG emissions.	Carbon footprint. Environmental issue tables.	43; 117	

Content	Report section/Direct response	Page	Omission
305-2 Energy indirect (Scope 2) GHG emissions.	Carbon footprint. Environmental issue tables.	43; 118	
305-4 GHG emissions intensity.	110 tCO_2e/employee.	–	
305-5 Reduction of GHG emissions.	Environmental issue tables.	118	
Circular economy			
GRI 3: Material Topics 2021			
3-3 Management of material topics.	Materiality analysis. Circular model.	30-31; 46-51	
GRI 301: Materials 2016			
301-1 Materials used by weight or volume.	Efficient resource consumption. Environmental issue tables.	49; 120	
301-2 Recycled input materials used.	Environmental issue tables.	121	
301-3 Reclaimed products and their packaging materials.	Environmental issue tables.	121	
GRI 306: Waste 2020			
306-1 Waste generation and significant waste-related impacts.	Waste production and management.	50-51	
306-2 Management of significant waste-related impacts.	Commitment to the circular economy. Waste production and management.	46-48; 50-51	
306-3 Waste generated.	Waste production and management.	51	
306-4 Waste diverted from disposal.	Environmental issue tables.	51;121	
306-5 Waste directed to disposal.	Environmental issue tables.	51;121	
Water management			
GRI 3: Material Topics 2021			
3-3 Management of material topics.	Materiality analysis. Water resources.	30-31; 52-54	
GRI 303: Water and Effluents 2018			
303-1 Interactions with water as a shared resource.	End-to-end water resources management. Water consumption.	52-54	

Content		Report section/Direct response	Page	Omission
303-2	Management of water discharge-related impacts.	Pollution reduction.	59-60	
303-3	Water withdrawal.	Water consumption. Environmental issue tables.	54; 122	
303-4	Water discharge.	Pollution reduction. Environmental issue tables.	59-60;122	
303-5	Water consumption.	Total water consumption: 10,122,202 m³. Total water consumption in water-stressed areas: 7,209,761 m³.		
Employment and career development				
GRI 3: Material Topics 2021				
3-3	Management of material topics.	Materiality analysis. The best teams.	30-31; 61-67	
GRI 401: Employment 2016				
401-1	New employee hires and employee turnover.	Hiring. Social and personnel tables.	63; 125-126	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	In general, there are no benefits offered to full-time employees that are not provided to part-time or temporary employees.	–	
GRI 402: Labor/Management Relations 2016				
402-1	Minimum notice periods regarding operational changes.	Social Dialogue.	74	
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	Social and personnel tables.	131	
404-2	Programs for upgrading employee skills and transition assistance programs.	Training and development.	64-66	
Subcontracting and suppliers				
GRI 3: Material Topics 2021				
3-3	Management of material topics.	Materiality analysis. Responsible purchasing.	30-31; 92-94	

Content		Report section/Direct response	Page	Omission
GRI 308: Supplier Environmental Assessment 2016				
308-1	New suppliers that were screened using environmental criteria.	Supply chain monitoring.	94	
308-2	Negative environmental impacts in the supply chain and actions taken.	Supply chain monitoring.	94	
GRI 414: Supplier Social Assessment 2016				
414-1	New suppliers that were screened using social criteria.	Supply chain monitoring.	94	
414-2	Negative social impacts in the supply chain and actions taken.	Supply chain monitoring.	94	
Safety, health and wellbeing				
GRI 3: Material Topics 2021				
3-3	Management of material topics.	Materiality analysis. Health, safety, and wellbeing.	30-31; 77-81	
GRI 403: Occupational Health and Safety 2018				
403-1	Occupational health and safety management system.	Health, safety, and wellbeing.	77	
403-2	Hazard identification, risk assessment, and incident investigation.	The health and safety management systems contemplate operational control plans or periodic inspections, both to monitor the preventive measures foreseen as a result of the risk assessment, and to detect situations or deficiencies that determine the need for intervention and/or an update of the assessments concerned. The participation of workers in the notification of hazards or needs related to health and safety is articulated through various communication channels: through their representatives on the matter; and there is also a complaints channel that can be anonymous if the subject so wishes, consisting of an ad hoc form that can be filled in online, sent by e-mail or by post. The Group has several procedures in place that set out how the investigation of occupational incidents is to be conducted, which establishes the process to be followed and the persons who should be involved.	-	

Content	Report section/Direct response	Page	Omission
403-3 Occupational health services.	The mission of the joint prevention services is to promote and assist the organisation in the integration and development of preventive and health promotion activities (implementation of health and safety management systems), as well as to assess the implementation of the Health and Safety Plans of the different business areas. This function strives to avert or prevent occupational hazards and improve health and safety conditions by means of properly and orderly planned assistance and advice to all Group companies. The resources of the prevention services cover three specialities (Occupational Safety, Industrial Hygiene and Ergonomics and Applied Psychosociology) in dedication to the development of the technical responsibilities of the service, and they have the means appropriate to the needs of the prevention service. The Medical Services, which have Basic Health Units (B.H.U.) and provide assistance to the Companies within their scope of action, carry out the activities corresponding to Occupational Medicine. In addition to Health Monitoring, this area of expertise is arranged with an External Prevention Service in geographical areas not covered by FCC's Medical Services.	-	
403-4 Worker participation, consultation, and communication on occupational health and safety.	Numerous health and safety committees have been set up in the company in accordance with legal requirements, including joint bodies between the company and workers' representatives to inform, communicate, treat, and follow up the preventive activity arising from the implementation of the management systems. The latter also provide for the existence of similar bodies in those cases where it is not legally required.	–	
403-5 Worker training on occupational health and safety.	Numerous health and safety committees have been set up in the company in accordance with legal requirements, including joint bodies between the company and workers' representatives to inform, communicate, treat, and follow up the preventive activity arising from the implementation of the management systems. The latter also provide for the existence of similar bodies in those cases where it is not legally required..	–	
403-6 Promotion of worker health.	Numerous health and safety committees have been set up in the company in accordance with legal requirements, including joint bodies between the company and workers' representatives to inform, communicate, treat, and follow up the preventive activity arising from the implementation of the management systems. The latter also provide for the existence of similar bodies in those cases where it is not legally required.	–	
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	The FCC supplier approval process includes the need to comply with a series of information and compliance requirements related to occupational health and safety. These include the preventive organisation model, the accident rate results with respect to the sector of activity, sanctions in this area and own resources allocated to the function, etc. A positive assessment is a necessary prerequisite for approval.	–	
403-8 Workers covered by an occupational health and safety management system.	The scope of the ISO 45001 certification or equivalent local alternative covers all business areas (employees and non-employed workers) with the exception of those countries in which, due to the recent acquisition of the business or its implementation in certain markets, the appropriate maturity in the implementation of the preventive management systems is required prior to the corresponding certification in the field of occupational health and safety management.	–	
403-9 Work-related injuries.	The most common accident in the FCC Group is related to injuries to the musculoskeletal system.	–	
403-10 Work-related ill health.	The main occupational hazards that present a risk of illness and disease relate to chronic conditions of the musculoskeletal system. The measures taken to eliminate these hazards involve the adaptation of work equipment and work operations, together with the promotion of physical activity and regular health monitoring that can detect these conditions at an early stage before they become chronic. There were no deaths resulting from occupational diseases or illnesses in 2022.	–	

Content		Report section/Direct response	Page	Omission
Equality and diversity				
GRI 3: Material Topics 2021				
3-3	Management of material topics.	Governance structure. Materiality analysis. Diversity and equality.	13-14; 30-31; 68-72	
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees.	Governance structure. Social and personnel tables.	13-14; 123-125	
405-2	Ratio of basic salary and remuneration of women to men.	Salary policy. Social and personnel tables.	67; 130	
GRI 406: Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken.	The Group's Whistleblowing Channel received three communications confirmed as cases of discrimination in 2022, which have been processed in accordance with the Group's Compliance Model, with each case being investigated and the appropriate measures taken.	–	
Solidarity action				
GRI 3: Material Topics 2021				
3-3	Management of material topics.	Materiality analysis. Social footprint.	30-31; 82-87	
GRI 201: Economic Performance 2016				
201-1	Direct economic value generated and distributed.	FCC and its figures worldwide.	6	
GRI 204: Procurement Practices 2016				
204-1	Proportion of spending on local suppliers.	Activity at the service of communities.	83	

Indicator table Law 11/2018

Law 11/18 Requirement	Related GRI standard		Page number
GENERAL INFORMATION			
Business model			
Brief description of the group business model (including business environment, organisation, and structure).	2-1 2-6 2-9	Organizational details (a and b). Activities, value chain and other business relationships. Governance structure and composition.	7-14 95-97
Geographical presence.	2-1	Organizational details (c and d)	6; 139
Organisation's objectives and strategies.	3-3	Management of material topics.	26-29
Main factors and trends that may affect future growth and development.	3-3	Management of material topics.	16-25
Company policies			
A description of the policies applied by the group regarding these issues [environmental and social issues, respect for human rights and the fight against corruption and bribery, those relating to personnel, including measures adopted, where applicable, to promote the principle of equal treatment and opportunities for women and men, non-discrimination, and the inclusion of persons with disabilities and universal accessibility].	2-23 2-24	Policy commitments. Embedding policy commitments.	27; 115-116
Risk management			
The main risks relating to these issues [environmental and social issues, respect for human rights and the fight against corruption and bribery, those relating to personnel, including measures adopted, where applicable, to promote the principle of equal treatment and opportunities for women and men, non-discrimination, and the inclusion of persons with disabilities and universal accessibility].	3-3	Management of material topics.	103-106
Other			
Mention in the report of the national, European, and international reporting framework used for the selection of key indicators for the non-financial results included in each of the sections.	1	Foundation.	112

Law 11/18 Requirement	Related GRI standard		Page number
1. ENVIRONMENTAL ISSUES			
Detailed general information			
On current and foreseeable effects of the company's activities on the environment and, where applicable, health and safety.	3-3	Management of material topics.	36
On environmental assessment and certification procedures.	3-3	Management of material topics.	37-38
On resources dedicated to the prevention of environmental risks.	3-3	Management of material topics.	39
On the application of the precautionary principle.	3-3	Management of material topics.	36
On the amount of provisions and guarantees for environmental risks.	2-27	Compliance with laws and regulations.	39
Pollution			
Measures to prevent, reduce or repair carbon emissions that seriously affect the environment (also includes noise and light pollution).	305-7 303-2 303-4 306-3	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions. Management of water discharge-related impacts. Water discharge. Significant spills.	58-60
Circular economy and waste prevention and management			
Measures for prevention, recycling, re-use, other forms of retrieval and disposal of waste.	306-1 306-2 306-3	Waste generation and significant waste-related impacts. Management of significant waste-related impacts. Waste generated.	50-51
Actions to combat food waste	3-3	Management of material topics.	Due to the type of activity undertaken by the FCC Group, this has not been identified as a material issue. Nevertheless, in those Group centres that have a dining room for employees, the external company providing the service takes measures to optimise estimates for requirement and reduce food waste.

Law 11/18 Requirement	Related GRI standard	Page number
Sustainable use of resources		
Water consumption and water supply in accordance with local limitations.	303-1 Interactions with water as a shared resource. 303-2 Management of water discharge-related impacts. 303-3 Water withdrawal. 303-5 Water consumption.	52-54
Raw material consumption and measures taken to improve the efficiency of its use.	301-1 Materials used by weight or volume.	49
Direct and indirect energy consumption.	302-1 Energy consumption within the organization. 302-3 Energy intensity.	44-45
Measures taken to improve energy efficiency.	3-3 Management of material topics.	44
Use of renewable energy.	302-1 Energy consumption within the organization (b).	45
Climate change		
Important elements of greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces.	305-1 Direct (Scope 1) GHG emissions. 305-2 Energy indirect (Scope 2) GHG emissions.	43
Measures taken to adapt to the consequences of climate change.	201-2 Financial implications and other risks and opportunities due to climate change.	40-43
Reduction goals established voluntarily in the medium and long term to reduce greenhouse gas emissions and the measures adopted for this purpose.	3-3 Management of material topics.	41-42
Protecting biodiversity		
Measures taken to preserve or restore biodiversity.	3-3 Management of material topics.	55-57
Impacts caused by activities or operations in protected areas.	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas (a). 304-3 Habitats protected or restored.	55-57
2. SOCIAL AND PERSONNEL AFFAIRS		
Employment		
Total number and distribution of employees by gender, age, country, and professional classification.	2-7 Employees. 405-1 Diversity of governance bodies and employees (b).	123-128
Total number and distribution of employment contract modalities.		
Annual average for indefinite, temporary and part-time contracts by gender, age, and professional classification.		
Number of dismissals by gender, age, and professional classification.	3-3 Management of material topics.	128
Average remuneration and its development separated by gender, age, and professional classification or equal value.	3-3 Management of material topics.	130

Law 11/18 Requirement	Related GRI standard		Page number
Salary gap, remuneration for the same job position or the average within the company.	405-2	Ratio of basic salary and remuneration of women to men.	67;130
Average remuneration for directors and managers, including variable income, allowances, compensation, contributions to long-term savings systems and any other income broken down by gender.	2-19 2-20	Remuneration policies Process to determine remuneration	67;97
Implementation of work disconnection policies.	3-3	Management of material topics.	81
Employees with disabilities.	405-1	Diversity of governance bodies and employees (b).	71-72
Work organisation			
Organisation of working time	3-3	Management of material topics.	81
Hours lost through absenteeism	3-3	Management of material topics.	132
Measures aimed at facilitating work-life balance and encouraging the co-responsibility of both parents	3-3	Management of material topics.	81
Health and safety			
Occupational health and safety conditions.	403-1 403-2	Occupational health and safety management system. Hazard identification, risk assessment, and incident investigation.	77-81
Work-related accidents, particularly their frequency and severity by gender.	403-9	Work-related injuries (a).	77;132
Occupational illness by gender.	403-10	Work-related ill health (a).	132
Social relationships			
Organisation of social dialogue, including procedures for informing and consulting personnel and negotiating with them.	3-3	Management of material topics.	74-76
Percentage of employees covered by collective bargaining agreement by country.	2-30	Collective bargaining agreements (a)	74;130
Balance of collective bargaining agreements, particularly in the field of health and safety at work.	403-4	Worker participation, consultation, and communication on occupational health and safety.	74-75
Mechanisms and procedures to promote worker involvement in company management, in terms of information, consultation and participation.	3-3	Management of material topics.	75-76
Training			
Policies implemented in the field of training.	404-2	Programs for upgrading employee skills and transition assistance programs (a).	64-66
Total number of hours of training by professional category.	404-1	Average hours of training per year per employee.	65;131

Law 11/18 Requirement	Related GRI standard		Page number
Accessibility			
Universal accessibility for people with disabilities.	3-3	Management of material topics.	71-72
Equality			
Measures taken to promote equal treatment and opportunities for women and men.	3-3	Management of material topics.	68-70
Equality plans (Chapter III of Organic Law 3/2007 of 22 March for the effective equality of women and men), measures adopted to promote employment, protocols against gender bullying and prejudice; integration and universal accessibility for people with disabilities.	3-3	Management of material topics.	68-72
Policy against all types of discrimination and, where applicable, for diversity management.	3-3	Management of material topics.	68-72; 147
3. INFORMATION ON RESPECT FOR HUMAN RIGHTS			
Application of due diligence procedures in human rights matters	2-25 2-26 3-3	Processes to remediate negative impacts. Mechanisms for seeking advice and raising concerns. Management of material topics.	102
Prevention of risks of violation of human rights and, where applicable, measures to mitigate, manage and repair possible abuses committed.	2-25 2-26 3-3	Processes to remediate negative impacts. Mechanisms for seeking advice and raising concerns. Management of material topics.	102
Cases reported involving violation of human rights.	2-26 406-1	Mechanisms for seeking advice and raising concerns. Incidents of discrimination and corrective actions taken.	102
Promotion of and compliance with the provisions of the essential ILO agreements relating to respect for freedom of association and the right to collective bargaining.			
Elimination of discrimination in employment and occupation.	3-3	Management of material topics.	102
Elimination of forced or compulsory labour.			
Effective abolition of child labour.			
4. INFORMATION CONCERNING THE FIGHT AGAINST BRIBERY AND CORRUPTION			
Measures taken to prevent bribery and corruption.	2-26 205-1 205-2 205-3	Mechanisms for seeking advice and raising concerns. Operations assessed for risks related to corruption. Communication and training about anti-corruption policies and procedures. Confirmed incidents of corruption and actions taken.	100-101
Measures to fight money laundering.	2-26	Mechanisms for seeking advice and raising concerns.	101
Contributions to foundations and non-profit organisations.	3-3	Management of material topics.	87

Law 11/18 Requirement	Related GRI standard		Page number
5. INFORMATION ABOUT THE COMPANY			
The company's commitments to sustainable development			
Impact of the company's activity on employment and local development.	3-3	Management of material topics.	83
Impact of the company's activity on local populations and on the territory.	3-3	Management of material topics.	84-86
Relationships maintained with those playing a role in local communities and how dialogue is established with them.	2-29	Approach to stakeholder engagement.	32
Partnership and sponsorship actions.	2-28	Membership associations.	87; 136-138
Subcontracting and suppliers			
Inclusion in purchase policy of social, gender equality and environmental issues.	3-3	Management of material topics.	93
In relationships with suppliers and subcontractors, taking their social and environmental responsibility into account.	3-3 308-1 414-1	Management of material topics. New suppliers that were screened using environmental criteria. New suppliers that were screened using social criteria.	94
Supervisory systems, audits and their results	3-3	Management of material topics.	94
Consumers			
Measures for the health and safety of consumers.	3-3	Management of material topics.	88-89
Claim systems.	3-3	Management of material topics.	90-91
Complaints received and their resolution.	3-3	Management of material topics.	91
Tax information			
Profits obtained country by country.	207-4	Country-by-country reporting.	133-135
Corporate income tax paid on profit.	207-4	Country-by-country reporting.	133-135
Public grants received.	201-4	Financial assistance received from government (a).	135

European Union Environmental Taxonomy

As part of the decarbonisation strategy of the European Union's current economic model, the Taxonomy emerges as a common language and tool for classifying sustainable activities to encourage investors, companies, administrations and other stakeholders to redirect capital flows towards more sustainable technologies and businesses. This will meet the objectives of the Paris Agreement and the UN Sustainable Development Goals.

Pursuant to the reporting requirements of the Taxonomy Regulation (EU) 2020/852, the FCC Group has analysed the proportion of its economic activities that are eligible, and where applicable aligned and non-aligned, and ineligible by Environmental Taxonomy, in terms of turnover, CapEx and OpEx relative to the year 2022, for the Climate Change Mitigation and Adaptation targets. A specific Taxonomy and Sustainable Finance Working Group was created for this purpose, comprising Economic and Financial Management and the Compliance and Sustainability Management, with support from the various management bodies of the Group businesses and the heads of Environment and Quality.

The reporting of this information has considered the Delegated Regulation (EU) 2021/2178 implementing Article 8 of the Taxonomy Regulation, which specifies the content and presentation to be disclosed as set out in the following sections; as well as the explanatory FAQs, published by the European Commission on 19 December 2022, relating to the interpretation and implementation of the technical screening criteria and DNSH of the two environmental objectives developed to date, and the reporting requirements of Article 8 of the aforementioned Regulation.

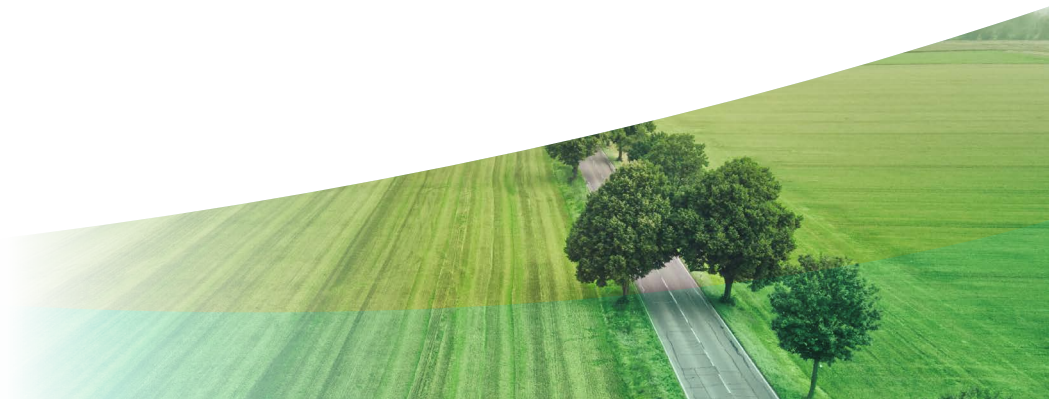
Eligibility and alignment analysis

The FCC Group first reported the proportion of its economic activities that were eligible and ineligible for Taxonomy under the terms of Regulation (EU) 2020/852 in 2021. In 2022, the FCC Group conducted an extensive revision thereof. With the regulatory developments during the year, the various activities carried out by each Group business were analysed individually with a view to adjusting the year and, for the first time, with the quantification of aligned and non-aligned activities within the activities considered eligible, analysing more than 3,000 minimum management units.

It is essential to differentiate between the following concepts when carrying out this task:

- An **activity is assumed to be eligible** if it is included in the descriptive taxonomic activities listed in the Regulation itself, considered to have the potential to contribute substantially to one or more of the environmental objectives set out in Article 9 of the Regulation, and which is demonstrated through the analysis of the alignment of eligible activities.
- Activities previously deemed eligible are **considered to be aligned** with the Taxonomy if the activity meets the criteria for substantial contribution (SCC), causes no significant detriment to other environmental objectives (DNSH) and complies with minimum social safeguards.
- Ultimately, an economic activity not identified by the EU Taxonomy would be an **ineligible activity** and therefore no criteria are available for it, either because it has no potential to make a substantial contribution to climate change Mitigation and Adaptation or because it could be included in the future EU Taxonomy Regulation.

In order to meet the taxonomy requirements during the year, the FCC Group has assessed compliance with these requirements using its own resources, carrying out a detailed analysis based on the taxonomic activities applicable to the Group and their characteristics, as specified below.



Identification of eligible activities per minimum management unit

Based on the consolidable units included in the consolidated financial statements of the FCC Group, the eligibility and alignment analysis was performed with regard to the minimum management unit. Similar activities carried out in different geographical areas were assessed separately, given the dispersion of contracts and facilities that characterise the FCC Group, with a view to ensuring the correct application of the Regulation, bearing in mind the specificities of each of them.

In many cases, depending on the economic activity carried out and its characteristics, the minimum unit considered is the contract, fundamentally in Construction activities and in Environmental Services when they are signed with City Councils or other local entities; the grouping of contracts with similar characteristics for the purposes of the above-mentioned Regulation; the concession in the case of contracts governed by concession regimes (mainly in End-to-End Water Management activity and in Concessions); the buildings or premises in the case of Real Estate activity; or facility (in the case of cement manufacturing plants or waste treatment and recycling plants).

On the basis of these minimum units, the financial key performance indicators (hereinafter KPIs) set out in Taxonomy have been calculated separately for all business units, without considering transactions with other business units of the consolidated group, in order to subsequently assess their eligibility and alignment, if applicable, on a case-by-case basis. The FCC Group performed the appropriate controls to ensure that the sum of the KPIs obtained individually for each of the management units comprising each consolidation unit included in the consolidated financial statements coincides with the KPIs calculated for the corresponding consolidation unit. This serves to preclude double counting of amounts, and in cases where certain economic activities of the FCC Group can contribute to both the climate change mitigation and adaptation objectives, they are only counted towards one of the two objectives, with the mitigation objective taking precedence over the climate change adaptation objective.

Whenever a single Business Area engages in more than one activity, the amount of the KPIs has been broken down between the different activities using allocation criteria consistent with the specific characteristics of each type of contract according to the activities they carry out.

Once the different minimum management units have been identified, their eligibility has been reviewed and, where appropriate, their alignment has been determined.

Given that there have been no substantial changes in the FCC Group's businesses over the course of 2022, the activities identified as eligible on the basis of the activities listed in Annex I and II of Royal Decree 2021/2139 on Taxonomy have been considered the same as in the previous financial year, having adjusted the proportion of economic activities between the different taxonomic groups in which the FCC Group is included. The results of this review are reported under the heading "Compliance with technical selection criteria" below.

In addition, as required by the regulation, activities have been identified that meet the requirements to be considered as facilitating or transitional activities.

For eligible activities, the analysis by Taxonomy has been extended to determine their alignment, developed in the following steps. The FCC Group's process has always considered the climate change mitigation objective, with no relevant amounts for the climate change adaptation objective.

Compliance with technical selection criteria

An activity is considered to contribute directly to the environmental objectives of Climate Change Mitigation or Adaptation whenever it satisfies the substantial contribution criteria or technical selection criteria in Annex I and II of the RD 2021/2139 Taxonomy. This is the first step of the alignment analysis of the different eligible activities in which the FCC Group is involved.

The complexity and lack of applicability of some substantial contribution criteria based on the activities carried out within the Group has required a specific understanding of the Group's businesses in order to determine which activities meet these criteria and can be considered aligned by Taxonomy.

Primary Taxonomic Groups	Activities carried out within the FCC Group aligned by Taxonomy
Group 5 - Water supply, sanitation, waste treatment and decontamination	This taxonomic group includes end-to-end water cycle activities, along with the collection and/or management of non-hazardous waste. As the leading exponent of the Water business, Aqualia manages contracts for the construction, renovation and maintenance of water distribution and sanitation networks, and also water treatment plants. Contracts that have been assessed below the quantitative thresholds of net energy consumption or leakage level are aligned, together with the sewerage activity. Environmental Services, which collects waste and, in many cases, manages and treats it, is aligned in proportion to the volume of non-hazardous waste separated at source and destined for re-use and recycling operations. Similarly, NHW treatment plants that meet the recycling threshold.
Group 6 - Transport	The FCC Group carries out activities of construction, operation and/or maintenance of different types of infrastructures necessary for transport, included in the different taxonomic categories of this group. Through the Construction and Concessions businesses, mainly, construction and operation of railway infrastructures for freight and passenger transhipment are carried out in accordance with Taxonomy. Through street cleaning contracts, the Environment business carries out activities for the operation and maintenance of infrastructure for personal mobility (pavements, pedestrian areas, bicycle lanes) and which are considered to be aligned by Taxonomy.
Group 7 - Building construction and property development	The development of construction projects for residential and non-residential buildings, individual building renovation and maintenance measures related to the energy efficiency of buildings, as well as the leasing of real estate, are among the activities of the Real Estate business, as well as Construction, which is part of its Industrial division, and Environmental Services. Newly constructed buildings have been identified as meeting environmental criteria at the construction stage in line with the parameters dictated by Taxonomy. However, the complexity of the technical criteria for this activity does not, to date, allow all the activities of this type carried out by the FCC Group to be aligned. Moreover, the real estate assets managed by the Real Estate business have been assessed using the criteria corresponding to buildings constructed prior to 2020. To this end, an analysis of their energy efficiency has been carried out in comparison with the indicators of the reference real estate stock. In addition, those energy efficiency improvement services that meet the higher requirements of the Energy Performance of Buildings Directive have been identified and classified under activities of this Group.

DNSH analysis

In addition to contributing to the environmental objectives mentioned above, to be considered an aligned activity it must be ensured that it does not cause significant detriment to other environmental objectives.

DNSH Adaptation to climate change. Climate risks

In line with the FCC Group's commitment to the fight against climate change, and in compliance with the specific requirements of the EU Taxonomy for DNSH Adaptation, efforts were made in 2022 to analyse the Group's physical climate risks by taxonomic activity.

This analysis is based on the study of climate projections based on the most advanced scientific information on a dual time scale, given that the FCC Group's activities are for a duration of between 10 and 40 years.

Firstly, a time horizon up to 2040 is used, with smaller-scale climate projections. Secondly, a horizon up to 2060, for which advanced and higher resolution climate projections are used, such as the future scenarios of Shared Socio-economic Trajectories SSP2-4.5, SSP1-2.6 and SSP5-8.5 of the Sixth Assessment Report (AR6) on climate change of the Intergovernmental Panel on Climate Change (IPCC), without ruling out other scenarios of this same report, such as SSP4 6.0. These scenarios used correspond to the updated version of the Representative Concentration Pathways (RCPs) from the IPCC Fifth Assessment Report, as referred to in the EU Taxonomy Regulation.

The Group has a procedure for the regular assessment of physical climate risks. This initial version is very focused on complying with taxonomic requirements, though the objective for 2023 is to cover the global management of the Group's climate risks at the taxonomic activity level.

The risk calculation is obtained from the product of the probability of occurrence of the threat and the degree of exposure and vulnerability of the company's activities and assets to the threat. The results enable the importance or materiality of physical climate risks for economic activity to be determined, guiding efforts to establish adaptation measures that reduce the most significant physical climate risks.

The adaptation solutions defined by the FCC Group address the specifications of Delegated Regulation 2021/2139; do not adversely affect the adaptation efforts or the level of resilience to physical climate risks of other people, of nature, of cultural heritage, of assets and of other economic activities; are consistent with local, sectoral, regional or national adaptation plans and strategies; and consider the use of nature-based solutions or blue-green infrastructure.

DNSH Sustainable use and protection of water and marine resources

The FCC Group is aware that its business activities can have an impact on the marine environment. For this reason, in order to minimise its effects and in line with the requirements of the corresponding DNSH of the Taxonomy Regulation, the Group integrates comprehensive environmental management systems in its projects and carries out the mitigation and water protection measures derived from the environmental declarations or environmental monitoring plans, where applicable, in line with the provisions of Appendix B of Annex I of the Climate Regulation.

DNSH Transition to a circular economy

In line with the commitments established in the FCC Group, the principles of circularity in the treatment and destination of the waste generated are promoted. Due to the geographical dispersion of the FCC Group and depending on the level of development of local infrastructure, the percentages of re-use and recycling of CDW (Construction and Demolition Waste) have been taken into account to determine those contracts that exceed the threshold set by Taxonomy of more than 70%. The Group has good housekeeping practices in place to ensure proper selective demolition to enable the safe disposal and handling of hazardous substances and to facilitate the re-use and recycling of materials, using available sorting systems for construction and demolition waste. In addition, the Group has Environmental Management Policies in place to ensure the application of best practices in the management, re-use and minimisation of waste.

DNSH Pollution prevention and control

In order to comply with this DNSH, all the headings contemplated in Appendix C of Delegated Regulation (EU) 2021/2139 have been analysed for the activities that apply to FCC's activities (groups 7.1 and 7.2) and the measures implemented by the different businesses to reduce noise, dust and pollutant emissions have been taken into account. Moreover, for activity 3.7, the BATs (Best Available Techniques) for pollution prevention and control reflected in the Integrated Environmental Authorisations are fulfilled. In addition, the Group has Environmental Management Policies that ensure the application of best practices in pollution prevention and control.

DNSH Protection and restoration of biodiversity and ecosystems

To ensure the protection of biodiversity, the management systems implemented in the different activities of the FCC Group have been taken into account so as not to cause significant damage, together with the location of the sites and activities with respect to natural areas of special protection. Additionally, compliance with this requirement is supported by legally conducted impact assessments (EIA) and Environmental Monitoring Plans at construction sites, or Integrated Environmental Authorisations, depending on the activity, in accordance with the criteria set out in Appendix D of Annex I to the Climate Regulation. In addition, the Group has Environmental Management Policies that ensure the application of best practices in the protection and recovery of biodiversity and ecosystems.

Minimum social safeguards

FCC has reviewed the Minimum Guarantees with respect to human rights, corruption, taxation and fair competition, which are set out in the EU Taxonomy Regulation, as well as the final Minimum Guarantees report published by the EU Platform on Sustainable Finance.

Based on this review, in the area of Human Rights, the Group has, as part of the regulatory block of the Compliance Model, a Human Rights Policy approved by the Board of Directors in 2019. Through this Policy, aligned with the Global Compact and the United Nations Guiding Principles on Business and Human Rights, the Group declares its commitment to respect the human rights contained in the United Nations Universal Declaration of Human Rights, and those contained in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and also in the eight ILO fundamental conventions.

The Group Compliance Committee is defining a due diligence procedure for compliance with the commitments of the Human Rights Policy, in accordance with the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidance for Responsible Business Conduct. This procedure makes the FCC Whistleblowing Channel available to all stakeholders for reporting potential violations of these fundamental rights. Any communication received through the Group's Whistleblowing Channel is handled in accordance with the Whistleblowing Channel procedure and the investigation and response procedure, both approved by the Board of Directors.

With regard to potential breaches in matters of Corruption and Competition, the Group's Compliance Model also has an express reference in its Code of Ethics and Conduct on both aspects, reflecting the conduct required by the company, both internally and externally.

Anti-corruption and competition policies have also been approved, setting out the Group's commitments and measures for prevention and control. The Group's Compliance Model provides the most appropriate training processes for risk groups, the definition of controls in the different management areas of the company, as well as the necessary self-assessments and assessments to guarantee the correct implementation of and compliance with policies.

FCC is also a member of the Code of Good Tax Practices and submits the Tax Transparency Report. The total tax contribution is calculated on a cash basis, taking into account globally integrated entities and joint operations, and the accounting policies applied are made public, in addition to the Fiscal Responsibility Policy.

Based on this review, the FCC Group has considered as aligned those eligible activities carried out in 2022 that have demonstrated compliance with the applicable CCS and DNSH, by additionally complying with the Minimum Social Safeguards set out in the Taxonomy Regulation.

All company employees have an obligation to report, through the Whistleblowing Channel, any potential breach of these policies of which they become aware.

Finally, it is important to note that because the EU Taxonomy so far specifically develops the environmental objectives of Mitigation and Adaptation to climate change, the analysis of sustainable activities carried out addresses, for the time being, these two climate objectives. The forthcoming development of the technical selection criteria for the rest of the environmental and social objectives may extend the consideration of sustainability to other FCC Group businesses.

Methodology for calculating financial KPIs

As mentioned above, eligibility and alignment by Taxonomy is expressed in three financial KPIs, which are calculated as the share of turnover, CapEx and OpEx that are considered eligible and, where applicable, aligned or not aligned by Taxonomy (numerator) divided by the Group's total turnover, CapEx and OpEx as defined by Taxonomy (denominator). The accounting concepts used to calculate these three KPIs are described below:

- **Invoicing – Turnover.** Proportion of net turnover from products or services, including intangibles, associated with economic activities that conform to the taxonomy (numerator), divided by net turnover (denominator) as defined in Article 2(5) of Directive 2013/34/EU. The amount of the denominator corresponds to the heading "Revenue" in the consolidated income statement of the FCC Group's financial statements.
- **CapEX.** Proportion of Capex as defined below that complies with the taxonomy (numerator) divided by CapEX (denominator) as defined in Article 8(2)(b) of Regulation (EU) 2020/852. Includes additions to the gross value of intangible assets, property, plant and equipment and investment property, including additions arising from the application of regulations in relation to decommissioning and dismantling costs that are included as an addition to property, plant and equipment at initial recognition of the asset; additions to property, plant and equipment from lease contracts under IFRS 16, as well as additions to the gross value of intangible assets, property, plant and equipment and investment property arising from the acquisition of control as a result of a business combination. Changes in depreciation, impairments and revaluations of investment property are not included because they are recorded at fair value. The amounts considered are included under "Intangible assets", "Property, plant and equipment" and "Investment property" in the consolidated balance sheet of the FCC Group's financial statements.
- **OpEX.** The proportion of OpEx, as defined below, that conforms to the taxonomy (numerator), divided by the OpEx (denominator) as defined in Article 8(2)(b) of Regulation (EU) 2020/852. The amount of this KPI is limited to non-capitalised direct costs that relate to research and development, building renovation measures, short-term leases, maintenance and repairs, as well as other direct expenses related to the day-to-day maintenance of property, plant and equipment assets, by the company or a third party to whom activities are outsourced, and which are necessary to ensure the continuous and efficient operation of these assets. The amounts considered are included under "Changes in inventories of finished goods and work in progress", "Supplies", "Personnel expenses", "Other operating expenses" and "Depreciation and amortisation of fixed assets and allocation of non-financial fixed asset subsidies and other" in the consolidated income statement of the FCC Group's financial statements.

The turnover key performance indicator includes mainly revenues from contracts with clients. Client types vary significantly depending on the Business Area as defined in note 1 of the notes to the consolidated financial statements.

- The **Environmental Services** activity engages in a variety of activities whose clients may be both public, such as town councils, provincial councils or similar, and private, whether private individuals or companies, depending on the characteristics of the markets in which it operates.
- The **Water** activity generally provides its services under concession contracts, receiving revenues directly from the end clients, and to a lesser extent also carries out infrastructure works related to the end-to-end water cycle for both public and private clients.
- The **Construction** activity mainly carries out civil engineering works for public clients, residential and non-residential building for both private and public clients and the installation of heating and cooling systems in the infrastructures it builds, and other infrastructures for both private and public clients.
- The **Real Estate** activity has two lines of business: property development for sale to private individuals and the rental of offices, commercial premises and homes.
- The **Cement** activity consists of exploiting quarries and the subsequent production of cement and cement derivatives for private clients.
- Finally, the **Concessions** activity mainly operates infrastructure and urban tramway concession agreements, providing its services primarily to public clients, although revenues may be received from both the concession grantor and the end users of the service provided.

The taxonomic activity breakdown of the numerator can be found in the tables in the following sections.

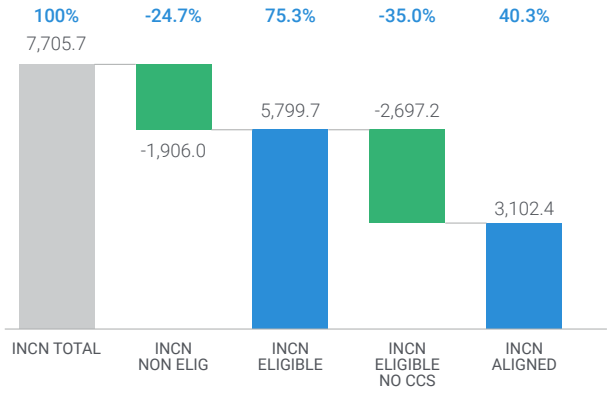
The CapEX key indicator includes in the numerator, as aligned eligible activities, a total amount of €378,549 thousand and as non-aligned eligible activities a total amount of €86,921 thousand, corresponding to the business combinations carried out in financial year 2022. The Group has not included any amount in the numerator of the CapEx plan. The taxonomic activity breakdown of the numerator can be found in the tables in the following sections.

The OpEX key indicator mainly includes small or short-term lease expenses and expenses related to the day-to-day maintenance of the Group's fixed assets. In relation to the latter, the Group uses its own resources, such as the repair workshops for the vehicles used in the collection of solid urban waste or the personnel assigned to the operation and maintenance of the different facilities it operates, mainly in the Environmental Services, Water and Cement activities, and also subcontracts to specialised companies depending on the characteristics of the markets in which it operates and the nature of the activities it carries out.

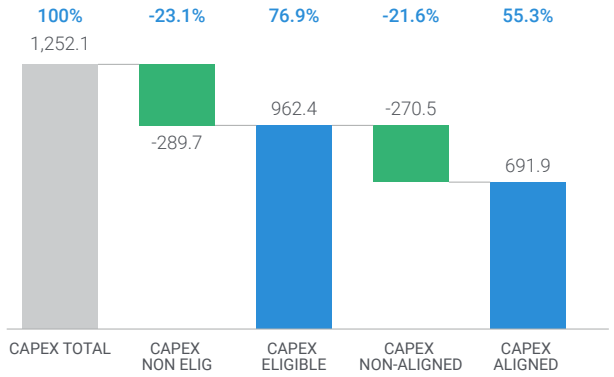
Calculation of key performance indicators

The chart below presents a summary for each of the KPIs with the results of applying the criteria outlined in the previous sections:

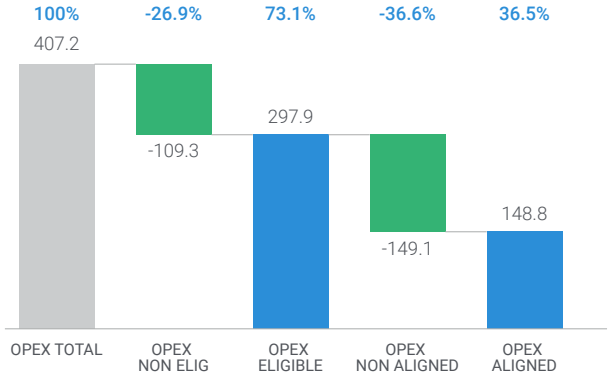
EU Taxonomy: INCN Alignment FCC Group 2022



EU Taxonomy: CAPEX Alignment FCC Group 2022



EU Taxonomy: OPEX Alignment FCC Group 2022



Below are the templates for the key performance indicators set out in the Delegated Regulation (EU) 2021/2178 of 6 July 2021 which complements the above-mentioned Regulation (EU) 2020/852 with regard to the specification and methodology of the information to be disclosed:

Economic activities (1)	Code (s)	Absolute turnover	Proportion of turnover (%)	Substantial contribution criteria		DNSH criteria ('Does Not Significantly Harm')								Category (enabling activity)	Category (transitional activity)
				CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEMS	MINIMUM SAFEGUARDS	% TURNOVER / ELIG		
A. TAXONOMY-ELIGIBLE ACTIVITIES															
A.1. Environmentally sustainable activities (Taxonomy-aligned)															
Electricity generation using solar photovoltaic technology	4.1.	15,479	0.20%	0.20%	0.00%	Y	Y		Y		Y	Y	0.27%		
Transmission and distribution of electricity	4.9.	90,091	1.17%	1.17%	0.00%	Y	Y	Y	Y	Y	Y	Y	1.55%	E	
Construction, extension and operation of water collection, treatment and supply systems	5.1.	487,497	6.33%	6.33%	0.00%	Y	Y	Y			Y	Y	8.41%		
Construction, extension and operation of waste water collection and treatment	5.3.	129,049	1.67%	1.67%	0.00%	Y	Y		Y	Y	Y	Y	2.23%		
Renewal of waste water collection and treatment	5.4.	14,275	0.19%	0.19%	0.00%	Y	Y		Y	Y	Y	Y	0.25%		
Collection and transport of non-hazardous waste in source segregated fractions	5.5.	837,279	10.87%	10.87%	0.00%	Y	Y		Y			Y	14.44%		
Composting of bio-waste	5.8.	2,507	0.03%	0.03%	0.00%	Y	Y			Y	Y	Y	0.04%		
Material recovery from non-hazardous waste	5.9.	219,510	2.85%	2.85%	0.00%	Y	Y				Y	Y	3.78%		
Landfill gas capture and utilisation	5.10	1,453	0.02%	0.02%	0.00%	Y	Y			Y	Y	Y	0.03%		
Infrastructure for personal mobility, cycle logistics	6.13	495,956	6.44%	6.44%	0.00%	Y	Y	Y	Y	Y	Y	Y	8.55%	E	
Infrastructure for rail transport	6.14	140,367	1.82%	1.82%	0.00%	Y	Y	Y	Y	Y	Y	Y	2.42%	E	
Infrastructure enabling road transport and public transport	6.15	500,588	6.52%	6.52%	0.00%	Y	Y	Y	Y	Y	Y	Y	8.67%	E	
Infrastructure for water transport	6.16	8,118	0.11%	0.11%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.14%	E	
Airport infrastructure	6.17	37	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.00%	E	
Construction of new buildings	7.1.	55,929	0.73%	0.73%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.96%		
Renovation of existing buildings	7.2.	2,024	0.03%	0.03%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.03%		T
Installation, maintenance and repair of energy efficiency equipment	7.3.	6,013	0.08%	0.08%	0.00%	Y	Y			Y	Y	Y	0.10%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy perf	7.5.	36,417	0.47%	0.47%	0.00%	Y	Y					Y	0.63%	E	
Acquisition and ownership of buildings	7.7.	54,573	0.71%	0.71%	0.00%	Y	Y					Y	0.94%		
Data processing, hosting and related activities	8.1.	3,248	0.04%	0.04%	0.00%	Y	Y	Y	Y			Y	0.06%		T
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**3,102,412**	**40.26%**	**40.26%**	**0.00%**								**53.49%**		
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)															
Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme eve	1.2.	8,391	0.11%	0.11%	0.00%								0.14%		
Manufacture of cement	3.7.	448,527	5.82%	5.82%	0.00%								7.73%		
Electricity generation using solar photovoltaic technology	4.1.	39	0.00%	0.00%	0.00%								0.00%		
Electricity generation from hydropower	4.5.	9,103	0.12%	0.12%	0.00%								0.16%		
Transmission and distribution of electricity	4.9.	802	0.01%	0.01%	0.00%								0.01%		
Construction, extension and operation of water collection, treatment and supply systems	5.1.	410,072	5.32%	5.32%	0.00%								7.07%		
Renewal of water collection, treatment and supply systems	5.2.	11,537	0.15%	0.15%	0.00%								0.20%		
Construction, extension and operation of waste water collection and treatment	5.3.	289,639	3.76%	3.76%	0.00%								4.99%		
Renewal of waste water collection and treatment	5.4.	2,008	0.03%	0.03%	0.00%								0.03%		
Collection and transport of non-hazardous waste in source segregated fractions	5.5.	61,869	0.80%	0.80%	0.00%								1.07%		
Material recovery from non-hazardous waste	5.9.	148,277	1.92%	1.92%	0.00%								2.56%		
Infrastructure for personal mobility, cycle logistics	6.13	100,314	1.30%	1.30%	0.00%								1.73%		
Infrastructure for rail transport	6.14	628,572	8.16%	8.16%	0.00%								10.84%		
Infrastructure enabling road transport and public transport	6.15	68,046	0.88%	0.88%	0.00%								1.17%		
Infrastructure for water transport	6.16	2,052	0.03%	0.03%	0.00%								0.04%		
Airport infrastructure	6.17	3,970	0.05%	0.05%	0.00%								0.07%		
Construction of new buildings	7.1.	203,331	2.64%	2.64%	0.00%								3.51%		
Renovation of existing buildings	7.2.	243,693	3.16%	3.16%	0.00%								4.20%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy perf	7.5.	4,947	0.06%	0.06%	0.00%								0.09%		
Acquisition and ownership of buildings	7.7.	52,059	0.68%	0.68%	0.00%								0.90%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**2,697,248**	**35.00%**	**35.00%**	**0.00%**								**46.51%**		
TOTAL (A.1 + A.2)		**5,799,660**	**75.26%**	**75.26%**	**0.00%**								**100.00%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES															
Turnover of Taxonomy-non-eligible activities		**1,906,027**	**24.74%**	**24.74%**	**0.00%**										
TOTAL (A+B)		**7,705,687**	**100.00%**	**100.00%**	**0.00%**										

				Substantial contribution criteria		DNSH criteria ('Does Not Significantly Harm')									
Economic activities (1)	Code (s)	Absolute CapEx	Proportion of CapEx (%)	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEMS	MINIMUM SAFEGUARDS	% CapEx / ELIG	Category (enabling activity)	Category (transitional activity)
A. TAXONOMY-ELIGIBLE ACTIVITIES															
A.1. Environmentally sustainable activities (Taxonomy-aligned)															
Electricity generation using solar photovoltaic technology	4.1.	12	0.00%	0.00%	0.00%	Y	Y		Y		Y	Y	0.00%		
Transmission and distribution of electricity	4.9.	883	0.07%	0.07%	0.00%	Y	Y		Y	Y	Y	Y	0.09%	E	
Construction, extension and operation of water collection, treatment and supply systems	5.1.	400,509	31.99%	31.99%	0.00%	Y	Y	Y			Y	Y	41.62%		
Construction, extension and operation of waste water collection and treatment	5.3.	12,360	0.99%	0.99%	0.00%	Y	Y		Y	Y	Y	Y	1.28%		
Renewal of waste water collection and treatment	5.4.	576	0.05%	0.05%	0.00%	Y	Y		Y	Y	Y	Y	0.06%		
Collection and transport of non-hazardous waste in source segregated fractions	5.5.	113,269	9.05%	9.05%	0.00%	Y	Y		Y			Y	11.77%		
Composting of bio-waste	5.8.	1,060	0.08%	0.08%	0.00%	Y	Y			Y	Y	Y	0.11%		
Material recovery from non-hazardous waste	5.9.	13,254	1.06%	1.06%	0.00%	Y	Y				Y	Y	1.38%		
Infrastructure for personal mobility, cycle logistics	6.13	65,709	5.25%	5.25%	0.00%	Y	Y	Y	Y	Y	Y	Y	6.83%	E	
Infrastructure for rail transport	6.14	76,150	6.08%	6.08%	0.00%	Y	Y	Y	Y	Y	Y	Y	7.91%	E	
Infrastructure enabling road transport and public transport	6.15	4,550	0.36%	0.36%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.47%	E	
Construction of new buildings	7.1.	5	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.00%		
Renovation of existing buildings	7.2.	60	0.00%	0.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.01%		T
Installation, maintenance and repair of energy efficiency equipment	7.3.	1,081	0.09%	0.09%	0.00%	Y	Y			Y	Y	Y	0.11%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy perf	7.5.	107	0.01%	0.01%	0.00%	Y	Y					Y	0.01%	E	
Acquisition and ownership of buildings	7.7.	2,347	0.19%	0.19%	0.00%	Y	Y					Y	0.24%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**691,931**	**55.26%**	**55.26%**	**0.00%**								**71.90%**		
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)															
Manufacture of cement	3.7.	13,489	1.08%	1.08%	0.00%								1.40%		
Electricity generation from hydropower	4.5.	42,768	3.42%	3.42%	0.00%								4.44%		
Transmission and distribution of electricity	4.9.	593	0.05%	0.05%	0.00%								0.06%		
Construction, extension and operation of water collection, treatment and supply systems	5.1.	92,838	7.41%	7.41%	0.00%								9.65%		
Renewal of water collection, treatment and supply systems	5.2.	38	0.00%	0.00%	0.00%								0.00%		
Construction, extension and operation of waste water collection and treatment	5.3.	28,095	2.24%	2.24%	0.00%								2.92%		
Renewal of waste water collection and treatment	5.4.	1	0.00%	0.00%	0.00%								0.00%		
Collection and transport of non-hazardous waste in source segregated fractions	5.5.	7,177	0.57%	0.57%	0.00%								0.75%		
Material recovery from non-hazardous waste	5.9.	19,333	1.54%	1.54%	0.00%								2.01%		
Infrastructure for personal mobility, cycle logistics	6.13	6,641	0.53%	0.53%	0.00%								0.69%		
Infrastructure for rail transport	6.14	32,252	2.58%	2.58%	0.00%								3.35%		
Infrastructure enabling road transport and public transport	6.15	3,432	0.27%	0.27%	0.00%								0.36%		
Construction of new buildings	7.1.	19,367	1.55%	1.55%	0.00%								2.01%		
Renovation of existing buildings	7.2.	24	0.00%	0.00%	0.00%								0.00%		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy perf	7.5.	3,785	0.30%	0.30%	0.00%								0.39%		
Acquisition and ownership of buildings	7.7.	629	0.05%	0.05%	0.00%								0.07%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**270,463**	**21.60%**	**21.60%**	**0.00%**								**28.10%**		
TOTAL (A.1 + A.2)		**962,394**	**76.86%**	**76.86%**	**0.00%**								**100.00%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES															
CapEx of Taxonomy non-eligible activities		**289,667**	**23.14%**	**23.14%**	**0.00%**										
TOTAL (A+B)		**1,252,061**	**100.00%**	**100.00%**	**0.00%**										

				Substantial contribution criteria		DNSH criteria ('Does Not Significantly Harm')								
Economic activities (1)	Code(s)	Absolute OpEx	Proportion of OpEx (%)	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	CLIMATE CHANGE MITIGATION	CLIMATE CHANGE ADAPTATION	WATER AND MARINE RESOURCES	CIRCULAR ECONOMY	POLLUTION	BIODIVERSITY AND ECOSYSTEMS	MINIMUM SAFEGUARDS	% OpEx / ELIG	Category (enabling activity)	Category (transitional activity)
A. TAXONOMY-ELIGIBLE ACTIVITIES															
A.1. Environmentally sustainable activities (Taxonomy-aligned)															
Electricity generation using solar photovoltaic technology	4.1.	434	0.11%	0.11%	0.00%	Y	Y		Y		Y	Y	0.15%		
Transmission and distribution of electricity	4.9.	2,845	0.70%	0.70%	0.00%	Y	Y		Y	Y	Y	Y	0.96%	E	
Construction, extension and operation of water collection, treatment and supply systems	5.1.	10,539	2.59%	2.59%	0.00%	Y	Y	Y			Y	Y	3.54%		
Construction, extension and operation of waste water collection and treatment	5.3.	3,406	0.84%	0.84%	0.00%	Y	Y		Y	Y	Y	Y	1.14%		
Renewal of waste water collection and treatment	5.4.	125	0.03%	0.03%	0.00%	Y	Y		Y	Y	Y	Y	0.04%		
Collection and transport of non-hazardous waste in source segregated fractions	5.5.	62,289	15.30%	15.30%	0.00%	Y	Y		Y			Y	20.91%		
Composting of bio-waste	5.8.	698	0.17%	0.17%	0.00%	Y	Y			Y	Y	Y	0.23%		
Material recovery from non-hazardous waste	5.9.	12,371	3.04%	3.04%	0.00%	Y	Y				Y	Y	4.15%		
Landfill gas capture and utilisation	5.10	153	0.04%	0.04%	0.00%	Y	Y			Y	Y	Y	0.05%		
Infrastructure for personal mobility, cycle logistics	6.13	20,326	4.99%	4.99%	0.00%	Y	Y	Y	Y	Y	Y	Y	6.82%	E	
Infrastructure for rail transport	6.14	7,861	1.93%	1.93%	0.00%	Y	Y	Y	Y	Y	Y	Y	2.64%	E	
Infrastructure enabling road transport and public transport	6.15	16,301	4.00%	4.00%	0.00%	Y	Y	Y	Y	Y	Y	Y	5.47%	E	
Infrastructure for water transport	6.16	793	0.19%	0.19%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.27%	E	
Construction of new buildings	7.1.	1,079	0.26%	0.26%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.36%		
Renovation of existing buildings	7.2.	47	0.01%	0.01%	0.00%	Y	Y	Y	Y	Y	Y	Y	0.02%		T
Installation, maintenance and repair of energy efficiency equipment	7.3.	119	0.03%	0.03%	0.00%	Y	Y			Y	Y	Y	0.04%	E	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy perfo	7.5.	755	0.19%	0.19%	0.00%	Y	Y					Y	0.25%	E	
Acquisition and ownership of buildings	7.7.	8,640	2.12%	2.12%	0.00%	Y	Y					Y	2.90%		
Data processing, hosting and related activities	8.1.	9	0.00%	0.00%	0.00%	Y	Y	Y	Y			Y	0.00%		T
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**148,790**	**36.54%**	**36.54%**	**0.00%**								**49.95%**		
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)															
Rehabilitation and restoration of forests, including reforestation and natural forest regeneration after an extreme even	1.2.	422	0.10%	0.10%	0.00%								0.14%		
Manufacture of cement	3.7.	49,457	12.15%	12.15%	0.00%								16.60%		
Electricity generation using solar photovoltaic technology	4.1.	3	0.00%	0.00%	0.00%								0.00%		
Electricity generation from hydropower	4.5.	124	0.03%	0.03%	0.00%								0.04%		
Transmission and distribution of electricity	4.9.	20	0.01%	0.01%	0.00%								0.01%		
Construction, extension and operation of water collection, treatment and supply systems	5.1.	6,236	1.53%	1.53%	0.00%								2.09%		
Renewal of water collection, treatment and supply systems	5.2.	196	0.05%	0.05%	0.00%								0.07%		
Construction, extension and operation of waste water collection and treatment	5.3.	8,871	2.18%	2.18%	0.00%								2.98%		
Renewal of waste water collection and treatment	5.4.	11	0.00%	0.00%	0.00%								0.00%		
Collection and transport of non-hazardous waste in source segregated fractions	5.5.	4,158	1.02%	1.02%	0.00%								1.40%		
Material recovery from non-hazardous waste	5.9.	11,634	2.86%	2.86%	0.00%								3.91%		
Infrastructure for personal mobility, cycle logistics	6.13	2,706	0.66%	0.66%	0.00%								0.91%		
Infrastructure for rail transport	6.14	55,395	13.60%	13.60%	0.00%								18.60%		
Infrastructure enabling road transport and public transport	6.15	3,580	0.88%	0.88%	0.00%								1.20%		
Infrastructure for water transport	6.16	18	0.00%	0.00%	0.00%								0.01%		
Airport infrastructure	6.17	143	0.04%	0.04%	0.00%								0.05%		
Construction of new buildings	7.1.	2,524	0.62%	0.62%	0.00%								0.85%		
Renovation of existing buildings	7.2.	2,232	0.55%	0.55%	0.00%								0.75%		
Acquisition and ownership of buildings	7.7.	1,338	0.33%	0.33%	0.00%								0.45%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**149,068**	**36.61%**	**36.61%**	**0.00%**								**50.05%**		
TOTAL (A.1 + A.2)		**297,858**	**73.15%**	**73.15%**	**0.00%**								**100.00%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES															
OpEx of Taxonomy-non-eligible activities		**109,331**	**26.85%**	**26.85%**	**0.00%**										
TOTAL (A+B)		**407,189**	**100.00%**	**100.00%**	**0.00%**										

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Non-Financial Information Verification Disclosure

AENOR verification Disclosure for

FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.

concerning the consolidated disclosure of non-financial information

FCC Group 2022 Sustainability Report

Including the Non-Financial Reporting Statement

according to law 11/2018

for the period ending on December 31, 2022

In Madrid, April 17, 2023

Rafael García Meiro
Chief Executive Officer

1994/0241/ VNOF-2023

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FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. (hereinafter the organization) with registered office at Calle Balmes, 36 08007 Barcelona has commissioned AENOR to carry out a verification under a limited level of assurance of its Disclosure of Non-Financial Information (hereinafter NFIS) in accordance with Law 11/2018 amending the Commercial Code, the revised text of the Law on Corporations approved by Royal Legislative Decree 1/2010 of 2 July and Law 22/2015 of 20 July on the Auditing of Accounts, with regard to non-financial information and diversity (hereinafter Law 11/2018), also requirements of Article 8 of 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.

As a result of the verification carried out, AENOR issues this Disclosure, of which the verified NFIS forms part. The Declaration is only valid for the purpose entrusted and reflects only the situation at the time it is issued.

The purpose of the verification is to provide the interested parties with a professional and independent opinion about the information and data contained in the organization's NFIS, prepared in accordance with Law 11/2018 and Commission Delegated Regulation (EU) 2021/2178.

Responsibility of the organization. The organization was responsible for reporting its non-financial information status in accordance with Law 11/2018, also information related to the Taxonomy of environmentally sustainable activities prepared in accordance with the EU Regulation 2020/852 of the European Parliament and of the Council of June 18, on the establishment of a framework to facilitate sustainable investments, regarding the obligation to disclose information on the manner and extent to which the activities of the obligated company are associated with economic activities that are considered environmentally sustainable according to the environmental principles and objectives established in said Regulation, is among the evidence reviewed. The formulation and approval of the NFIS, as well as its content, is the responsibility of its Governing Body. This responsibility also includes designing, implementing and maintaining such internal control as is deemed necessary to ensure that the NFIS is free from material misDisclosure due to fraud or error, as well as the management systems from which the information required for the preparation of the NFIS is obtained. The organisation, in accordance with the commitment formally undertaken, has informed AENOR that no events have occurred, from the date of the close of the financial year reported in the non-financial report until the date of verification, that might require corrections to be made to the report.

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Verification program in accordance with ISO/IEC 17029:2019 AENOR, in accordance with the aforementioned Act, has carried out this verification as an independent provider of verification services. The verification has been developed under the principles of "evidence-based approach, fair presentation, impartiality, technical competence, confidentiality, and accountability" required by the international standard ISO/IEC 17029:2019 "Conformity assessment - General principles and requirements for validation and verification bodies".

Likewise, in the verification program, AENOR has considered the international requirements of accreditation, verification or certification corresponding to the information matters contemplated in the law:

- European Regulation EMAS (Environmental Verification)
- SA 8000 (international labour principles and rights in accordance with the ILO (International Labour Organization), the Universal Declaration of Human Rights and the Convention on the Rights of the Child. SAAS Procedure 200)
- Environmental Management System (ISO 14001).
- Social Responsibility Management System, IQNet SR 10 and SA8000 schemes
- Quality Management System (ISO 9001).
- Energy Management System (ISO 50001).
- Occupational Health and Safety Management System (ISO 45001).

Additionally, the criteria and information that have been taken into account as a reference to carry out the Verification Program have been:

1) Law 11/2018 of 28 December, which amends the Commercial Code, the revised text of the Companies Act approved by Royal Legislative Decree 1/2010 of 2 July, and Law 22/2015 of 20 July on the Auditing of Accounts, with regard to non-financial information and diversity.

2) Directive 2014/95/EU of the European Parliament and Council of 22 October 2014 amending Directive 2013/34/EU as regards the disclosure of non-financial information and diversity reporting by certain large companies and certain groups.

3) 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.

4) Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation.

5) Communication of the European Commission 2017/C 215/01, Guidelines on non-financial reporting (methodology for non-financial reporting)

6) The international standard ISO/IEC 17029.2019 Conformity assessment - General principles and requirements for validation and verification bodies

7) The criteria established by the global sustainability reporting initiative in the GRI standards where the organisation has opted for this recognised international framework for disclosure of information relating to its corporate social responsibility performance

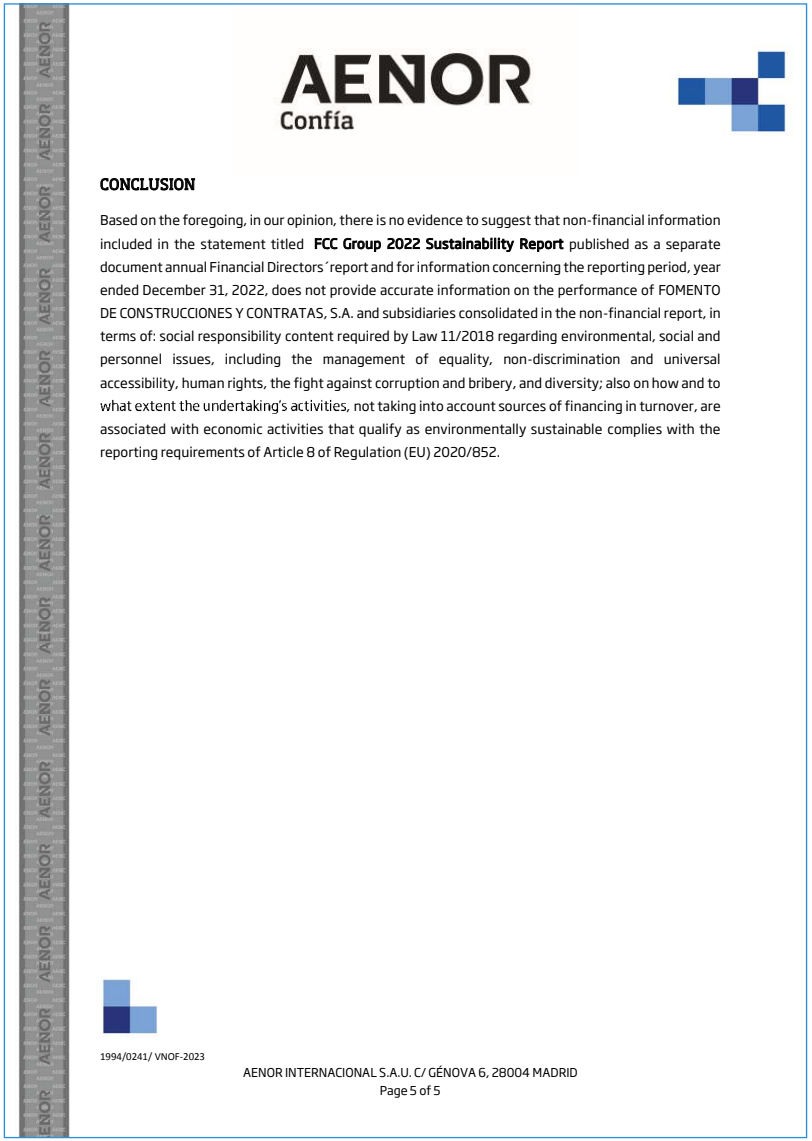
AENOR expressly disclaims any liability for decisions, investment or otherwise, based on this Declaration.

During the verification process carried out, under a limited level of assurance, AENOR conducted interviews with the personnel in charge of compiling and preparing the Report and reviewed evidence relating to:

- Activities, products and services provided by the organization.
- Consistency and traceability of the information provided, including the process followed to collect it, sampling information about the reported.
- Completion and content of the disclosure of non-financial information in order to ensure the completeness, accuracy and veracity of its content.
- Letter of Disclosures from the Administrative Body.

The conclusions are therefore based on the results of this sample process, and do not absolve the Organization of its responsibility for compliance with applicable legislation.

The personnel involved in the verification process, the review of findings and the decision to issue this Disclosure have the knowledge, skills, experience, training, supporting infrastructure and capacity to effectively carry out these activities.



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CONCLUSION

Based on the foregoing, in our opinion, there is no evidence to suggest that non-financial information included in the statement titled **FCC Group 2022 Sustainability Report** published as a separate document annual Financial Directors´report and for information concerning the reporting period, year ended December 31, 2022, does not provide accurate information on the performance of FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A. and subsidiaries consolidated in the non-financial report, in terms of: social responsibility content required by Law 11/2018 regarding environmental, social and personnel issues, including the management of equality, non-discrimination and universal accessibility, human rights, the fight against corruption and bribery, and diversity; also on how and to what extent the undertaking's activities, not taking into account sources of financing in turnover, are associated with economic activities that qualify as environmentally sustainable complies with the reporting requirements of Article 8 of Regulation (EU) 2020/852.

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