

2 FCC CONSTRUCCIÓN SUSTAINABILITY STRATEGY



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# WHO WE ARE

# FCC Construcción's profile

FCC Construcción S.A. is a leading firm in infrastructure development, civil and industrial engineering works, and new residential and non-residential buildings.

With more than 120 years' experience and currently present in 27 countries, FCC Construcción has been able to position itself as one of the leading firms in the construction sector, both in Spain and internationally.

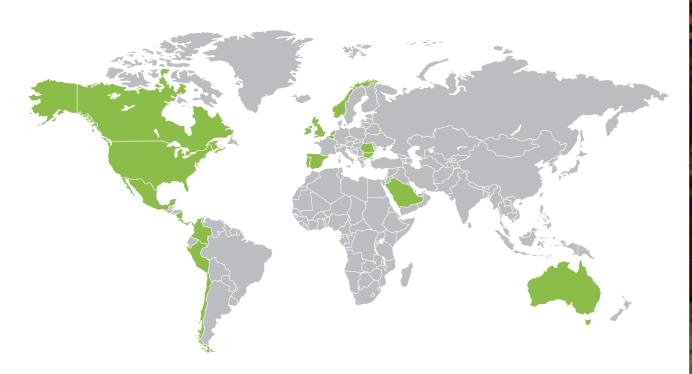
The project types that the company specialises include:

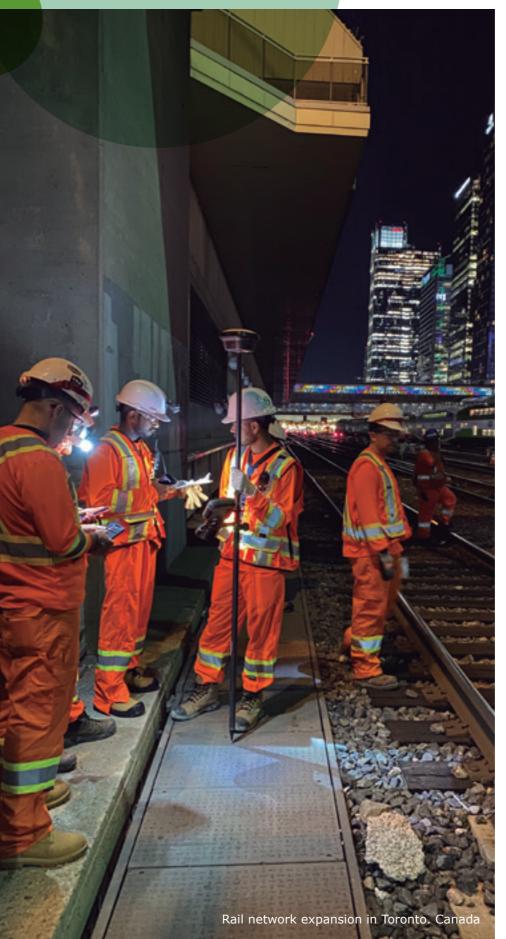
Civi works roads, bridges, tunnels, railways, maritime works and airport and water infrastructure.

# **Building**

housing and urban development, non-residential buildings and refurbishments.

FCC Construcción is present in countries including Spain, Belgium, Norway, Netherlands, Portugal, Romania, Bulgaria, Ireland, United Kingdom, United States, Canada, Chile, Colombia, Mexico, Peru, Panama, El Salvador, Costa Rica, Nicaragua, Saudi Arabia, Qatar and Australia.





## **MISSION**

Striving to improve people's standard of living by designing and undertaking infrastructureconstruction projects efficiently and sustainably.

## VISION

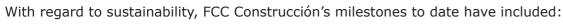
Being an international benchmark in the construction of major infrastructure works, providing global, innovative solutions for the management of resources and improvement of infrastructure, thereby contributing towards society's progress. FCC Construcción thus intends to be a highly diversified, integrated company, committed to our workforce and highly capable of creating value for society and driving sustainable development.

## **VALUES**

FCC Construcción shares and supports the values of the FCC Group, which has to build "one FCC, with consolidated values," namely: honesty and respect; rigour and professionalism; loyalty and commitment; and community welfare and development. These values are supported by FCC Construcción and conveyed to everyone who forms part of the company, aiming to share the same way of working and demonstrate our level of commitment to our stakeholders. At FCC Construcción we work to constantly improve the projects we undertake, aiming to achieve the highest quality in everything we do.

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# FCC Construcción's track record in the field of sustainability





QΑ system.

# ISO 14001

1998

Environmental Management System implemented and certified since 1998.

### 2003

First Spanish construction firm to publish an **Environmental** Report and Sustainability Report.

### 2005

First application of risk management; Special Programme for Technical-Accident Risk Management (PETRA). 2008: Basic guide to risk management 2010: Procedure for Risk Management in the Management System.

# 2007

RDI RDI Certification of RDI Management System by AENOR.

## 2010

Design and implementation of a **GGE** measurement protocol at FCC Construcción, based on accepted international

standards.

## 2012

Initiative recognised at the European Business Awards in the "Environmental and Corporate Sustainability" category.

"Environment CO2 verified" carbonfootprint certification obtained from AENOR.

## 2015

Development of SAMCEW®.

> strategy to combat climate change (mitigation, adaptation, communication and innovation).

2017

Development and publication of the system AENOR

2019

### 2022

Implementation of a management for **Business Partnerships** and obtaining certification.

FCC Construcción obtains certification for its **BIM** management system under the standards UNE-EN ISO 19650-1

and UNE-EN ISO

19650-2.



## 1993

**ISO 9001 First ISO 9001** in Spain granted by an accredited organisation.

## 2000

Preparation and application of system for **Best Environmental** Practices®.

#### 2004

Adhesion to the **UN Global Compact.** Since 2012 we have obtained the highest ranking ("Advanced Level") for Progress Reports sent to the UN.

#### 2006

Start of online training at the company.

Certification of OHS management systems (OHSAS).

#### 2009

First construction firm in Spain to obtain certification for its Information Security Management System (ISO 27001).

## 2011

First Spanish construction **firm** to verify its **GHG** emissions reporting.

## 2014 **First Spanish**

construction firm to register its carbon footprint in the "Carbon Footprint, Offsetting and **Absorption Projects** Register".

**Energy-management** system certified under the standard ISO 50001.

#### 2016

"Calculate and Reduce" seal obtained for the first time (2015-2020 financial years).

### 2018 Circular economy

**ReSOLVE** framework.

# **Knowledge management**

Document-management system to facilitate the capture and storage of all information generated.

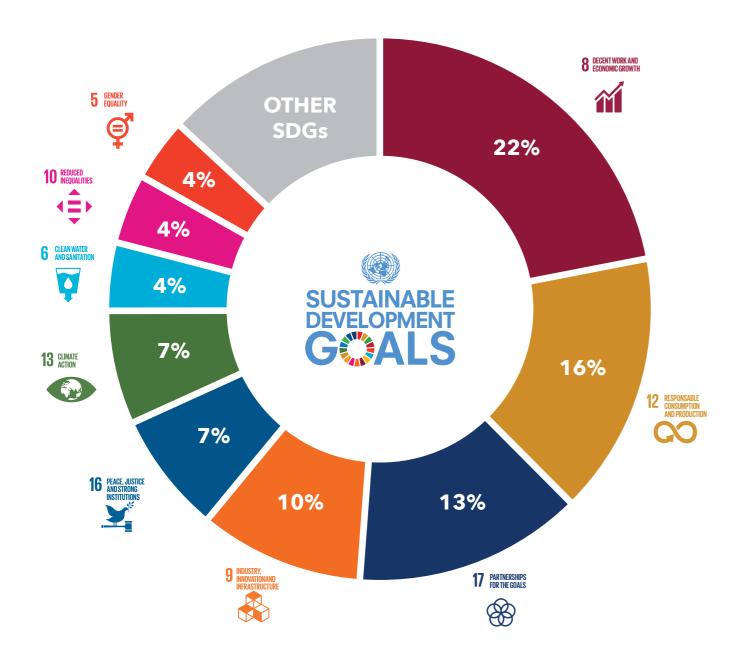
**Verification of GHG** emissions in 2020 in 100% of countries where the company operates.

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# **Contributions towards the Sustainable Development Goals**

FCC Construcción is strongly committed to reaching the targets set under 2030 Agenda. Thus, the company has carried out an analysis to identify the contribution of the company, through the actions established under this Strategy, on the 179 targets defined in the Sustainable Development Goals (SDGs).

By developing and implementing its Sustainability Strategy, FCC Construcción aims to make a direct contribution towards the following 2030 Agenda goals:



# CONTEXT ANALYSIS

# **Trends in Sustainability**

Today's construction sector is facing major changes and challenges that will establish the route map for firms in the sector in the coming years. Below we present the challenges that will determine the future of the sector, considering those that are included in all Environmental, Social and Governance (ESG) dimensions.



# TRANSVERSAL CHALLENGES

#### **DEMOGRAPHIC CHANGES**

### **Expanding cities**

The United Nations estimates that the world population could hit 9.7 billion people by 2050, 6 billion — i.e. more than 60% — of whom will be living in urban environments.

This growing demographic pressure, together with increasingly complex land management and use patterns, implies one of the biggest challenges that the construction sector faces. In this context, the development of cities will depend on the speed and thorough which sustainable, digital and industrialised construction can be implemented across the whole value chain.

### **Aging population**

By 2050, it is estimated that there will be 1.5 billion old people in the world, mostly concentrated in Asia, Europe and North America, indicating an aging and dependent global population.

Specifically, the construction sector will have to adapt the existing built environment to one where the population can be independent at home for longer and use spaces and infrastructure safely. This will call for buildings to be updated, focusing on mobility and the use of ICT (Information and Communication Technologies) to support people's daily lives.

#### SUSTAINABLE INFRASTRUCTURE

### **Smart cities Development**

Investment in smart cities was 18.9% higher in 2020 than in 2019. The construction sector must opt for the creation of smart cities based on innovation, circular economy and integration of new technology to improve people's standard of living while, at the same time, reducing environmental impact and generating greater economic benefits.

### **Upgrading infrastructure**

Most of the infrastructure built in Europe in the 1960s and '70s is now beyond its theoretical lifespan and is now exceeding its initial load and traffic capacities. Also, changes in living and mobility patterns (electrification of transport, autonomous vehicles and integration of renewables) and exposure to increasingly extreme climate conditions mean that such infrastructure needs updating.

In line with 2030 Agenda, investment in infrastructure is fundamental if we are to achieve sustainable development and better social balance. Refurbishing buildings and infrastructures provides society with major benefits, such as improving energy efficiency, better accessibility (with built-in ICT technology, for example), extending their life cycle, or making urban environments more robust in order to deal with the potential natural risks (especially floods, hurricanes and earthquakes) resulting from climate change.

# ENVIRONMENTAL CHALLENGES

### **CLIMATE CHANGE**

### The decarbonisation challenge

By 2030 it is estimated that cities will consume 60–80% of all energy resources, while being responsible for 70% of global emissions. The European Union has set the target of reaching 100 carbon-neutral cities by 2050. However, about 35% of today's buildings are at least 50 years old and 75% of them are not energy-efficient.

Although the decarbonisation of buildings presents an opportunity for the construction sector, the process may be hindered by such factors as the cost of low-carbon-emission materials and the current scarcity of materials. The construction sector can also contribute towards combating climate change by developing, maintaining and renovating infrastructure, thereby optimising travel and reducing emissions from people's means of transport.



#### **CIRCULAR ECONOMY**

# Depleting natural resources, waste management

Many of the natural resources used in the construction sector are depleting fast. Their scarcity in the immediate future is forcing industry to seek new ways of designing and constructing buildings and infrastructure. Firms in the sector therefore have little option but to develop new processes and solutions that use less water, materials and energy. The transition from a linear economy to a circular model, which calls for the use of longer-lasting, higherperforming materials, encouraging reuse and minimising consumption, must therefore be speeded up.

The construction sector also produces an enormous amount of waste. More efficient use of materials and the recycling of raw materials, even in small doses, delivers substantial benefits. In order to increase circularity in the construction sector we need to focus on valuing the main waste generated beyond the largescale valuation that is already being done.

### **New materials**

The constant progress in science and engineering applied to materials provides us new opportunities to improve the performance and strength of buildings and infrastructure, reducing their environmental impact.

The construction sector should consider the potential of applying sustainable materials to the industry. In this context, obtaining reliable, comprehensive data would be key in order to estimate the long-term performance of materials.

# **SOCIAL CHALLENGES**

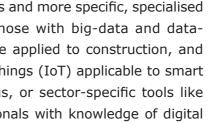
### **MANAGEMENT OF PROFESSIONALS AND** THE SUPPLY CHAIN

#### **Demand for digital profiles**

The construction sector provides jobs for more than 1.8 million people in Spain alone, both in a direct and indirect manner. As the construction industry becomes more reliant upon the information management and digitisation, it is necessary to attract workers with more specific and digital skills. Implementing a circulareconomy model, energy efficiency and new working tools and methods (BIM, automation, IoT drones, etc.) calls for professionals with

new qualifications and more specific, specialised training; from those with big-data and datadriven knowledge applied to construction, and the Internet of Things (IoT) applicable to smart cities or buildings, or sector-specific tools like BIM, to professionals with knowledge of digital marketing or more general topics.

Hence, there is a need to renew study plans and training techniques, integrating more modern ICT tools (e.g., modelling) and life-cycle and assetmanagement concepts.



## **Generational handover and bringing** women into the sector

Despite high levels of unemployment, particularly among young people, construction firms are finding it difficult to find people who want to work in the sector. Labour resources in construction will soon be lacking and this shortfall needs to be addressed. Construction today is an aging sector. In Spain, only 18% of the population affiliated with the sector are aged under 35, and of those only 8.4% are young people (aged 16-29).

Construction is also a highly male-dominated sector. In the final quarter of 2019, before the COVID pandemic, women accounted for only 12.3% of the labour force in construction in the UK, with a similar situation also occurring in the US, Canada, Australia and New Zealand. In Spain the percentage of women working in the construction sector in 2020 was only 8.2%, i.e., much lower than the average for the whole Spanish economy the same year (45.7%). Although women are now fully incorporated into certain professions within the sector (e.g., architects, admin personnel, etc.), their presence is still a minority in the works and their incorporation is very slow. However, attracting female talent is closely related to sustainability, because the firms with the highest presence of women in their workforces are also the ones with the highest level of commitment to ESG.

The solutions put forward to maintain competitiveness include making professions safer and more attractive for young people and for women, improving their working conditions. This would also enable the sector to contribute towards tackling youth unemployment and fostering equality.



# Responsibility for supply-chain management

The construction sector will always have a local component, since its activities are part of the communities affected. Management of the supply chain and responsibility within it are therefore key factors for any construction firm engaging with actors from local communities, subcontractors, suppliers, consultants or other interested parties. Local materials in international infrastructure projects should be considered as a proposal of transcendental value, and it is also important to remember that international firms must abide by the local laws and customs in the communities where they operate — another factor in the supply chain.

For these reasons maximising local supply should be a key objective, forging long-term partnerships with local actors while adding social and economic value in the countries where construction firms are operating. For appropriate, ethical, total management, such partnerships can be established through framework agreements in line with the company's undertakings.

#### **HEALTH AND SAFETY**

### **Protection in the workplace**

Health and safety at work is a crucial aspect for companies and trade unions in the construction industry, and they are working closely together on this issue. Although the situation has improved in recent years, the sector is still considered to be a high-risk one, with more workplace accidents compared with other industries (in Spain the construction sector figured as the activity with the highest accident rate in both 2020 and 2021).

At the sector level, the safety of construction operations can be improved by applying digitalisation, exchanges of best practices, awareness-building campaigns and accompaniment measures for companies that are part of the value chain. Also, within the

EU a full legislative framework is in place and needs to be applied, in line with the goal set by international contractors to implement a zeroaccident culture. Avoiding accidents means holding onto qualified personnel, maintaining machinery, controlling processes, continuously improving QAE systems, and so forth, in order to enhance the firm's reputation and strengthen its competitiveness.



# GOVERNANCE CHALLENGES

#### INNOVATION

# Integrating new technologies and methods

Integrating new trends into infrastructure, such as renewable energy sources and the electrification of vehicle fleets, would require its' adaptation and upgrading, incorporating ICT solutions and applying new approaches to encourage the local use of energy (e.g., with local and/or residents' energy communities).

Incorporating new technology and processes available into the construction sector is a key factor in improving the productivity, quality and safety of processes, while minimising environmental impact. The transition to "Industry 4.0" will mean moving from a process-based approach to a service-based one, with a far more integrated value chain. This will require upgrading workers' skills and attracting new talent (including scientific job profiles).

Digitalisation is a first step in bringing Industry 4.0 closer to the construction sector by deploying BIM and, in the long term, applying dynamic digital twins, automation and robotics, and collecting and managing more data (applying the latest advances in IoT and integrated sensors, cloud computing, big-data and data-driven approaches and artificial intelligence).

It is fundamental for any company to store and studiously control its data using digital tools and organisational processes, because otherwise acquired knowledge will become lost and impossible to access efficiently and feasibly.

## **Culture of partnership**

When it comes to preparing infrastructurebased projects that involve major changes, it is necessary to build a complete culture. This is important for three key reasons.

First of all, these projects are becoming more and more complex, reflecting the increasingly complicated world in which they take place. This means working with a wide range of organisations and people at different levels (local, regional and national), some of whom have conflicting interests.

Second, it is important to take into account the sustainability of projects, providing intergenerational equity and a legacy through sustainable planning, design and construction. And, third, it is key to keep up with the pace of technological change, ensuring that information is updated and contained in a common data environment (CDE), while everyone involved in the project — including contractors or the supply chain at each stage of the project — must know how to use that CDE.

#### COMPLIANCE

### **Regulatory exposure**

The construction sector can be particularly affected by changes in legislation with a potentially negative impact on companies operating in the sector. This is particularly relevant for construction companies working abroad in countries with widely varying regulatory frameworks.

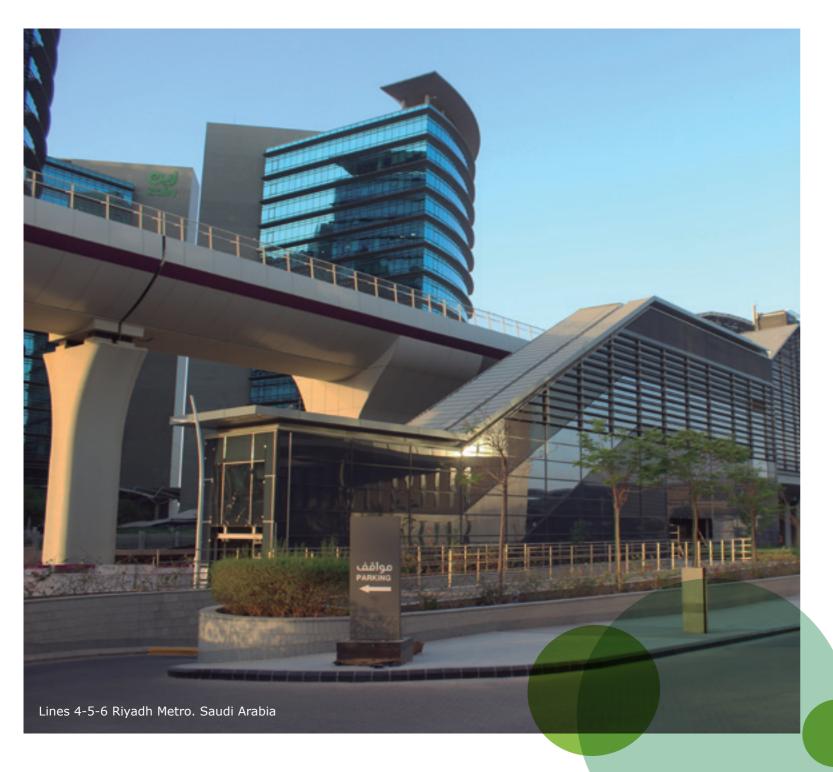
However, regulation can also create opportunities, stimulating the transformation of industry and presenting innovations that are beneficial both for society and for the environment.

In order to promote the sustainable development of the sector and have a positive impact on the communities where the company operates economically, socially and environmentally, it is essential to reject corrupt practices, fraud and bribery.



# **Legislative context**

Companies must increasingly adapt their activities and actions with a view to having a positive impact on society. The legislative and regulatory ecosystem also encourages firms to incorporate Environmental, Social and Governance (ESG) criteria into their businesses, thereby contributing towards sustainable development.



The latest legislative developments with regard to sustainability are as follows:

# ENVIRONMENTAL DIMENSION

### **EUROPEAN GREEN DEAL (2019)**

The Green Deal represents a growth strategy that aims to transform the EU into a fair, prosperous society with a modern economy, efficient in its use of resources and competitive, where there will be zero net GHG (Green House Gases) emissions by 2050, dissociating economic growth from the use of resources.

To bring this strategy to fruition the EU has been passing numerous pieces of legislation to cover the various aspects of the Green Deal.

### **EU ENVIRONMENTAL TAXONOMY (2020)**

The EU taxonomy is a classification system that establishes a list of economic activities that are considered to be sustainable provided that they make a substantial contribution towards achieving one or more of the six environmental goals, which are previously regulated. All economic activities that meet this requirement are designated as eligible. However, only those that "do no significant harm" (DNSH) to the other environmental targets and comply with the minimum social safeguards are considered to be in line with sustainability.

This Regulation also imposes certain reporting requirements on companies and investors.

## PLAN TO RENEW THE EUROPEAN MODEL FOR THE CONSTRUCTION OF GREEN BUILDINGS (RENOVATION WAVE, 2020)

This is a strategy implemented by the European Commission to trigger a renovation wave for the continent by removing persistent obstacles to energy renewal and the efficient use of resources.

## CIRCULAR-ECONOMY ACTION PLAN FOR A CLEANER, MORE COMPETITIVE EUROPE (2020)

Continuing efforts begun in 2015, the European Commission has adopted the Action Plan on the Circular Economy, which is one of the main components of the European Green Deal, Europe's programme for sustainable growth.

# CLIMATE CHANGE AND ENERGY TRANSITION ACT 2021 (7/2021)

This legislation was enacted to address the commitment that Spain assumed as an EU member (Paris Accord) and sets the goal for Spain to achieve climate neutrality by 2050, with an electricity system based exclusively on renewable energy-generation sources.

# CIRCULAR ECONOMY, WASTE AND CONTAMINATED SOIL ACT 7/2022 (2022)

This new Spanish legislation reviews the existing regulations on waste and contaminated soil. The new elements introduced include restrictions on certain single-use plastic products, changes to the regulatory framework to extend the liability of waste producers, and revisions and updates to the inspection and penalties system.

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# SOCIAL DIMENSION

# PROPOSED DIRECTIVE ON DUE DILIGENCE FOR CORPORATE SUSTAINABILITY (2022)

This proposal sets out in detail the due-diligence requirements to prevent, mitigate and remedy human-rights abuses and environmental harm in the supply chains of large firms or companies operating in high-risk sectors (food, farming, textiles, extractive industries and raw materials).

### **FUTURE SOCIAL TAXONOMY (2022)**

The Social Taxonomy, like the Environmental Taxonomy, has been designed as an instrument to encourage its use as a common language for identifying what "sustainable economic activity" means and encourage investment that contributes towards sustainable development from a social point of view, based on three previously regulated targets.

# ROYAL DECREE 901/2020, REGULATING EQUALITY PLANS AND THEIR REGISTRATION (2020)

Applicable to Spanish companies since 2021, this decree develops the content, scope and requirements for preparing Equality Plans, which all companies with 50 or more employees must negotiate and register.

# ROYAL DECREE 902/2020, ON EQUAL PAY FOR WOMEN AND MEN (2020)

This decree develops the principle of transparency for pay, establishing instruments for its application including pay records and wage audits.

# GOVERNANCE DIMENSION

# PROPOSED DIRECTIVE ON IMPROVING THE BALANCE BETWEEN MEN AND WOMEN ON THE BOARDS OF DIRECTORS OF PUBLICLY QUOTED COMPANIES AND RELATED MEASURES (2022)

The purpose of this directive is to assure the application of equal opportunities between women and men and achieve balanced representation of both sexes in senior management positions.

## DIRECTIVE (EU) 2019/1937, ON THE PROTECTION OF PEOPLE WHO REPORT BREACHES OF UNION LAW (WHISTLEBLOWER DIRECTIVE) (2019)

This directive establishes a common protective framework for reporting irregularities detected within companies, together with standards for protection and the prohibition of reprisals at the EU level.

# PROPOSED DIRECTIVE ON CORPORATE SUSTAINABILITY REPORTING (CSRD, 2021)

The purpose of this directive is to improve information on sustainability with a view to promoting the potential of the European single market and contributing towards the transition to a fully sustainable and integrating economic and financial system.

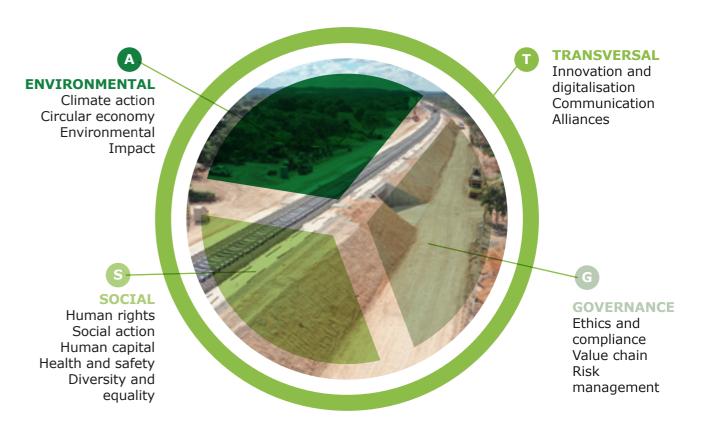
To assure the availability of adequate public information on sustainability, the Commission has invited the European Financial Reporting Advisory Group (EFRAG) to develop the European Sustainability Reporting Standards.

# SUSTAINABILITY STRATEGY

FCC Construcción, being aware of the need to align the company's business with sustainable development from an environmental, social and governance (ESG) point of view, has decided to implement a Sustainability Strategy.

This strategy sets out FCC Construcción's ambition and route map for the future, based on intermediate targets that will enable the company to improve its responsible performance and continue to be a benchmark for sustainability in the construction sector.

The Sustainability Strategy is structured according to the relevant ESG aspects, establishing different strategic approaches as shown below.



The strategic lines, actions and objectives established by FCC Construcción to accelerate its contribution to sustainable development are detailed below for each of the dimensions and strategic axes defined above.





# **TRANSVERSAL DIMENSION**

## INNOVATION AND DIGITALISATION

Generate innovation initiatives applied to FCC Construcción's processes.

Contribute towards disseminating innovation in the construction sector.

Drive knowledge management within FCC Construcción.

Assure information security.

Implement BIM methodology in FCC Construcción's processes.

Driving digitisation within the company.

### COMMUNICATION

Communicate FCC Construcción's ESG performance externally. Improve internal communication.

### **ALLIANCES**

Cooperate with the main sector associations to encourage knowledge exchange on ESG.

Collaborate with international initiatives promoting sustainable practices.

Work in the ISO 44001 framework on Collaborative business relationship with strategic stakeholders.





















# INNOVATION AND DIGITISATION

FCC Construcción aims to position itself as an innovative, digitalised construction firm, committed to technological tools that favour data centralisation as a key part of efficient, effective management. In this way, FCC Construcción is striving to lead the move towards an Industry 4.0 in the construction



**STRATEGIC LINES** 

**AND TARGETS** 



Generate innovation initiatives applied to FCC Construcción's processes.

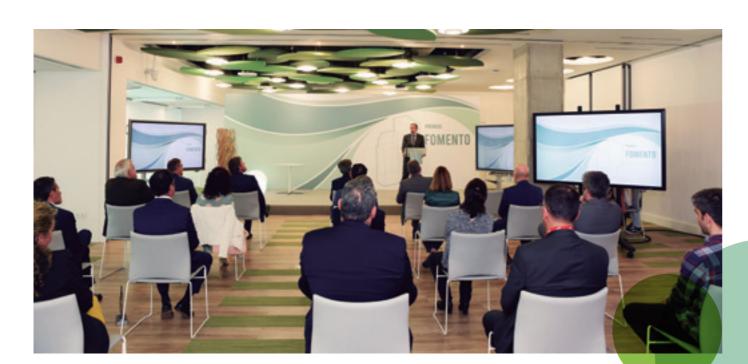
**Contribute towards disseminating innovation** in the construction sector.

**Drive knowledge management within FCC** Construcción.

Assure information security.

Implement BIM methodology in FCC Construcción's processes.

Driving digitalisation within the company.





## **Generate innovation initiatives** applied to FCC Construcción's processes.

• Extend the scope of the RDI Management System to include international subsidiaries and branches.

2026 target: 100% of the company's activities covered by the RDI Management System.

**2026 target:** 20% increase in the number of international RDI projects.

- Involve FCC's stakeholders in the development of innovation initiatives. To achieve this, regular creativity meetings will be held to decide on and set up partnerships with universities and other external actors (e.g., start-ups, research hubs) to encourage innovation in the company's processes.
- Involve workers in the development of innovation initiatives and their application to FCC Construcción's process. For this purpose, the assessment criteria for granting the Driving Innovation award will include consideration of initiatives that have enabled improvements to building processes to be implemented.

**2026 target:** Drive innovation initiatives by personnel, considering their actions in the Driving Innovation awards.

• Annual innovation conferences will be organised, with a view to improving in-house dissemination of the latest RDI-related developments and establishing group dynamics for the development of an innovation culture.

**2026 target:** Hold at least one workshop every year to disseminate the latest innovations.





# Contribute towards disseminating innovation in the construction sector.

- Continue working with the leading associations, generating knowledge in the construction sector.
- Participate in RDI projects in national and international funding schemes.
- Participate in forums/round tables/discussions on new technology and innovation in order to convey the benefits of its implementation and potential future applications.



# **Drive knowledge management** within FCC Construcción

• Develop and implement knowledgemanagement tools to enable their dissemination and transfer to all levels of the organisation. The company is currently developing the **Alejandria Project** for knowledge management and transfer.





**2026 target:** 100% implementation of the Alejandria Project.

**2026 target:** Compile experiences to be transferred by type of works and publish them regularly for internal dissemination.

**2026 target:** Create a library of standard documents and make it available for the organisation.

**2026 target:** Develop a new IT tool to cover not only site-support and planning duties but also an information and data-collection repository (DISCON).



## **Assure information security.**

• Increase the percentage of the activity covered by the information-security management system, extending the scope of certification under ISO 27001 to include international subsidiaries and branches.

**2026 target:** Achieve National Security Scheme (ENS) certification in Spain.

**2026 target:** Achieve certification of the information-security system, covering 100% of FCC Construcción's business.

• Regularly update training in cybersecurity, including simulations for the purpose of building awareness among personnel. This training would take the form of specific courses targeted at all FCC Construcción users.

**2026 target:** 100% of users trained in cybersecurity.



Implement BIM methodology in FCC Construcción's processes.

Digitalising processes.

2026 target: Deploy a work system based on the new standard ISO 19650 (BIM), capable of being replicated in all FCC Construcción projects, in Spain and abroad, and enhancing competitiveness, in line with the new Document and Knowledge Management Programme (Alejandria).

Incorporation of new digital tools.

**2026 target:** Incorporate tools to facilitate work through all stages of the life cycle, steadily encouraging the use of mobile platforms and devices for site management.

**2026 target:** Define new digital processes to facilitate control of the company's business by the departments, particularly technical and financial control, as well as OHS, QA, site and as-built documents, etc.



• Changes within the organisation, new digital profiles, skills-building and transversality of knowledge.

**2026 target:** Drive digitalisation focusing on people, by applying a "no-one left behind" philosophy based on the professionals' skills and on a good communication strategy.



# Driving digitalisation within the company

• Bring professionals with digital profiles into the company. To achieve this, FCC Construcción will arrange partnership agreements with training centres/universities, implementing placement schemes for students with digital profiles (professional profiles with sufficient skills to provide technological solutions for their assigned tasks and specifically within the construction industry, ranging from professionals with bigdata and data-driven knowledge applied to construction, IoT, or tools specific to the sector, such as BIM, to professionals with knowledge of

digital marketing or more general topics, such as programming), to enable their knowledge to be applied to the construction sector.

**2026 target:** Increase the recruitment of professionals with digital profiles.

## **2050 TARGETS**

Invest more than **0,5%** of FCC Construcción's turnover in RDI.

**Automation** of the regulations and documents selection in public and corporate libraries that are applicable to undertaking projects.

**Artificial intelligence** applied to the reading of relevant documents and extracting the applicable requirements.

# COMMUNICATION

Communication is a key aspect for all companies, as it facilitates wider understanding of what they do and their business commitments. FCC Construcción is aware of how essential it is to be able to engage with stakeholders to convey the efforts and results of the company's contribution towards a more sustainable future.

STRATEGIC LINES AND TARGETS



Communicate FCC Construcción's ESG performance externally.



Improve internal communication.





## Communicate FCC Construcción's ESG performance externally.

- Launch external communication campaigns to strengthen the image of FCC Construcción as a pioneering company when it comes to sustainability and infrastructure. The campaign will include audiovisual content created to build awareness in society of ESG-related matters and send an unequivocal message in which FCC Construcción provides its services to the public on a 24-hour basis, under the slogan "With You 24 Hours".
- Comply in advance with the reporting obligations resulting from publication of the EU Social Taxonomy.



## Improve internal communication

• Enhance dialogue and liaison between FCC Construcción's different departments and divisions.

**2026 target:** Set up corporate-management meetings among the different directorates and areas.

**2026 target:** Set up annual meetings among country managers.

**2026 target:** Publish newsletters every four months to report on the key progress being made in different parts of the organisation.

**2026 target:** Design interdepartmental working groups, including personnel from international subsidiaries.

- Enhance the corporate intranet to become a meeting point for all the company's internal stakeholders, as a window for dialogue and corporate growth.
- Improve information flows within the company and provide workers with an overall view of FCC Construcción's organisation.

**2026 target:** Establish an interactive processes map, describing the duties of each department and identifying the associated personnel in charge.

# **2050 TARGETS**

Positioning FCC Construcción as a benchmark for sustainability in the construction sector, communicating the company's ESG targets and achievements both internally and externally.



# **ALLIANCES**

FCC Construcción, as an international company, present in diverse contexts such ad social, economic and culturally, is driving the adoption of socially and environmentally sustainable practices in the construction sector. This requires solid, inclusive alliances, integrated at all levels.





Cooperate with the main sector associations to encourage knowledge exchange on ESG.

Collaborate with international initiatives promoting sustainable practices.

Work in the ISO 44001 framework on Collaborative business relationship with strategic stakeholders.







Cooperate with the main sector associations to encourage knowledge exchange on ESG.

• Foster public–private partnerships and encourage working with sector associations.



Collaborate with international initiatives promoting sustainable practices.

- Continue participation in the UN's sustainable-finance group.
- Join campaigns for the dissemination and promotion of the SDGs (SDG Allies, ODSéate, etc.)



Work in the ISO 44001 framework on Collaborative business relationship with strategic stakeholders.

• Continue to encourage partnerships both internally between the company's departments and with external strategic stakeholders.

## **2050 TARGETS**

Generate synergies with international initiatives and associations in the construction sector to contribute towards achieving the goal of sustainable development.





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## **ETHICS AND COMPLIANCE**

Create a compliance culture within the company.

Encouraging free competition.

Extend the company's ethics and compliance principles to the value chain.

## **VALUE CHAIN**

Assess and improve suppliers' ESG performance.

Measure and manage customer satisfaction.

# RISK MANAGEMENT (ESG)

Assess ESG risks.











36 SUSTAINABILITY STRATEGY: GOVERNANCE DIMENSION SUSTAINABILITY STRATEGY: GOVERNANCE DIMENSION 37

# ETHICS AND COMPLIANCE

Ethics culture is a part of the business dynamics and more frequently, firms are now striving to enforce effective compliance. FCC Construcción is committed to incorporating systems to assure the integrity of its operations in all countries where the company is present.





Create a compliance culture within the company.



**Encouraging free competition.** 



Extend the company's ethics and compliance principles to the value chain.



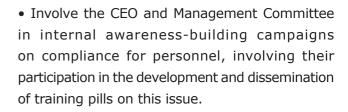
# Create a compliance culture within the company.

• Continue to provide regular training on compliance to the workforce in order to convey this culture to all the company's workers. FCC Construcción currently has an extensive catalogue of training pills to keep personnel up to date on the relevant legislation, combating corruption and money-laundering, conflicts of interest, competition policy, etc.

**2026 target:** Annual training in compliance given to **100%** of the workforce (updating those regulations applicable to the company).

• Enforce strict compliance with the Code of Ethics and Conduct among the entire workforce of FCC Construcción. To achieve this, the training model and regular adhesion of all personnel to the values and principles set out in the Code will continue to be implemented.

**2026 target: 100%** of personnel adhering to the Code of Ethics and Conduct.



**2026 target:** Develop four internal awareness-building campaigns on compliance, to include management.

• Certification of the compliance-management system under the standards ISO 37001 and 37301. Currently, the system complies with the requirements under both these standards and the organisation will steadily deploy certification, starting with the Spanish business and subsequently extending its scope to the international subsidiaries.

**2026 target: 70%** of activities certified under the Anti-Bribery Management System (ISO 37001). **70%** of activities certified under the Compliance Management System (ISO 37301).

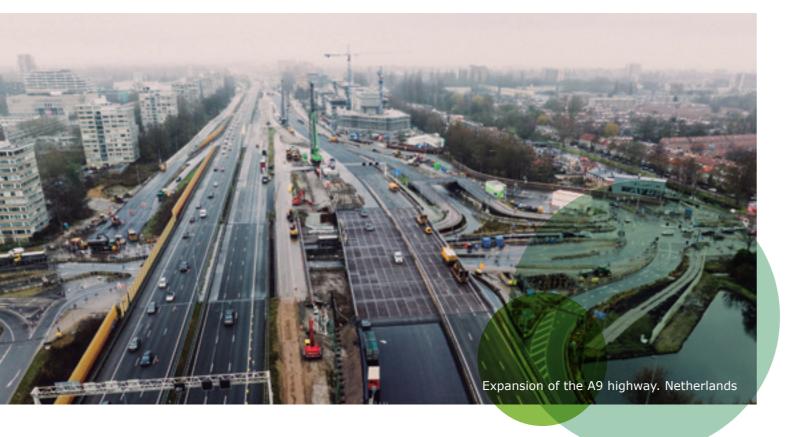
• Prepare FCC's reporting channels for their possible adaptation to future Spanish regulation transposing Directive (EU) 2019/1937 (Whistleblowing).

**2026 target:** Adapt the reporting channels to the requirements established under the Spanish transposition of Directive (EU) 2019/1937 (*Whistleblowing*).

Code of Ethics and Conduct



38 SUSTAINABILITY STRATEGY: GOVERNANCE DIMENSION 39





## **Encouraging free competition.**

• Disseminate the FCC Group's Competition Policy among the entire workforce of FCC Construcción. To achieve this, communications will be sent via FCC360, email, and online training on competition will be made available.

**2026 target:** Training in competition given to **100%** of personnel within the scope of application of the FCC Group's Competition Policy.

• Define a risk matrix and design controls associated with potential fair-competition infringements.

**2026 target: 100%** of competition-related projects assessed.



Extend the company's ethics and compliance principles to the value chain.

• Increase the number of suppliers subject to compliance assessments, focusing on those with a medium or high risk assessment.

**2026 target: 100%** of major suppliers assessed for compliance (high and medium risk).

## **2050 TARGET**

Encourage responsible, ethical behaviour at all levels of the company, involving the value chain and assuring compliance with the applicable legislation in all countries where FCC Construcción operates.

# **VALUE CHAIN**

The business sector is increasingly aware that its impact is not limited to any given company's own activity but extends to its entire value chain. To contribute towards sustainable development, FCC Construcción is committed to responsible management by its suppliers, establishing measures to prevent, mitigate and remedy any negative impact, while encouraging the development of the communities where the company operates.

STRATEGIC LINES AND TARGETS



Assess and improve suppliers' ESG performance.

Measure and manage customer satisfaction.



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# Assess and improve suppliers' ESG performance.

• Digitalise procurement-management processes by implementing an integrated digital tool to enhance the updating and traceability of data.

**2026 target:** Handle all procurement processes managed by the Procurement Department through the use of digital tools.

**2030 target:** Handle all delegated procurement processes through the use of digital tools.

• Drive the consideration of ESG aspects in procurement processes and the company's contribution towards the UN's SDGs. A sustainable procurement-management system will be implemented, proceeding to certify it under the standard ISO 20400.

**2026 target:** Obtain certification under ISO 20400 for procurement activities in Spain.

**2030 target:** Obtain certification under ISO 20400 for procurement activities in the rest of the world.

• Increase the number of suppliers subject to the ESG- approval procedure.

**2026 target:** Approve **90%** of suppliers managed from the Procurement Department.

**2026 target:** Approve **90%** of suppliers making up a group with a higher volume of procurement (30% of suppliers involving higher costs).

• Develop an auditing procedure for suppliers on ESG matters to enable compliance with the requirements established under the approval process to be verified.

**O2026 target:** Carry out audits of strategic or high-impact/high-risk suppliers.

**2030 target:** Achieve a relevant, significant volume of audited suppliers.

• Improve the ESG performance of the value chain, preparing improvement plans on ESG matters for strategic suppliers.

**2026 target:** Work with strategic suppliers to prepare improvement plans on ESG matters, including training, with annual monitoring.

• Include compliance questions in final assessments of suppliers.



# Measure and manage customer satisfaction.

• Improve procedures for monitoring customer satisfaction. To achieve this, other intermediate satisfaction questionnaires will be added to works-completion surveys.

**2026 target:** Launch intermediate questionnaires for longer-duration works.

• Compile clients' opinions of FCC Construcción's ESG performance.

**2026 target:** Integrate sustainability-related aspects to works-completion surveys.

 Get to know clients better and enhance their experience.

2026 target: Carry out mirror surveys.





100% of procurement processes handled using **digital tools**.

Have 100% of **strategic suppliers** trained in ESG matters.

Carry out **audits** on **ESG** matters of 100% of strategic suppliers.

Carry out a **thorough assessment** of clients' satisfaction, considering a larger number of aspects and including opinions on the established partnership as a whole.







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# RISK MANAGEMENT (ESG)

In an increasingly dynamic environment, exposed to uncertainty, only the most robust companies will be able to assure their business continuity and their own survival. Identifying and managing ESG risks enables these issues to be integrated into key business processes, assessments an activities. As a 120-year-old company, FCC Construcción must anticipate future challenges, supervising the risks being faced and adapting its targets and strategy.

STRATEGIC LINES AND TARGETS





Assess ESG risks.



## Assess ESG risks.

- Establish a methodology to be able to asses and quantify ESG risks.
- Integrate and update ESG risks on an annual basis as part of FCC Construcción's analysis of risks and opportunities.

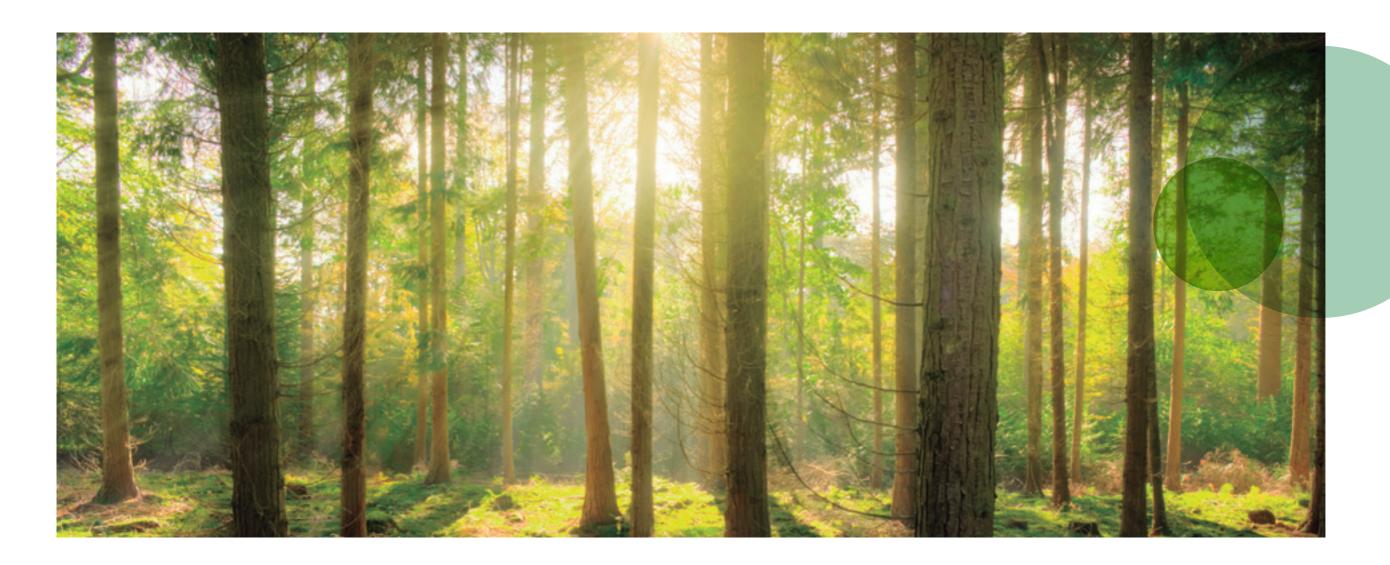
**2026 target:** Mitigate and develop action plans for 100% of ESG risks identified as significant.

• Integrate environmental and social **Best Practices**®, on-site risk detection and the Alejandria project into the identification and assessment of ESG risks.

• Minimise the likelihood of ESG risks appearing by preparing a library of ESG best practices by geographical regions, based on detecting present and past risks, the solutions adopted and their effectiveness, and incorporate it into the voluntary eligible by any internal organisation within FCC Construcción.

## **2050 TARGET**

Consolidate FCC Construcción's position as a robust company, well adapted to an increasingly dynamic and complex environment, and ready to face future challenges.









# **ENVIRONMENTAL DIMENSION**

### **CLIMATE ACTION**

Contribute towards mitigating climate change.

Foster adaptation to climate change by devising solutions for climate robustness in construction.

Improve climate-change governance.

### CIRCULAR ECONOMY

Encourage the valuation of waste.

Encourage the responsible use of materials.

### **ENVIRONMENTAL IMPACT**

Extend Best Environmental Practices ®.

Pollution management.

Calculate and reduce the water footprint.

Protect biodiversity.





























# **CLIMATE ACTION**

The urgent threat posed by climate change means that firms need to be more ambitious and join forces to prevent its potential negative effects and combat its consequences. FCC Construcción, being aware of the need to take steps to mitigate those effects and consequences, has drawn up its own Climate Change Strategy, which its' main features are as follows.



Contribute towards mitigating climate change.





Foster adaptation to climate change by devising solutions for climate robustness in construction.



Improve climate-change governance.





# Contribute towards mitigating climate change.

• Improve FCC Construcción's energy efficiency on sites, at support facilities and at offices, as well as at the buildings already built and refurbished. The company will also make an effort to build awareness among site personnel, install more efficient lighting and properly maintain vehicles and machinery.

**2026 target: 100%** of lighting with more efficient lighting units in **Europe**.

**2030 target: 100%** of lighting with more efficient lighting units in **all countries**.

 Reduce the company's consumption of fossil fuels. To achieve this, FCC Construcción will gradually replace its vehicle fleet, opting for more sustainable vehicles and taking steps to limit the consumption of fossil fuels by machinery.

2026 target: 10% of the vehicle fleet.

**2030 target: 65%** of the vehicle fleet in Europe and **45%** in the rest of the world.



FLEET RENOVATION TOWARDS BEING MORE SUSTAINABLE IN EUROPE

**2026 target:** Implement a policy for the hiring and/or **acquisition of vehicles** to include emission-reduction criteria.

**2026 target:** Include emission-reduction criteria when **buying and renting machinery.** 

• Conventional electricity sources evolving towards **100% renewable alternatives**.

**2026 target:** Implement electricity consumption with renewable-source guarantees at **head offices and fixed workplaces**.

**2030 target:** Increase the amount of electricity from renewable sources by **50%** on projects whenever it is viable.

• Seizing opportunities of the circular economy to reduce FCC Construcción's carbon footprint, fostering both the sustainable use of resources and the reuse of waste.

**2026 target:** Define and draw up a procedure for the systematic reuse of auxiliary items by and among sites.

**2026 target:** Introduce a new best practice for the reuse of auxiliary items on site scored under the company's **Best Practices System**®.

• Drive sustainable logistics and mobility. To achieve this, workers will be encouraged to choose more sustainable transport options, e.g., using public transport, carpooling and the use of electric vehicles.

**2026 target:** Implement a *carpooling* platform.



- Prioritise the most sustainable means of transport for business trips, providing training for the workforce on efficient driving and optimising the movements of site vehicles and machinery, and preparing mobility-management plans.
- Reduce emissions in the company's value chain by promoting the contracting of local suppliers based nearby and haulage firms with zero- or lowemission vehicle fleets, as well as prioritising the acquisition of more energy-efficient tyres.
- Apply IT solutions to enable FCC Construcción to reduce its carbon footprint, by optimising the use of resources and replacing physical servers with virtual multiples that can be used by different users with their own dedicated resources.
- Achieve a steady reduction in GHG emissions by applying measures to mitigate climate change.

2026 target: 15% reduction in scope 1 and2 GHG emissions.

2030 target: 35% reduction in scope 1 and2 GHG emissions.

• Encourage the use of videoconferencing to replace presence meetings that require personnel to travel, in order to reduce scope 3 GHG emissions.



# Foster adaptation to climate change by devising solutions for climate robustness in construction

- Reduce the impact produced by the changes in the rainfall system and extreme weather phenomena.
- Identify the best adaptation measures for infrastructure and facilities exposed to rising sea levels, taking into consideration climate-change predictions and meteorological data. Also, any suitable actions to make infrastructure and buildings more robust in order to address this risk will be suggested to clients from the works-design stage.

**2026 target:** Implement plans to mitigate the physical risks associated with climate change on all sites.

- Improve the company's response to rising temperatures and heat waves. To achieve this, building processes and the materials used will be adapted, and specific OHS training will be given to personnel.
- Continue to encourage efficient water use to prepare the company for less rainfall and increasing droughts, implementing measures for the collection, treatment and reuse of water.
- Optimise the analysis of climate risks by investing in RDI and digital solutions.







# Improve climate-change governance.

• Drive climate-change management at FCC Construcción. To achieve this, efforts will be made to increase the company's percentage alignment with the EU Environmental Taxonomy, maintaining verification by a third party of the carbon footprint and encouraging the use of new digital tools with a view to making the compilation, management and monitoring of climate-change aspects more efficient.

**2026 target:** Prepare and implement a climate-change policy for approval by senior management.

**2026 target:** Prepare a procedure to align the company's activities with the targets to mitigate and adapt to climate change.

• Continue to calculate emissions avoided by reusing waste and using sustainable materials, implementing measures to mitigate and adapt to climate change in all the company's projects.

**2026 target:** Prepare a detailed analysis of physical climate risks for the main bioclimatic regions where FCC Construcción operates.

• Drive RDI projects to reduce CO<sub>2</sub> emissions in the construction sector.

- Continue working with national and international organisations, driving changes in markets and certification systems, and maintaining the monitoring of certification upgrades and new regulations related to climate change. New business opportunities will also be emerged, driving and offering to clients solutions that are aligned with the EU Environmental Taxonomy.
- Manage risks resulting from emerging regulations and legislation on climate change, taking them into consideration when analysing risks and implementing measures to anticipate expected new requirements.
- Leverage any opportunities resulting from climate change, positioning the company by offering clients solutions aligned with the EU Environmental Taxonomy and thereby gaining access to new markets and business opportunities. FCC Construcción will also opt to research and develop optimised solutions for each geographical configuration and location, seizing the organisation's experience of projects with sustainable-building certifications and continuing to encourage climate-change training for the workforce, as well as communicating success stories related to climate change.

**2026 target:** Draw up a strategic map of opportunities associated with climate change.

## **TARGETS BY 2050**

Contribute towards climate neutrality, driving **decarbonisation** by opting for energy efficiency, renewables, and more sustainable materials and products and by applying a circularity approach.

Take advantage of climate-change opportunities to improve the services we provide to clients, in the form of infrastructure that is capable of responding to climate change more robustly.

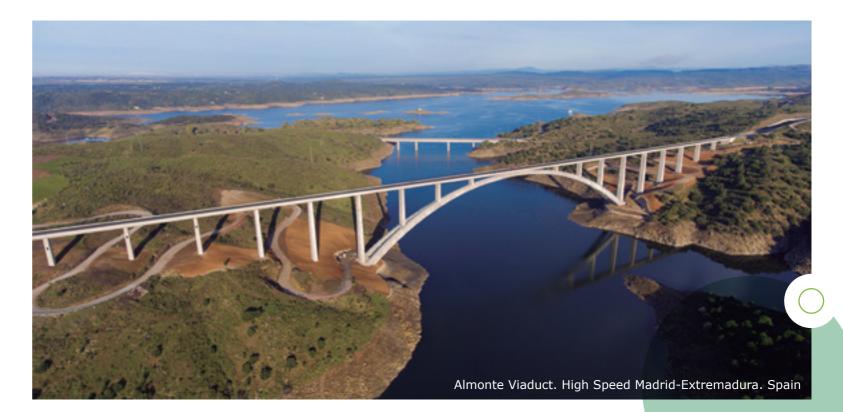
**100%** of FCC Construcción's vehicle fleet to be emission neutral.

FCC Construcción will gradually replace machinery as alternatives come onto the market using cleaner energy sources, such as natural gas or biogas, setting a target of replacing all the company's own industrial machinery by 2050.

Implement the purchase of electricity with guaranteed sources in all countries where we operate, achieving a 100% reduction in non-renewable energy consumption compared with 2021.

100% reduction in scope 1 and 2 of GHG Emissions.







# **CIRCULAR ECONOMY**

The circular economy is becoming increasingly important in the construction sector because of the rising demand for raw materials and the depletion of available resources. FCC Construcción considers essential making the transition from a model based on a linear economy towards a circular one, as a way of meeting current needs without compromising future capacities.

# STRATEGIC LINES AND TARGETS



**Encourage the valuation of waste.** 



Encourage the responsible use of materials.





# Encourage the valuation of waste

• Improve the separation and valuation of the waste generated by FCC Construcción's processes. For this purpose, a waste-management procedure will be drawn up and enforced, adopting the best practices identified by the company.

**2026 target: 100%** of sites to fall within the scope of the waste-management procedure.

• Reuse resources available on site. To achieve this, the reuse of earth and other construction waste and demolition rubble will particularly be encouraged.

**2026 target:** More than 70% of non-hazardous building and demolition waste (excluding earth) prepared for the reuse, recycling and/or other material recovery

**2026 target:** Valorization of 90% of the volume of earth.

• Involve the workforce and subcontractors to improve the separation of waste on sites and at offices, by launching training and awareness-building campaigns for own personnel and including specific requirements in contracts entered into with suppliers.

**2026 target:** Include waste-separation requirements in contracts entered into with suppliers.

**2026 target:** Provide compulsory training for all the work-site personnel.

• Foster a culture to promote the circular economy by reducing both the amount of waste generated and the amount dumped at landfills.

**2026 target:** Implement the zero-waste methodology on all the company's sites by preparing and enforcing waste-management guidelines.

**2026 target:** Obtain zero-waste certification for the set of strategic works selected.



# Encourage the responsible use of materials.

- Formalise FCC Construcción's commitments related to the use of materials by establishing a construction materials policy.
- Measure the impact of the construction materials used by the company. To achieve this, an assessment of the sustainable impact of the most commonly used materials will be made.
- Encourage the use of recycled and renewable materials. For this purpose, a register of suppliers of responsible, recycled and/or renewable materials will be implemented, offering clients options for materials of this type whenever technically possible.

**2026 target:** Provide options for responsible, recycled and/or sustainable materials on sites (accounting for more than 10% of construction materials).

# **2050 TARGETS**

Recycling 100% of hazardous waste.

Use of more than **90% of responsible,** recycled or recyclable materials.

# **ENVIRONMENTAL IMPACT**

Companies have environmental responsibilities, so they should concentrate their efforts on the things they do that have been identified as having the most impact. By carrying out appropriate environmental management, covering all of its processes, FCC Construcción is able to reduce the impact of the company's operations on the environment while increasing their efficiency.





**Extend Best Environmental Practices ®.** 

Pollution management.



Calculate and reduce the water footprint.

Protect biodiversity.





# **Extend Best Environmental Practices ®**.

• Drive the continuous improvement of FCC Construcción's environmental management, based on the Basic Guide to Best Environmental Practices®. To achieve this, the Basic Guide will be updated thoroughly every three years, and the requirements for better environmental management on the company's sites will be increased.

**2026 target:** Obtain more than 65 points for Best Environmental Practices® on all FCC Construcción sites.

**2026 target:** Extend the number of Best Environmental Practices® available in order to meet the Environmental Management System target.



# Pollution management.

- Minimise the particle and noise emissions.
- Extend the use of smart sensors to measure atmospheric emissions and/or noise in real time.



# Calculate and reduce the water footprint.

• Calculate FCC Construcción's impact on the available water resources. To achieve this, a methodology will be devised to calculate the company's water footprint.

**2026 target:** Calculate the water footprint for works in Spain.

**2030 target:** Calculate the water footprint **for all activities**.

- Increase the water reuse rate at FCC Construcción. For this purpose, measures such as rainfall capture or these of process water for watering tracks will be encouraged.
- Improve water management in water-stress areas, applying measures to build awareness among work-site personnel and optimise water consumption (e.g., installing timer taps on sites or using water from rainwater tanks to fill cisterns). Also, for sites and facilities in water-stress areas, the application of best practices will be enforced to enable water consumption to be optimised.

**2026 target:** 100% of sites in water-stress areas to apply measures to build awareness of water issue and optimise its consumption.

**2026 target:** Draw up a detailed map in areas under water stress.



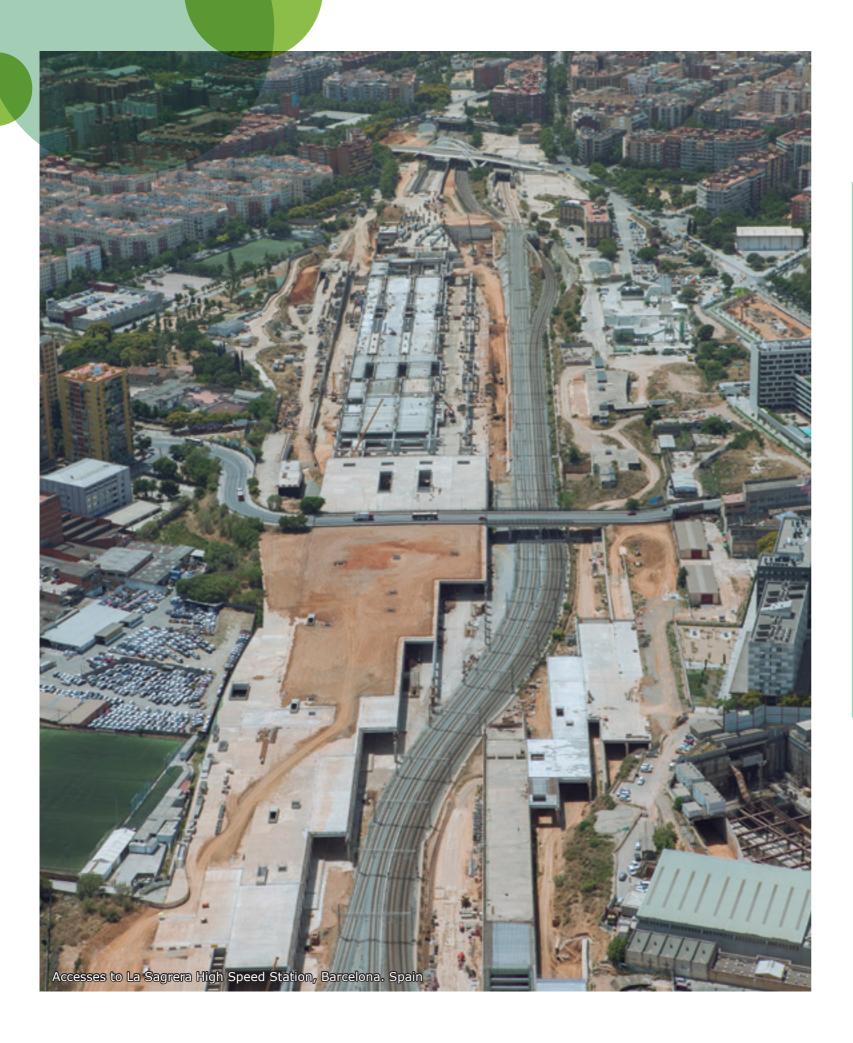
### **Protect biodiversity.**

- On all sites located in areas that are sensitive in terms of biodiversity, establish a methodology for identifying, measuring and assessing impact.
- Use nature-based solutions (NBS).
- Disseminate FCC Construcción's best practices for preserving and restoring biodiversity, by drafting a specific section in the Sustainability Report.

## **TARGETS BY 2050**

**20%** reduction in water consumption by 2050.

56 SUSTAINABILITY STRATEGY: SOCIAL DIMENSION 57





# **SOCIAL DIMENSION**

### HUMAN RIGHTS

Assess the risk of human-rights violations.

## SOCIAL ACTION

Generate positive impact on local communities.

### HUMAN CAPITAL

Encourage and develop the workforce.

Build awareness of ESG among personnel.

Strengthen work/life-balance and flexibility measures.

Measure and continuously improve the working environment.

### HEALTH AND SAFETY

Build a zero-accidents culture.

# **DIVERSITY AND EQUALITY**

Support female talent and assure equality.

Integrated people with disabilities and groups at risk of social inclusion

Attract talent among the young and over-50s.





























58 SUSTAINABILITY STRATEGY: SOCIAL DIMENSION SUSTAINABILITY STRATEGY: SOCIAL DIMENSION 59

# **HUMAN RIGHTS**

Respecting human rights is the basis on which the company's relations with all its stakeholders must be built. FCC Construcción must monitor its impact on human rights and ensure that they are respected right across the whole value chain.

STRATEGIC LINES AND TARGETS



Assess the risk of human-rights violations.



# Assess the risk of human-rights violations.

• Develop a specific procedure for identifying, assessing, monitoring and managing human-rights violations risks, establishing the appropriate measures to prevent, mitigate and repair them.

**2026 target:** Identify and assess any risks of human-rights violations in the company's strategic activities.

• Assess human-rights violations risks in the supply chain. This will be incorporated into the process for approving and auditing key suppliers when analysing and verifying due-diligence procedures.

**2026 target:** Elaborate a procedure to verify human-rights issues in the approval and auditing of suppliers.

• Annual reporting on due-diligence processes and measures established to prevent human-rights violations in any part of the value chain. This information will be included in FCC Construcción's Sustainability Report.

## **2050 TARGET**

Assess human-rights violations risks i **100%** of FCC Construcción's activities.





60 SUSTAINABILITY STRATEGY: **SOCIAL DIMENSION** 61

# **SOCIAL ACTION**

Given the characteristics of the business, construction companies have a direct impact on the local communities where they operate. FCC Construcción has made a social commitment to strengthen the positive impacts of its business, while contributing towards the economic and social development of these communities.

STRATEGIC LINES AND TARGETS



Generate positive impact on local communities.



Generate positive impact on local communities.

• Promote the company's commitment towards communities in the various countries where it operates by contracting local personnel.

**2026 target:** Achieve the recruitment of more than **90%** of local personnel.

• Develop a Social Action Programme based on the Social Action Policy, in order to define the route map and establish the priority areas for FCC Construcción to focus on, aligning its contribution with the SDGs and defining impact areas.

**2026 target:** Allocate 0.05% of FCC Construcción's turnover to the development of social action programmes

# **TARGETS BY 2050**

Allocate 0.1% of FCC Construcción's turnover to developing social action programmes.





62 SUSTAINABILITY STRATEGY: SOCIAL DIMENSION SUSTAINABILITY STRATEGY: SOCIAL DIMENSION 63

# **HUMAN CAPITAL**

Human capital is an essential factor in any organisation's business. In order to meet the challenges that the sector is currently facing, FCC Construcción is committed to driving its workers' development and satisfaction.





Encourage and develop the workforce.



**Build awareness of ESG among personnel.** 



Strengthen work/life-balance and flexibility measures.



Measure and continuously improve the working environment.



# Encourage and develop the workforce.

• Strengthen training schemes for personnel with a view to integrating gamification into training activities.

**2026 target:** Achieve more than 15 hours' of annual training per employee.

- Encourage internal mobility both geographically and in projects and duties — by establishing and disseminating an updated procedure.
- Carry out regular reviews of employees' wages and benefits to align them with market levels.



# Build awareness of ESG among personnel.

• Develop training schemes and awarenessbuilding programmes (news/events/courses on sustainability, e.g., domestic violence, harassment, equality, World Water Day, SDGs) on ESG matters for the company's personnel.

**2026 target: 100%** of the workforce trained in ESG.

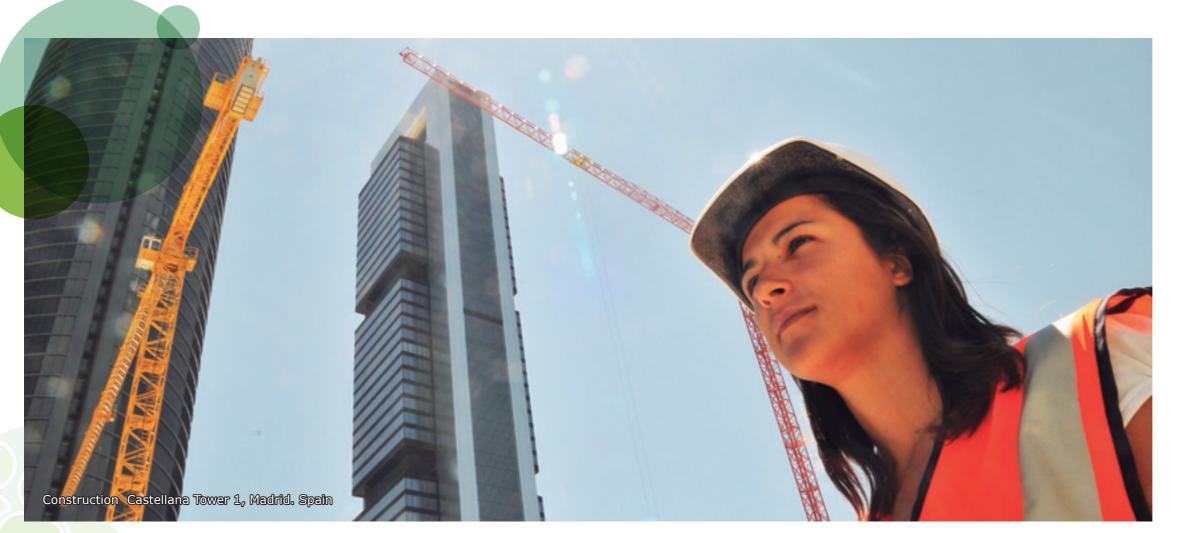


# Strengthen work/life-balance and flexibility measures.

• Communicate with personnel regularly to inform them of the flexibility and work/life-balance measures that are in place.

**2026 target:** Prepare packages of social advantages for different countries according to the local characteristics.

- Pay attention to social and market trends regarding the need and options for hybrid working (distance and presence) for those jobs where it is possible.
- Further develop of the actions already in progress to facilitate the international mobility of workers and their families. For example, by making it possible to obtain help for schools or housing, depending on the destination country.
- Maintain the dynamics and progress being made in the implementation of benefit plans for the workforce (crèche service, meal vouchers, etc.).



64 SUSTAINABILITY STRATEGY: SOCIAL DIMENSION SUSTAINABILITY STRATEGY: SOCIAL DIMENSION 65



# Measure and continuously improve the working environment.

- Organise awards and recognitions for FCC Construcción professionals with a view to incentivising and motivating their career development and encouraging the proposal and integration of alternative and more efficient working methods.
- In continuity with the surveys of psychosocial risks already being done, carry out new surveys of the working environment in order to assess and improve the atmosphere within the company and create better workplaces.
- Establish communication tools to enable middle managers to communicate with the executive team, encouraging an overall view of FCC Construcción's strategic lines and targets and increasing the sense of belonging.
- Develop team building activities to increase the sense of belonging to the organisation and enhance the working atmosphere.
- Foster the accompaniment of new recruits through the processes for their integration into the company, e.g., on-boarding programme to inform them of the values and principles of the FCC Group, assigning them a colleague to act as their tutor and support them during their adaptation process.

# **TARGETS BY 2050**

Achieve more than **30 hours' training** per employee

Decrease voluntary rotation by 20%.

Hold annual **performance** reviews for 100% of the workforce.



66 SUSTAINABILITY STRATEGY: **SOCIAL DIMENSION** 67

# **HEALTH AND SAFETY**

FCC Construcción seeks to encourage a safe environment within a sector traditionally considered to be high-risk, by implementing OHS policies, providing the appropriate PPE, and constantly assessing the risks posed by working conditions.

STRATEGIC LINES AND TARGETS



Build a zero-accidents culture.







# Build a zero-accidents culture.

 Apply OHS-management systems to cover all projects and geographical locations and meet the needs of the company and its stakeholders, with a view to maintaining the highest standards of safety evenly across the entire company.

**2026 target:** Reduce FCC Construcción's frequency rates by 15% compared with 2019.

**2026 target:** Reduce FCC Construcción's seriousness rates by 15% compared with 2019.

**2026 target:** Certify 90% of the company's activities under ISO 45001.

**2026 target:** Maintain and extend the monitoring of accidents suffered by subcontractors.

**2026 target:** Promote health among the workforce through regular campaigns on psychosocial, ergonomic and healthy-lifestyle issues, etc.

• Centralise the recording of accidents by implementing a global tool to streamline the monitoring of accident rates at all FCC Construcción's subsidiaries.

**2026 target:** Implement the global tool for 100% of FCC Construcción's activities.

## **TARGETS BY 2050**

Achieve a 75% **reduction** of the frequency rate.

Achieve a 75% **reduction** of the seriousness rate.

Achieve zero serious or fatal accidents.



68 SUSTAINABILITY STRATEGY: SOCIAL DIMENSION SUSTAINABILITY STRATEGY: SOCIAL DIMENSION 69

# **DIVERSITY AND EQUALITY**

The term "diversity" covers the coexistence of different cultures, genders, nationalities, skills or religions, etc., as well as other aspects, such as generational diversity. FCC Construcción addresses diversity in general as a challenge for the sector, focusing on generational handover, recruiting women into the sector and integrating people with disabilities.





Support female talent and assure equality.



Integrated people with disabilities and groups at risk of social inclusion.



Attract talent among the young and over-50s.





# Support female talent and assure equality.

- Promote equality in the various jobs and fields that have historically been male-dominated at FCC Construcción.
- Support the promotion of women to positions of responsibility by developing training actions and making them visible to serve as role models for other women.

**2026 target:** In continuity with actions already under way, regularly organise training specifically targeted at women with high potential.

- Encourage participation in conferences, events or the exchange of experiences on equality-related matters, in order to enable the actions developed by FCC Construcción to become more widely known.
- Strengthen the company's commitment towards equality in general and gender equality in particular, by adapting the company's internal and external documentation to feature more inclusive language.
- Include the gender factor in OHS planning.



Integrated people with disabilities and groups at risk of social inclusion.

• Strengthen partnerships with organisations that encourage the integration of people with disabilities and groups at risk of social exclusion to encourage them to join the labour market.

**2026 target:** Continue to encourage the inclusion of people with disabilities or those belonging to groups at risk of social exclusion.

• Develop training actions to build awareness of diversity issues among the workforce.

**2026 target:** Facilitate training actions to build awareness of diversity issues for 100% of the workforce.



# Attract talent among the young and over-50s.

- Launch campaigns to disseminate employer branding on the main social-media platforms (Instagram, Twitter, LinkedIn, etc.), stressing the values, culture (benefits for the workforce, career-development opportunities, causes supported), targets and results of FCC Construcción.
- Favour knowledge-management among key job positions, thereby assuring its transfer as jobs are subsequently passed on to new workers.
- Establish student placement schemes to favour the incorporation of young talent into the labour market.
- Strengthen and strive to continuously improve the Young Talent Programme by focussing on attracting talent to the company and applying lessons learned during previous editions in order to enhance its success.

## **2050 TARGET**



Achieve **equal representation** of both genders on the Management Committee and senior positions (directors, executives and middle managers).

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# GOVERNANCE OF THE SUSTAINABILITY STRATEGY

This Sustainability Strategy has been approved by FCC Construcción's Sustainability Committee.

It is essential for all the various levels of the organisational structure of FCC Construcción to be involved in the establishment, review and monitoring of the Sustainability Strategy. By addressing ESG aspects, the Strategy requires coordinated action by all FCC Construcción's different divisions and departments.

With a view to achieving the appropriate implementation of FCC Construcción's Sustainability Strategy, a governance model has been established, involving the following personnel:



# SUSTAINABILITY COMMITTEE

The Sustainability Committee is the ultimately responsible for approving, supervising and annually reviewing this Strategy and approving any updates or adaptations as appropriate, as provided under the annual monitoring reports.

# QUALITY, CSR & RDI DEPARTMENT

The QA, CSR and RDI Department will be responsible for coordinating the development of the Strategy, directing its design and monitoring and reporting on it to the Sustainability Committee.

As part of this monitoring task, this department will hold six-monthly meetings with the Sustainability Coordinators of each participating division to monitor and assess the KPIs associated with the targets under the Strategy.

The department will also issue an annual monitoring report on the progress made in the implementation of actions and targets. These reports may revise and include new actions and/ or targets to update those originally planned, in order to assure effective compliance with the Strategy. These reports must be approved by the Sustainability Committee.

In addition, proposals may be made to the Sustainability Committee to approve policies, statements and standards developing the Sustainability Strategy whenever they are considered to be appropriate and necessary in order to assure compliance.



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GOVERNANCE OF THE SUSTAINABILITY STRATEGY

# SUSTAINABILITY COORDINATORS FOR THE DEPARTMENTS INVOLVED

Given the transversal nature of the Sustainability Strategy, the various divisions of FCC Construcción will be responsible for executing the strategic lines and actions and meeting with targets set for their areas of action.

Each participating division will work with the Quality, CSR and RDI Department to appoint its own Sustainability Coordinator. This coordinator will be responsible for reporting on the progress made to the Quality, CSR and RDI Department at six-monthly monitoring meetings, as well as the specific action plans in order to meet the strategic targets set for the division in question.



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DIMENSIONS	ESTRATEGIC	ESTRATEGIC LINES AND 2050 TARGETS
	DIMENSION	Generate innovation initiatives applied to FCC Construcción's processes
TRANSVERSAL DIMENSION	INNOVATION AND DIGITALIZATION	Contribute towards disseminating innovation in the construction sector  Drive knowledge management within FCC ConstrucciónConstrucción.  Assure information security  Implement BIM methodology in FCC Construcción's processes
		<ul> <li>Driving digitalisation within the company</li> <li>2050 Targets</li> <li>Invest more than 0.5% of FCC Construcción's turnover in RDI.</li> <li>Automation of the regulations and documents selection in public and corporate libraries that are applicable to undertaking projects.</li> <li>Artificial intelligence applied to the reading of relevant documents and extracting the applicable requirements.</li> </ul>
	COMMUNICATION	Externally communicate the ESG performance of FCC Construcción
		Improve internal communication.  2050 Targets  • Positioning FCC Construcción as a benchmark for sustainability in the construction sector, communicating the company's ESG targets and achievements both internally and externally.
	ALLIANCES	Cooperate with the main sector associations to encourage knowledge exchange on ESG  Collaborate with international initiatives promoting sustainable practices  Work in the ISO 44001 framework on Collaborative business relationship with strategic stakeholders  2050 Targets  Generate synergies with international initiatives and associations in the
		construction sector to contribute towards achieving the goal of sustainable development.
GOVERNANCE DIMENSION	ETHICS AND COMPLIANCE	Create a compliance culture within the company  Encouraging free competition  Extend the company's ethics and compliance principles to the value chain  2050 Targets  • Encourage responsible, ethical behaviour at all levels of the company, involving the value chain and assuring compliance with the applicable legislation in all countries where FCC Construcción operates.
	VALUE CHAIN	Assess and improve suppliers' ESG performance  Measure and manage customer satisfaction
		<ul> <li>2050 Targets</li> <li>100% of procurement processes handled using digital tools.</li> <li>Have 100% of strategic suppliers trained in ESG matters.</li> <li>Carry out audits on ESG matters of 100% of strategic suppliers.</li> <li>Carry out a thorough assessment of clients' satisfaction, considering a larger number of aspects and including opinions on the established partnership as a whole.</li> </ul>
OR OR	RISK MANAGEMENT	Assess ESG risks  2050 Targets  • Consolidate FCC Construcción's position as a robust company, well adapted to an increasingly dynamic and complex environment, and ready to face future challenges.

DIMENSIONS	ESTRATEGIC DIMENSION	ESTRATEGIC LINES AND 2050 TARGETS
ENVIRONMENTAL DIMENSION	CLIMATE ACTION	Contribute towards mitigating climate change
		Achieve a steady reduction in GHG emissions by applying measures to mitigate climate change.
		Improve climate-change governance
		2050 Targets
		Contribute towards climate neutrality
		<ul> <li>Take advantage of climate-change opportunities o</li> <li>100% of FCC Construcción's vehicle fleet to be emission neutral</li> </ul>
		• 100% reduction in non-renewable energy consumption compared with 2021
		• 100% reduction in scope 1 and 2 of GHG Emissions.
	CIRCULAR ECONOMY	Encourage the valuation of waste
		Encourage the responsible use of materials
		<ul><li>2050 Targets</li><li>Recycling 100% of hazardous waste.</li></ul>
		Use of more than 90% of responsible, recycled or recyclable materials.
	ENVIRONMENTAL IMPACT	Extend Best Environmental Practices®.
		Pollution management
		Calculate and reduce the water footprint
		Protect biodiversity
		<ul><li>2050 Targets</li><li>20% reduction in water consumption by 2050.</li></ul>
		20 % reduction in water consumption by 2000.
	HUMAN RIGHTS	Assess the risk of human-rights violations
		<ul><li>2050 Targets</li><li>Assess human-rights violations risks in 100% of FCC Construcción's</li></ul>
		activities.
	SOCIAL ACTION	Generate positive impact on local communities
		2050 Targets
7		<ul> <li>Allocate 0.1% of FCC Construcción's turnover to developing social action programmes.</li> </ul>
0	HUMAN CAPITAL	Encourage and develop the workforce
SOCIAL DIMENSION		Build awareness of ESG among personnel
		Strengthen work/life-balance and flexibility measures
		Measure and continuously improve the working environment
		<ul><li>2050 Targets</li><li>Achieve more than 30 hours' training per employee</li></ul>
		Decrease voluntary rotation by 20%.
		Hold annual performance reviews for 100% of the workforce
	HEALTH AND SAFETY	Build a zero-accidents culture
		2050 Targets
		<ul> <li>Achieve a 75% reduction of the frequency rate.</li> <li>Achieve a 75% reduction of the seriousness rate.</li> </ul>
		Achieve zero serious or fatal accidents.
	DIVERSITY AND EQUALITY	Support female talent and assure equality
		Integrate people with disabilities and groups at risk of social inclusion
		Attract talent among the young and over-50s
		<ul><li>2050 Targets</li><li>Achieve equal representation of both genders on the Management Committee</li></ul>
		and senior positions (directors, executives and middle managers).



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