

Sustainability Report

2021-2022

UPDATE 2022*



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* The Sustainability Report prepared by FCC Construcción is valid over a two-year period and is published every two years. This document summarises the most relevant information of the 2021-2022 Sustainability Report and contains the update of the main indicators of the past year.



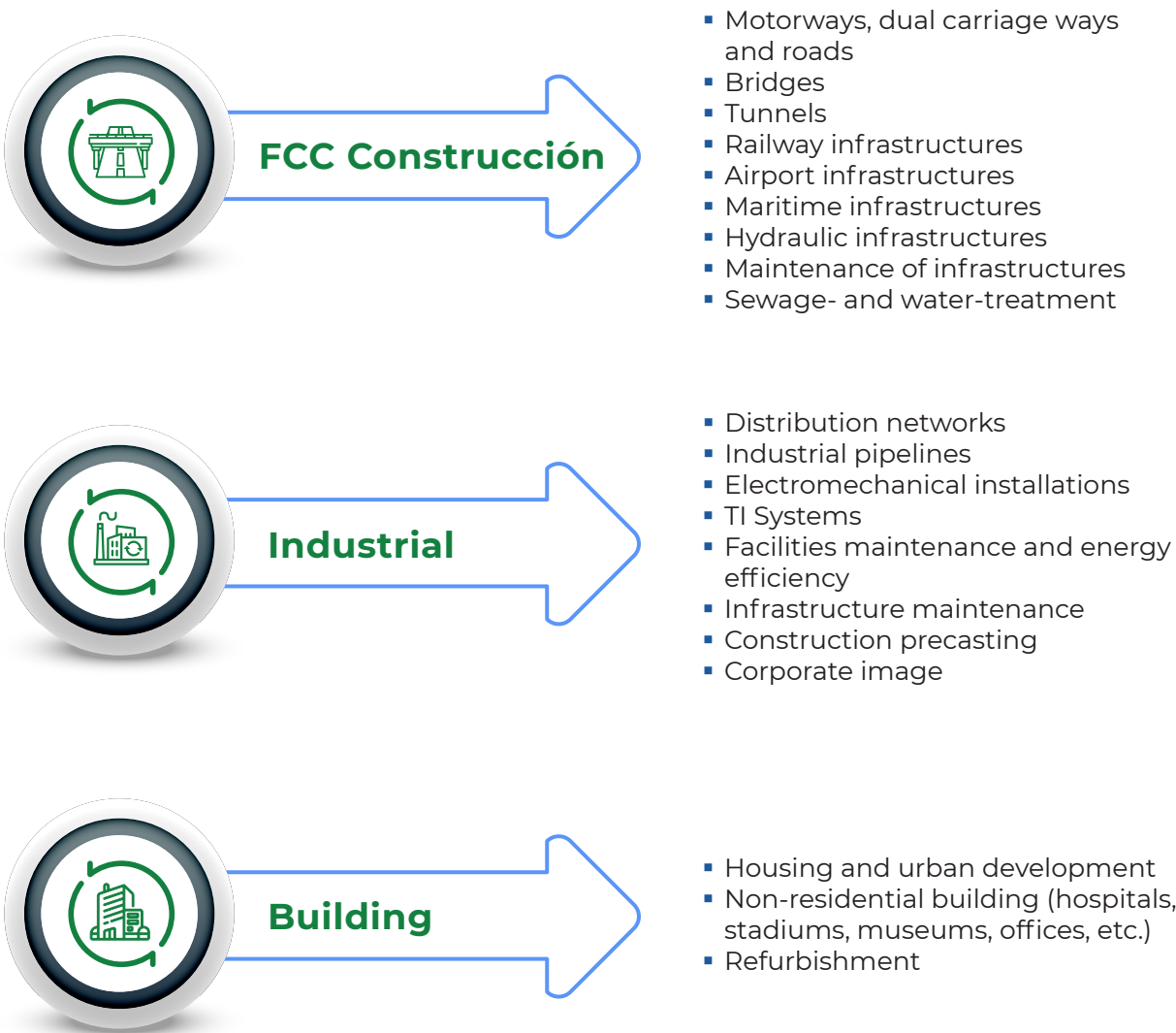
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Who are we?

1.1. FCC CONSTRUCCIÓN PROFILE

FCC Construcción S.A. is a leading firm in the development of infrastructures and the execution of civil engineering works, and building works, both residential and non-residential. With more than 120 years of experience, it has a proven track record in the development of projects in the construction sector, both nationally and internationally.

The **FCC Construcción** area is also made up of a set of **subsidiary companies** dedicated to the industrial and energy sectors and other related activities (infrastructure maintenance, precasting, corporate image, facilities, energy efficiency, etc.) and it also has extensive experience in the development of concession projects.



Companies in the FCC Group's Construction area



1.2. FCC CONSTRUCCIÓN IN THE WORLD

FCC Construcción is an international benchmark in the development and execution of infrastructures, with a presence in more than 22 countries.





2

FCC Construcción
in 2022



Achievements 2022

- Fourth-largest construction company in Spain, according to volume of contracts.
- Execution of Riyadh Metro lines 4, 5 and 6.
- Refurbishment of the Santiago Bernabéu Stadium (Madrid).
- NEOM Running Tunnels construction contract in Saudi Arabia.
- Design and construction of the RV.555 *Sotrasambandet* “the Sotra Connection” highway (Norway).
- Rehabilitation of the 53 km *Cluj Napoca - Episcopia Bihor* railway line (Romania).
- Modernization of the railway line between *Caransebes-Timisoara-Arad* lot 4 (Romania).
- Construction of a new section of the *Regional Express Rail On -Corridor in Ontario (Canada), Scarborough Subway Extension* (Canada).
- Construction and rehabilitation of 9 bridges in Pennsylvania (USA).
- Closing of the financial year 2022 with a turnover of more than EUR 2.000 M.
- Foreign investment accounts for 55% of total revenues.



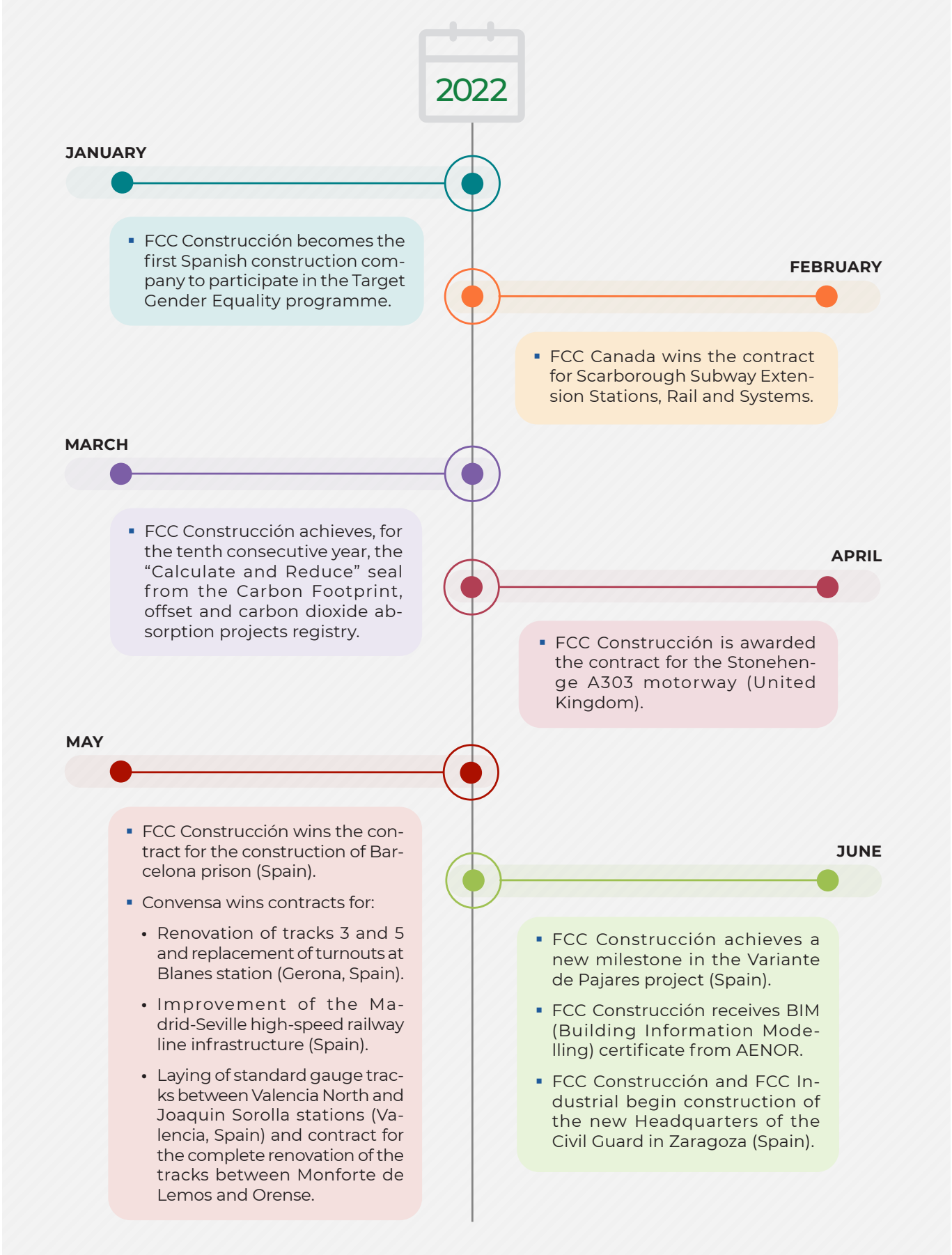
Future challenges

- Strengthen long-term solvency by selecting emblematic and unique projects.
- Expand the project portfolio in strategic regions, with stable markets presence and secured financing.
- Enhance synergies between the different business areas, to act as a single company and be even more efficient.
- Continue advancing in the digital transformation of the company, with the aim of adding value to FCC Construcción and adapting the business to the changes implied by the connected society, social networks, big data, *machine learning*, industry 4.0 or the internet of things.
- As the only construction company in the world to participate in the UN’s “Sustainable Finance and Investment” group, continue to promote the creation of an efficient market and align FCC Construcción’s financing strategies with sustainable development.
- Searching for new contracts in the national and international markets is an objective of the Company, although this contracting is carried out through a demanding risk management that must provide access to a selective portfolio of projects that ensure the profitability and cash flow generation of the company.
- In the foreign market, turnover in 2023 is expected to be similar to that obtained in 2022, with the development of major infrastructure projects obtained between 2020 and 2022 and the contribution of the markets in the Americas, the Middle East and Europe.

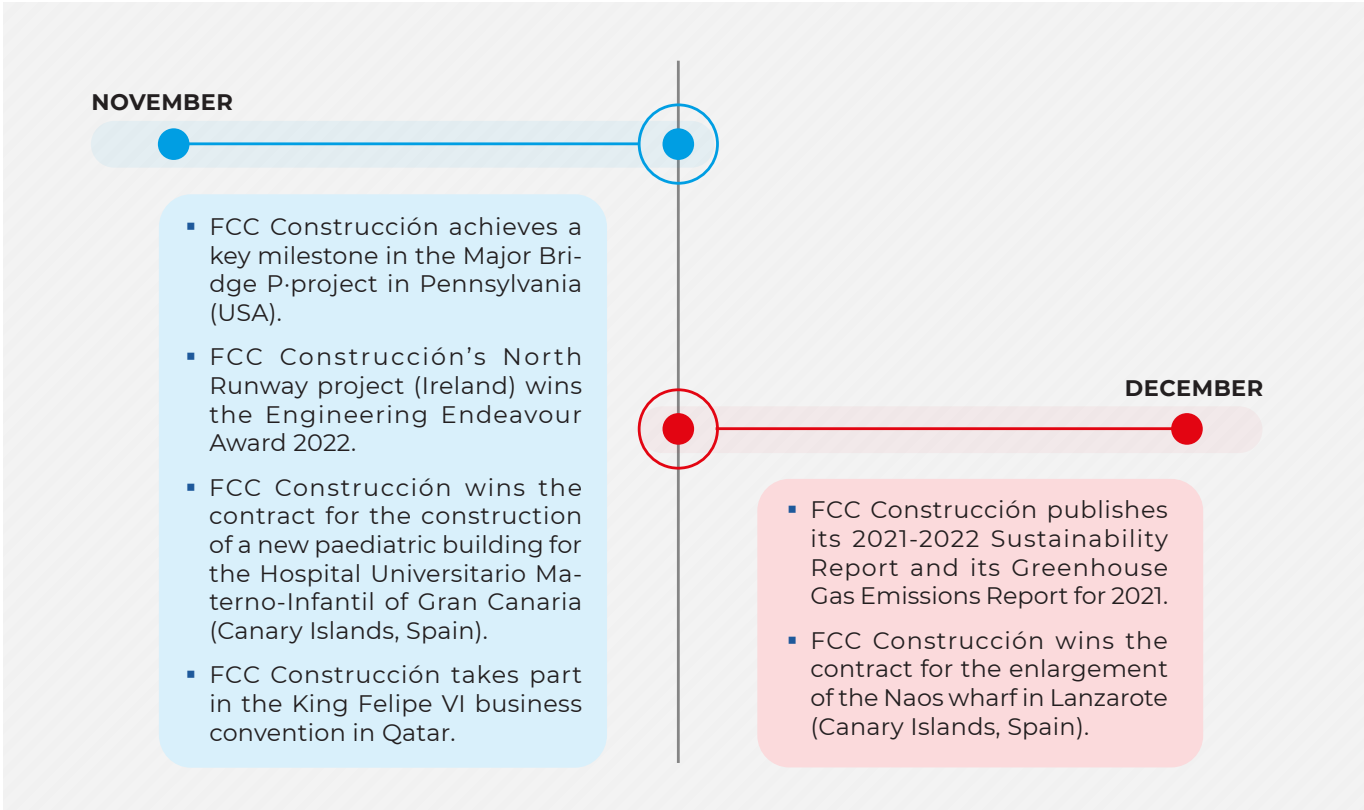
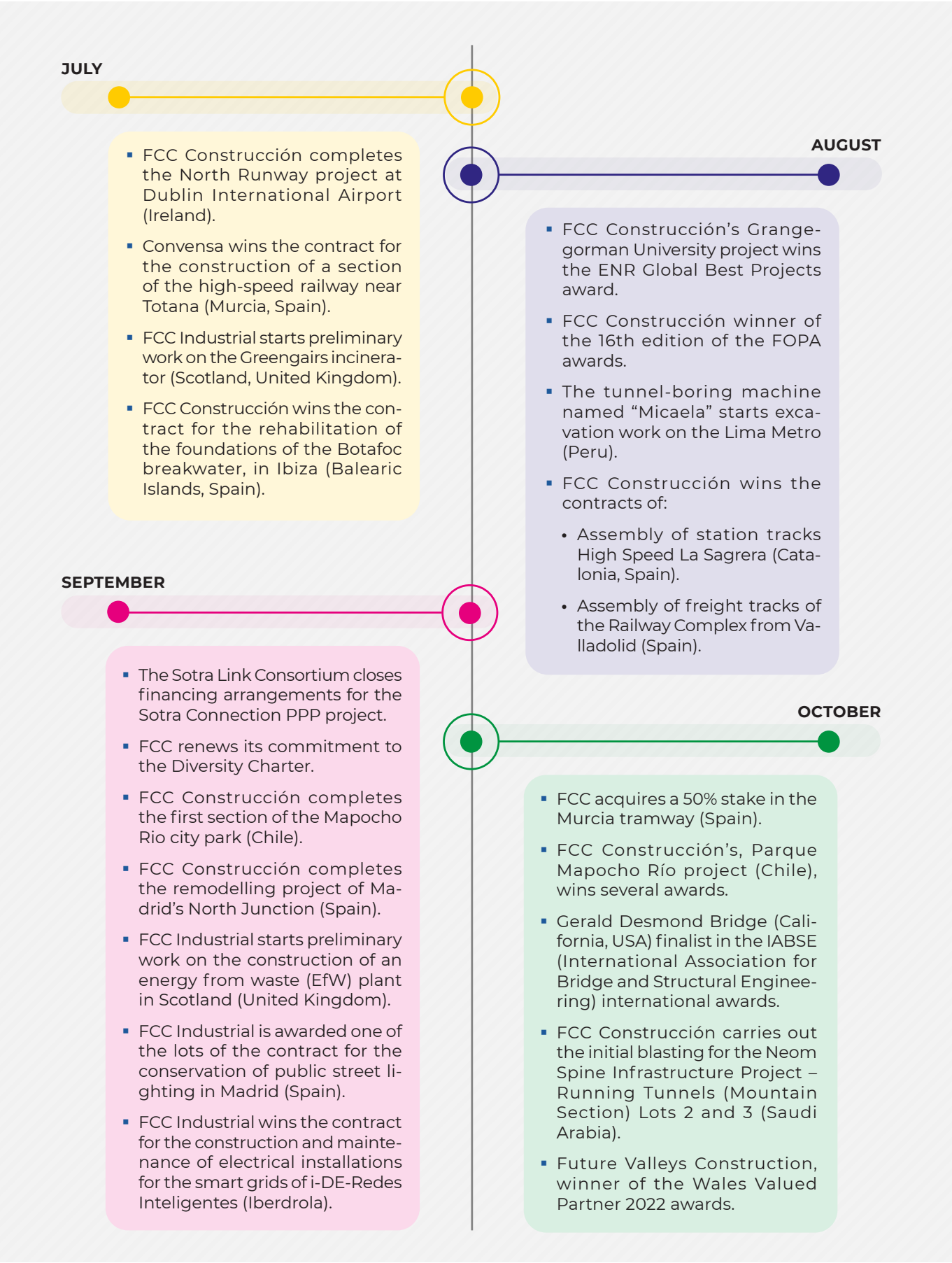


Delta Prefabricated Products

2.1. 2022 HIGHLIGHTS

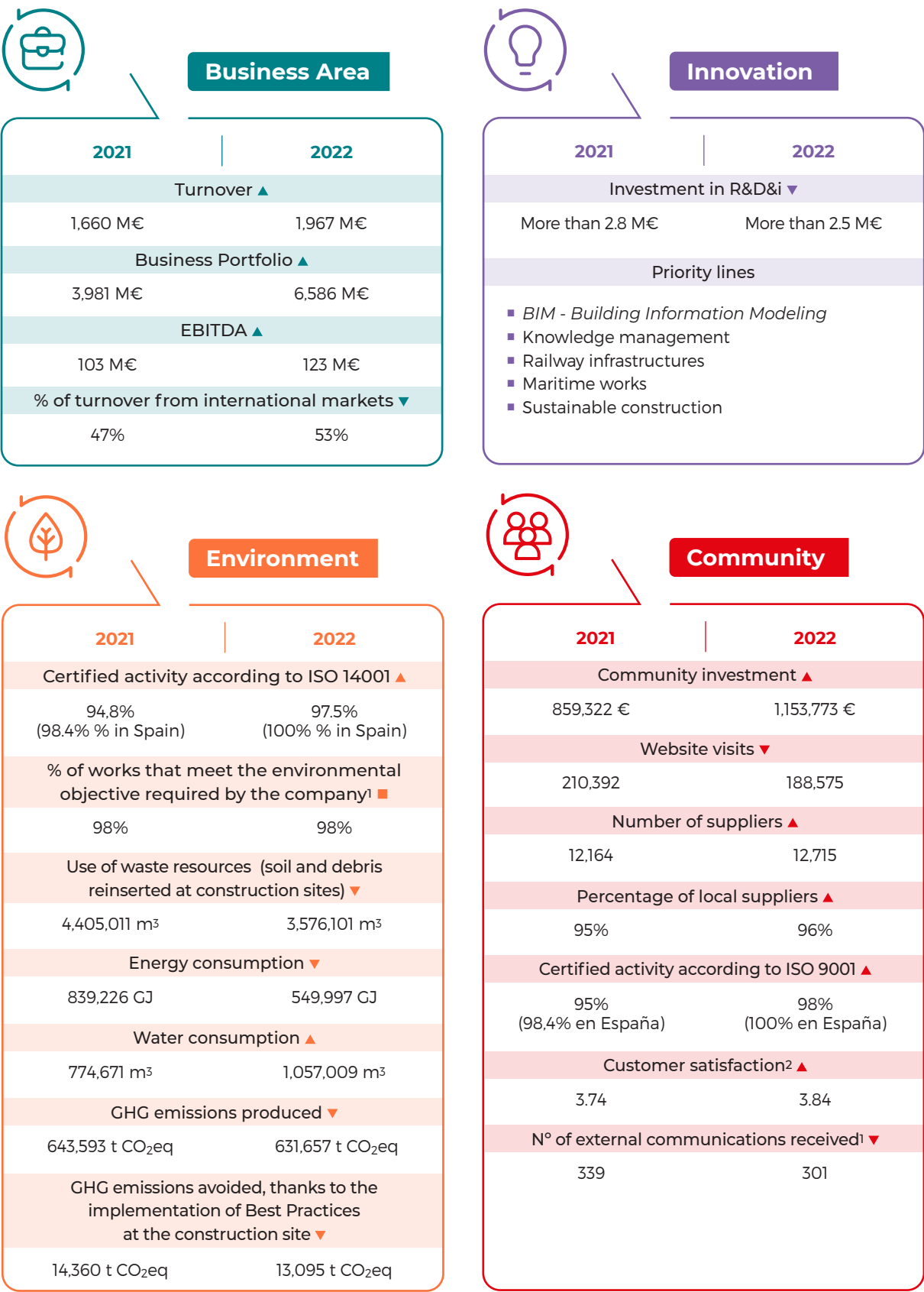


2.1. 2022 HIGHLIGHTS

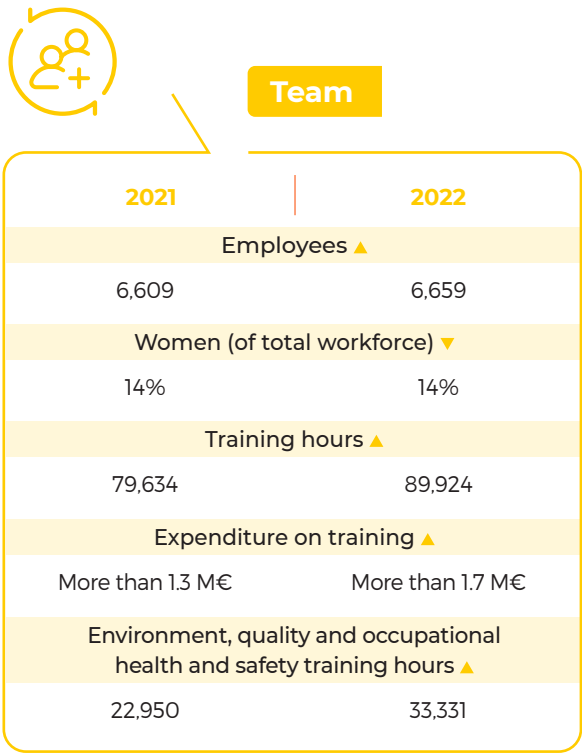


Guillermo Gaviria Tunnel. (Colombia)

2.2. MAIN MAGNITUDES



1- Does not include data from FCC Industrial or Áridos de Melo.
2- This is the weighted rating of the company's performance in FCC Construcción and FCC Industrial projects. It is rated from 1 to 4, with 4 being the highest satisfaction.



Francisco Pizarro Photovoltaic Plant. (Cáceres, Spain)

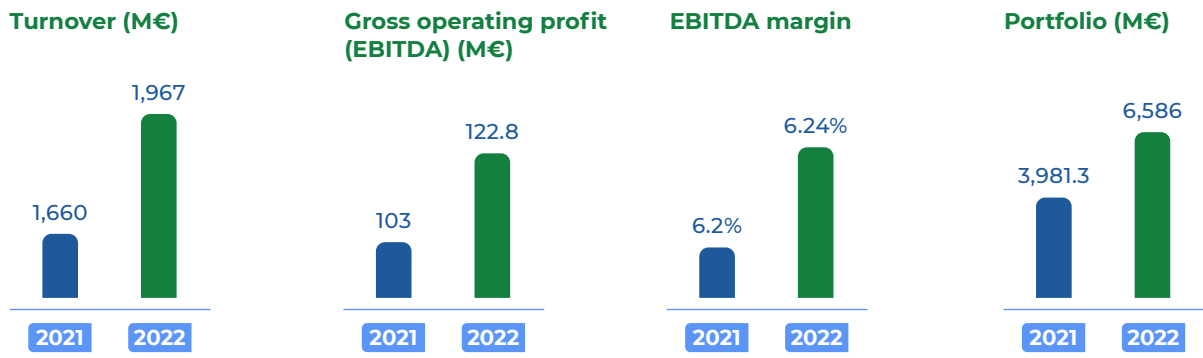
2.3. CERTIFIED ACTIVITY

Management Area	Standard	2021		2022			
		Total Construction	Construction Spain	Total Construction	Total FCC Co	Total FCC Ind.	Construction International
Quality	ISO 9001	95,1%	98,4%	97,6%	99,7%	87,8%	95,7%
Environment	ISO 14001	94,8%	98,4%	97,5%	99,7%	87,1%	95,5%
Security and Occupational Health*	ISO 45001	93,3%	100%	91,7%	85,9%	98,6%	66,2%
GHG emissions**	ISO 14064	77,8%	66,8%	85,0%	85,0%	19,6%	95,2%
Collaborative working relationships	ISO 44001	33,0%	61,5%	25,9%	31,2%	0,0%	0,0%
Information Security	ISO 27001	43,1%	80,3%	36,1%	31,2%	59,8%	0,0%
R&D&I***	UNE 166002	47,6%	88,7%	39,4%	31,2%	79,4%	0,0%

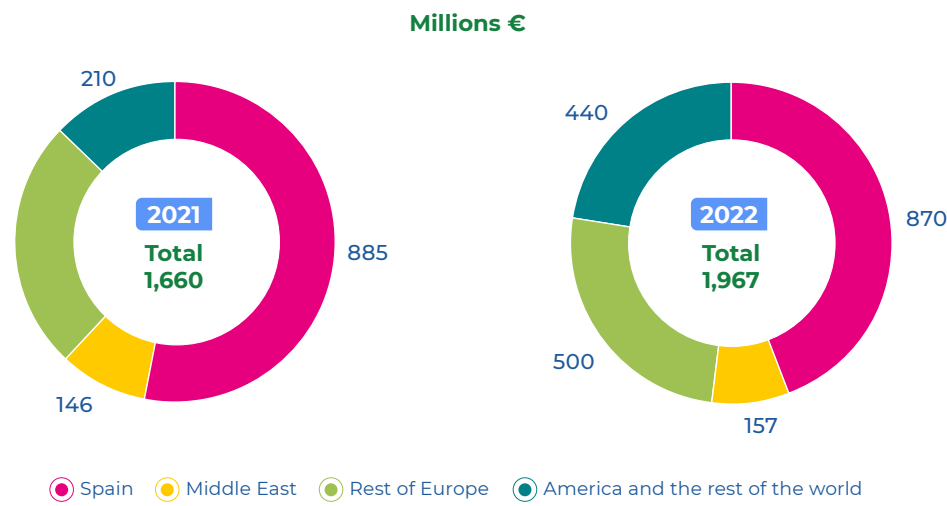
* The data correspond to the percentage of certified turnover, except in the case of Occupational Health and Safety, where the percentage of employee coverage is considered.
** The increase in certification under ISO 14064-1 is due to the fact that in 2022, the emissions of the activity carried out by FCC Construcción have been verified in 22 countries (Spain, Portugal, Bulgaria, Romania, United Kingdom, Ireland, Belgium, Netherlands, Norway, Nicaragua, Costa Rica, Panama, El Salvador, Mexico, Colombia, Chile, Peru, United States, Canada, Qatar, Australia and Saudi Arabia, Costa Rica, Panama, El Salvador, Mexico, Colombia, Chile, Peru, United States, Canada, Qatar, Australia and Saudi Arabia) in addition, MATINSA also certified its GHG emissions in 2022, while in 2021 only the emissions of the activity carried out by FCC Construcción were verified.
*** Not applicable because it is a rule whose scope considers only the Spanish territorial scope.

2.4. BUSINESS PERFORMANCE

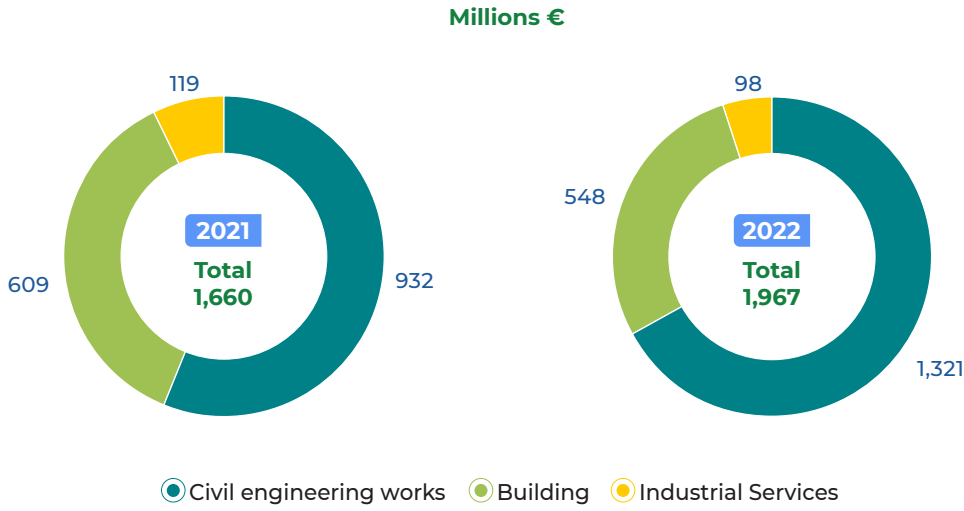
Key financial figures



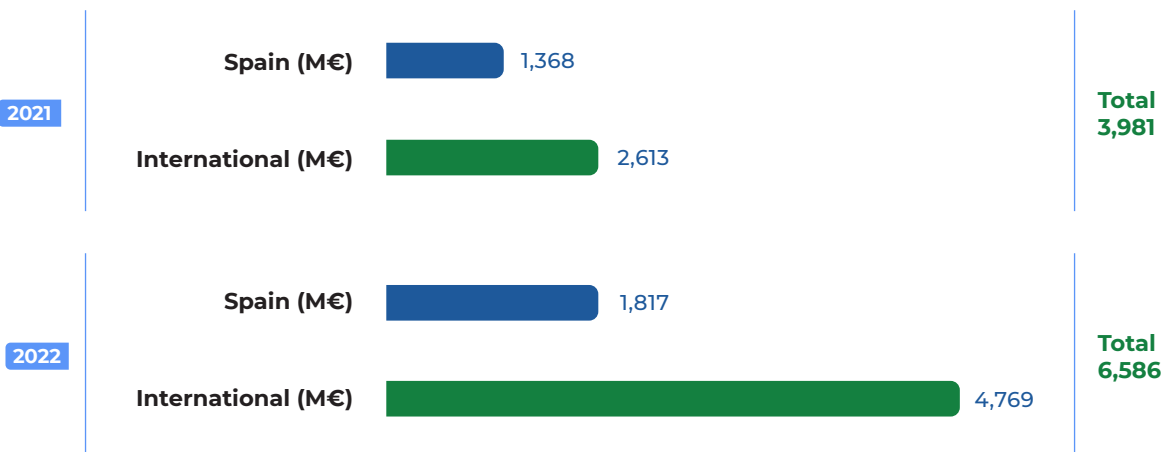
Distribution of revenues by geographic area



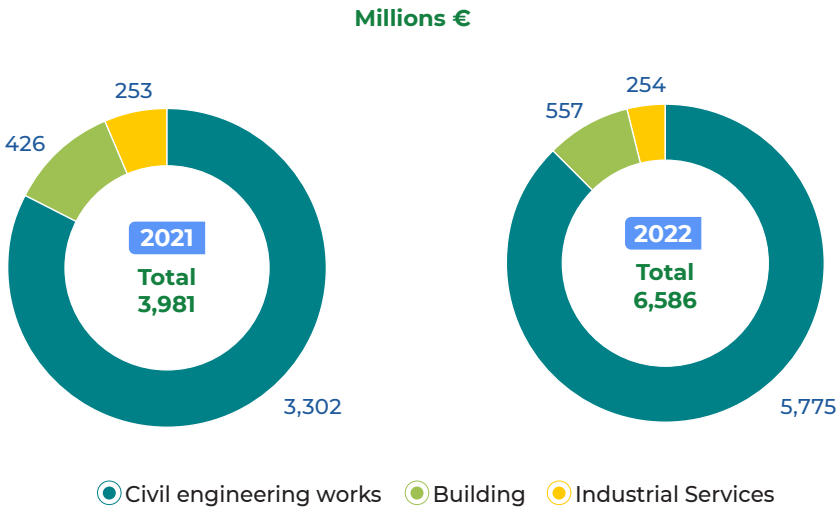
Distribution of revenues by activity



Portfolio breakdown by geographic area



Portfolio breakdown by activity



Industrial Tanks. Lima Airport. (Peru)

2.5. AWARDS AND RECOGNITIONS

National

Estadio Wanda Metropolitano. (Spain)	VI ACHE Engineering Award.
Contigo Somos +	Contigo Somos + Award, bronze category. Spanish Global Compact Network.
Hotel Nelva. (Spain)	IX Edition of the Building Quality Awards.
Access to Alicante-Elche Miguel Hernández airport. (Spain)	Best Work in the Province of Alicante to the project of Duplication of the N-338 roadway. XVI edition of the FOPA Awards (Federation of Public and Auxiliary Works of the Province of Alicante).

International

Gerald Desmond Bridge. (United States)	<i>George S. Richardson Medal at the International Bridge Congress 2022.</i> IABSE award finalist, best bridge in infrastructure category. <i>Best Projects 2022 de ENR-Universidad Grangegorman.</i>
Grangegorman University. (Ireland)	<i>Award Merit Education in ENR Global Best Projects.</i>
A-465. (United Kingdom)	<i>"Best Ongoing Relationship with a School"-Careers Wales Value Awards.</i>
Mapocho River Park. (Chile)	World Congress of Urban Parks, mention in the category Inclusion, Resilience and Equity of the ANPR Mexico 2022 Awards. Finalist of the Urban Contribution Awards (PAU) in the category Best Public Use Space Project - Community Scale.

Los Angeles. (United States)

Engineering Achievement Award - ACEC Los Angeles County Chapter.

Dublin Airport. (Ireland)

North Runway premio Engineering Endeavour 2022 presented by Engineers Ireland.

Ramalho Rosa Cobetar. (Portugal)

Recognition for the good practice "Circular economy in the construction sector" in the category of Social Responsibility and Environment - Impact Reduction, by the Portuguese Association of Business Ethics.



Gerald Desmond Bridge. (Los Angeles, USA)







3

FCC Construcción,
aligned with the
SDGs

FCC Construcción Materiality analysis

Subject	Main related impacts	SDGs
Environmental dimension		
Climate change and energy consumption	Impacts related to the mitigation or contribution to climate change as a result of the company's activities.	 
Circular economy	Positive impacts derived from recycling, reuse and recovery of resources, and negative impacts related to the company's contribution to the depletion of natural resources.	    
Social dimension		
Employment and professional development	Impacts related to labor market insertion, improvement of employees' skills and professional development.	 
Subcontracting and suppliers	Impacts related to hiring suppliers and contractors and promoting sustainable practices with stakeholders.	 
Safety, health and well-being.	Impacts related to employee health and safety and difficulty in 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.	 
Relationship with local communities	Creation of valuable relationships with communities and reduction of any impact on them.	  
Solidarity action	Contribution to local development and climate change mitigation through solidarity actions and awareness-raising initiatives.	   

● First level issues (Materials).
○ Second level issues (Relevant).

Subject	Main related impacts	SDGs
Governance dimension		
Responsible behavior	Promotion of responsible behavior and integrity within the company to avoid possible cases of corruption and bribery or loss of public funds.	
Promotion of innovation	Potential impacts derived from innovation and technological development through international collaborations, sectorial associations or direct investment in R&D&i.	  

● First level issues (Materials).
○ Second level issues (Relevant).



Sotra Bridge. (Norway)



4

Transforming
the challenge
into an
opportunity

4.1. RESPONSIBILITY WITH THE ENVIRONMENT

STRATEGIC LINES AND OBJECTIVES

The path to be followed by FCC Construcción in the coming years in terms of the **environmental impact** generated by its activity is marked by the following strategic lines of action:

- **Extend Good Environmental Practices®.**
- **Pollution management.**
- **Calculate and reduce the water footprint.**
- **Protect biodiversity.**

To access the complete information on FCC Construcción's Sustainability Strategy click on the following

Link



Achievements 2022

- Implementation and development of good environmental practices in the works executed.
- Reduction of energy and building materials consumption in 2022 compared to 2021.
- 36% reduction in water consumption compared to 2021.
- More than 3,000 tons of particles not emitted into the atmosphere due to the application of good environmental practices.
- Preparation of the Sustainability Report 2021 - 2022.
- Publication of the 2023-2026 Sustainability Strategy.
- Publication of the Climate Change Strategy 2023-2026.



Future challenges

- Continue promoting continuous environmental improvement at construction sites by updating the *Basic Guide of Good Environmental Practices* with the latest trends.
- Calculate the Water Footprint at FCC Construcción.
- Obtain Zero Waste certification for at least three construction sites and one fixed site.
- Focus on energy efficiency by raising awareness among site personnel, installing more efficient lighting, equipment maintenance, etc.
- Promote new initiatives to raise environmental awareness among stakeholders, focusing on our own employees, suppliers and subcontractors.
- Promote collaboration and participation in national and international working groups related to the environment.
- Annual review of the alignment of FCC Construcción's economic activities in accordance with the European Union's Environmental Taxonomy, in order to know the company's contribution to the environmental objectives.

Application of environmental Good Practices

	2021	2022
Worksites providing Good Practices data	85/87 (98%)	90/91 (99%)
Application of Good Practices on-site	24/27 (89%)	25/28 (89%)
Worksites that meet the environmental objective	83/85 (98%)	88/91 (97.8%)

EFFICIENT MANAGEMENT OF NATURAL RESOURCES

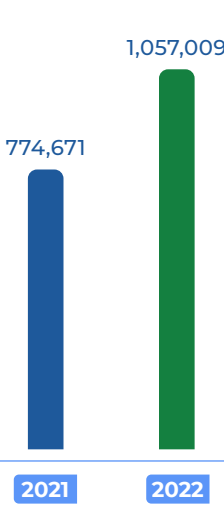


Water

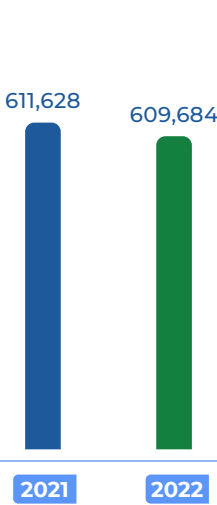
Water consumption (m³)

	2021	2022						
	TOTAL	TOTAL	Áridos de Melo	FCC Ind.*	FCC Construcción			
					Spain	Rest of Europe	America	Middle East
Water consumption	774,671	1,057,009	374,040	17,062	150,052	39,601	476,040	214
Water consumption in water-stressed zones	611,628	609,684	374,040	17,062	150,052	4,623	63,693	214

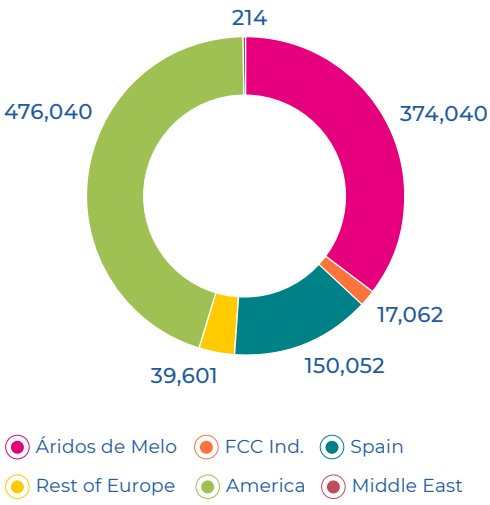
Water consumption (m³)



Water consumption in water-stressed zones



Water consumption by geographical areas



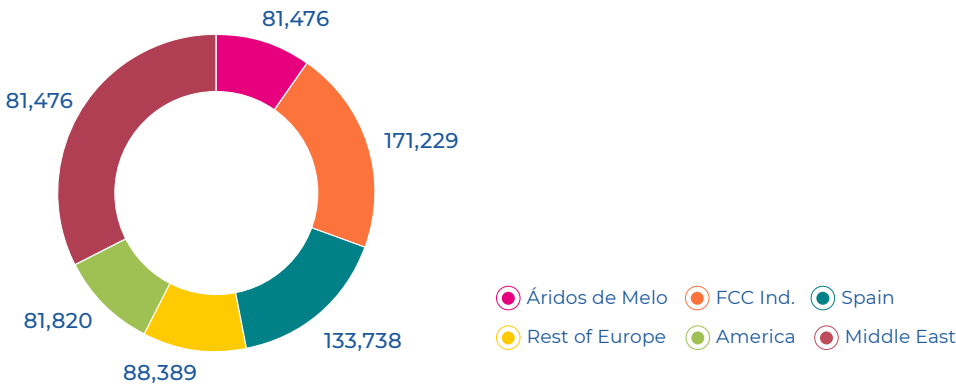
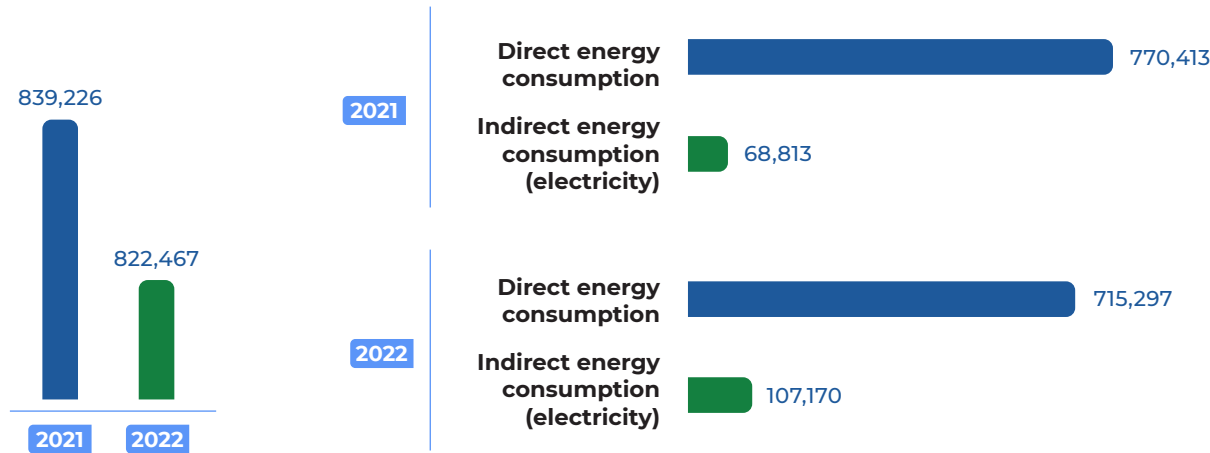


Energy

Energy consumption (GJ)

	2021	2022						
	TOTAL	TOTAL	Áridos de Melo	FCC Ind.*	FCC Construcción			
					Spain	Rest of Europe	America	Middle East
Direct energy consumption	770,413	715,297	73,512	127,313	119,860	69,596	59,691	265,325
Indirect energy consumption (electricity)	68,813	107,170	7,964	43,916	13,878	18,793	22,129	490
Total	839,226	822,467	81,476	171,229	133,738	88,389	81,820	265,815

Energy consumption



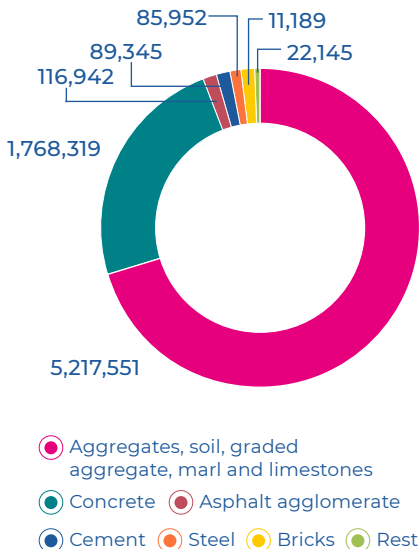
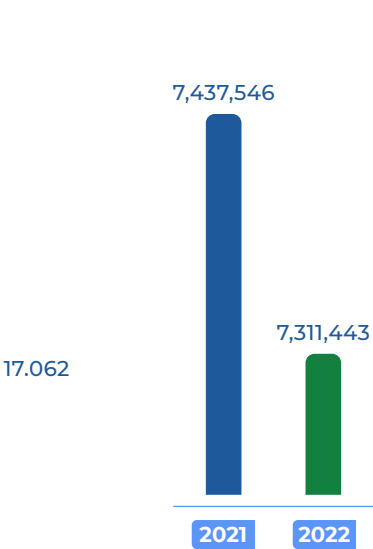
Materials

Materials consumption (t)

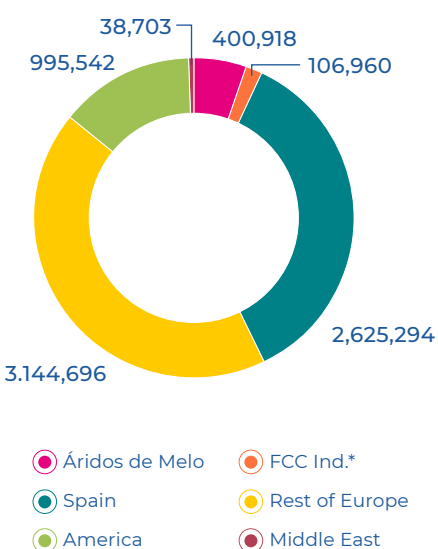
	2021	2022						
	TOTAL	TOTAL	Áridos de Melo	FCC Ind.*	FCC Construcción			
					Spain	Rest of Europe	America	Middle East
Aggregates, soil, graded aggregate, marl and limestones	5,270,124	5,217,551	376,623	43,190	1,323,315	2,920,451	533,972	20,000
Concrete	1,778,136	1,768,319	0	23,294	1,161,014	148,101	431,212	4,698
Asphalt agglomerate	157,334	116,942	638	29,091	50,427	22,638	1,227	12,920
Cement	54,033	89,345	22,960	7,131	31,955	26,934	0	365
Steel	140,342	85,952	25	3,795	39,908	24,164	18,060	0
Bricks	22,468	11,189	0	7	9,557	331	1,294	0
Glass and non-ferrous metals	4,913	13,136	0	327	3,329	1,194	8,195	91
Paint, solvents, release agents, concrete curing liquids, accelerators, fluidizing agents, antifreeze and epoxy resins	8,207	6,863	0	100	3,697	862	1,579	625
Oils, fats and other noxious or hazardous substances	1,989	2,146	0	25	2,094	20	3	4
Total	7,437,546	7,311,443	400,918	106,960	2,625,294	3,144,696	995,542	38,703

* FCC Industrial is a proprietary brand that groups together various specialized companies. Includes data from FCC Industrial and Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas, which are located in Spain.

Materials consumption (t)



Material consumption by geographical areas (t)





Waste

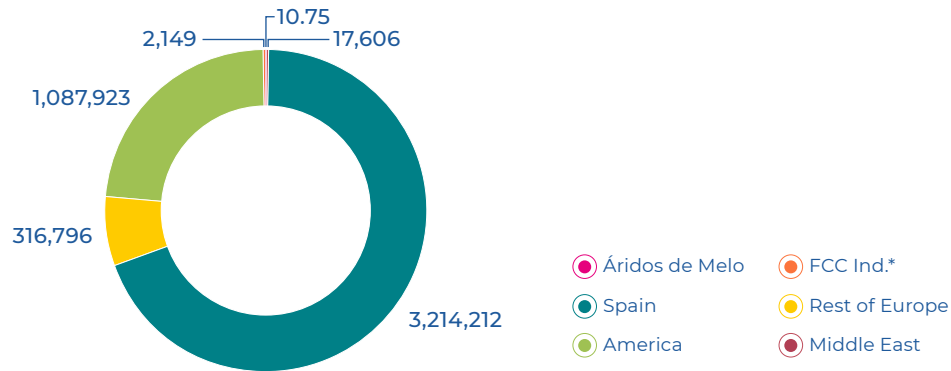
Waste generated (t)

	2021	2022						
	TOTAL	TOTAL	Áridos de Melo	FCC Ind.*	Spain	Rest of Europe	America	Middle East
Hazardous waste	180,149	88,545	1.58	49	2,090	79,917	6,486	0
Non-hazardous waste	2,455,182	4,550,152	9.16	17,557	3,212,121	236,878	1,081,436	2,149
Total	2,635,331	4,638,697	10,75	17,606	3,214,212	316,796	1,087,923	2,149

Waste generated (t)



Waste generated by zones geographical (t)



A-465 section 5 and 6. (Wales, United Kingdom)

PROTECTION OF BIODIVERSITY IN THE OPERATING ENVIRONMENT



Biodiversity

Land adjacent to or located within protected natural areas or unprotected areas of high biodiversity

Type of condition	2021		2022	
	Nº Works	Surface (mill. m²)	Nº Works	Surface (mill. m²)
Location in natural or protected areas or areas with high biodiversity value	10	6.14	11	12.2
Location in an area with a landscape classified as relevant	9	9.54	9	9.5
Impact on natural watercourse in protected area	1	-	1	0.03
Impact on natural watercourse in areas with high biodiversity value	7	8.49	8	8.5
Impact on watercourses of very high or relevant value for local communities and indigenous populations	9	8.58	10	8.5
Impact on catalogued or protected vegetation	10	14.44	13	20.6
Impact on catalogued or protected animal species	11	13.56	14	21.6

In 2022, the sites located in the most relevant areas for biodiversity or local communities were located in Belgium, Spain, United Kingdom and Romania.

4.2. ADAPTATION AND MITIGATION OF CLIMATE CHANGE

STRATEGIC LINES AND OBJECTIVES

Curbing Climate Change is one of the greatest challenges facing society today. FCC Construcción, as part of its commitment to **Climate Action**, has developed its Climate Change Strategy, which is synthesized in the following strategic lines:

- **Contribute to climate change mitigation.**
 - Target 2026: 15% reduction of GHG emissions from Scope 1 and 2 .
 - 2030 Target: 35% reduction of GHG emissions of Scope 1 and 2 .
- **Foster adaptation to climate change by devising solutions for climate resilience in construction.**
- **Improve climate change governance.**

Targets 2050:

- 100% reduction of GHG emissions of Scope 1 and 2.

To access the complete information on FCC Construcción's Climate Change Strategy click on the following

Link





Achievements 2022

- 100% of FCC Construcción's activity has been verified under the ISO 14064-1: 2018 Standard.
- Verification for the first time of Matinsa's Carbon Footprint of all scopes under ISO 14064-1:2018 for the 2022 fiscal year, increasing the scope of the verification of the infrastructure area.
- Verification for the first time of FCC Industrial Carbon Footprint of 1 and 2 scopes under GHG Protocol, for the 2022 fiscal year, increasing the scope of the verification of the infrastructure area.
- Expansion of the scope and improvement of the representativeness of Scope 3 of the Carbon Footprint, expanding the materials, the calculation of subcontracted units and the use of upstream factors.
- Obtained "Calculo y reduzco" seal from the Registry of carbon footprint, compensation and CO₂ absorption projects, granted by the Spanish Ministry for Ecological Transition for FCC Construcción's Carbon Footprint 2021.
- 8.164 t CO₂eq avoided, thanks to the implementation of good environmental practices at the construction site.
- Publication of a Climate Change Strategy 2023-2026, which will constitute the roadmap to be followed by the company to achieve climate neutrality by 2050.
- First year of reporting on the EU Environmental Taxonomy according to the technical criteria for eligibility and alignment with respect to the two climate change objectives.



Future challenges

- Expand and improve the calculation of Scope 3 of FCC Construcción's Carbon Footprint.
- Verify, by an independent third party, the Carbon Footprint of the subsidiaries companies, reaching 100% of the verified companies.
- Innovate in materials, technologies, processes and construction methods that are more efficient and imply a lower carbon footprint of the projects to be executed.
- Establish the mechanisms to follow up on the objectives of the Climate Change Strategy for its fulfillment.
- Establish an illusory internal carbon price in the organization.
- Obtain a Mobility Plan for Las Tablas offices.



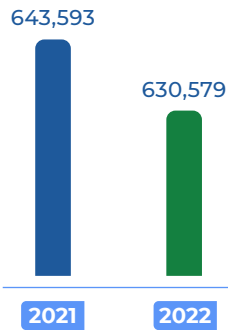
GHG Emissions 2022 (TCO₂ eq)

	TOTAL *		TOTAL verified**	
	2021	2022	2021	2022
GHG emissions emitted	643,593	630,579	624,678	623,250
Scope 1: Direct GHG emissions and removals	55,483	51,757	42,096	47,070
Scope 2: Indirect GHG emissions caused by imported energy	4,945	7,276	3,491	6,215
Scope 3: Indirect emissions	583,165	571,545	579,091	569,964
GHG emissions avoided by implementation of Best Practices	14,360	13,340	14,325	13,340

* Emissions calculated based on activity data reported by individual organizations and countries; 97% of emissions calculated in 2022 have been verified by third parties.

** Emissions verified by AENOR. In 2022, as in 2021, verified emissions from works and fixed centers located in Spain, Portugal, Bulgaria, Romania, United Kingdom, Ireland, Belgium, Netherlands, Norway, Nicaragua, Costa Rica, Panama, El Salvador, Mexico, Colombia, Chile, Peru, United States, Canada, Qatar, Australia and Saudi Arabia are included; and, as added in 2022, the emissions of MATINSA (scope 1, 2 and 3) and FCC Industrial (scope 1 and 2).

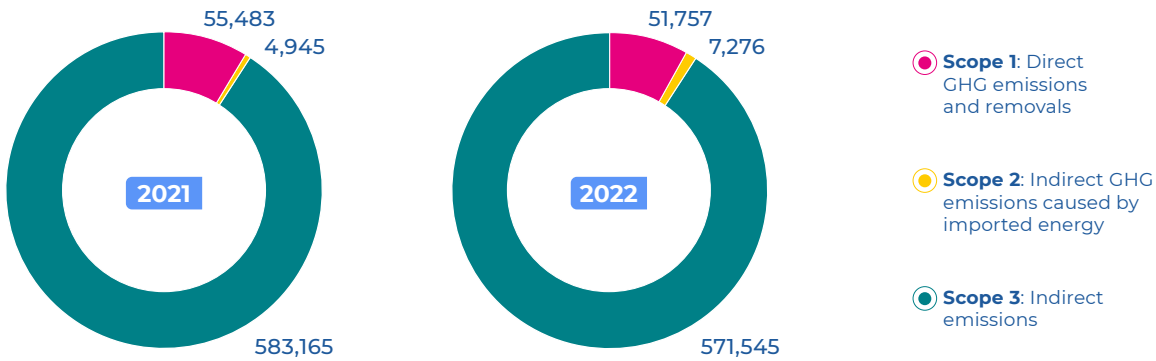
GHG emissions verified (TCO₂ eq)



Verified GHG emissions emitted (TCO₂ eq)



GHG emissions by scope (TCO₂ eq)



For more information, please consult the GHG Emissions report 2022 of FCC Construcción. Click on the following

[Link](#)



Line 4-5-6 Metro. (Riyadh, Saudi Arabia)

4.3. CONSTRUCTION AND CIRCULARITY

STRATEGIC LINES AND OBJECTIVES

FCC Construcción considers the transition towards a circular model in the construction sector to be fundamental, and has therefore defined the following strategic lines in its Sustainability Strategy within the framework of the **Circular Economy**:

- Encourage the valuation of waste.
- Encourage the responsible use of materials.

Targets 2050:

- Valorization of 100% of the waste generated.
- Use of more than 90% of responsible, recycled or recyclable materials.

To access the complete information on FCC Construcción's Sustainability Strategy click on the following

Link



Achievements 2022

- Promotion of digitalization, through the BIM methodology, key to optimize the consumption of project resources in early phases.
- Reduction in total waste generated compared to fiscal year 2021.
- Reuse of more than 3.5 m³ of earth and clean rubble left over from works executed in 2022.
- Reuse or recycling of almost 400,000 m³ of water from the construction site.

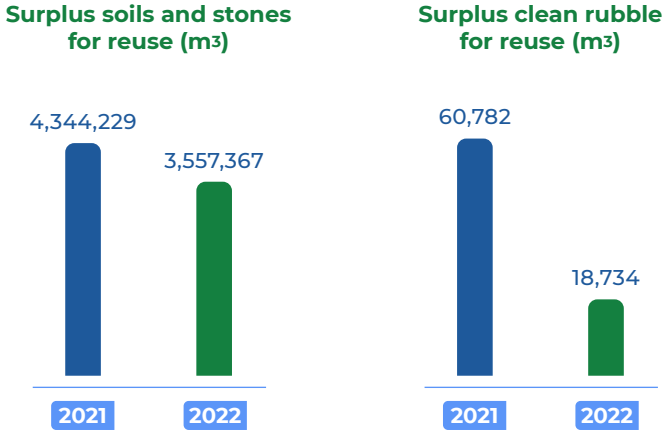


Future challenges

- Incorporate new circular economy criteria into the company's processes.
- Strengthen waste management at construction sites and pursue the implementation of Zero Waste certification at selected sites.
- Share the "lessons learned" in the process of obtaining the "Zero Waste" certificate with other projects, promoting waste minimization measures.
- Promote awareness of circular economy among employees and other stakeholders.
- Focus on innovation, promoting the use of new sustainable and reusable materials.



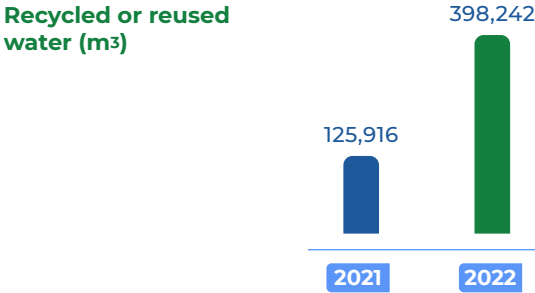
Use of resources from waste*



* Data from projects executed by FCC Construcción (does not include data from FCC Industrial or Áridos de Melo).



Water reuse



4.4. INNOVATION IN CONSTRUCTION: FOCUS ON SUSTAINABILITY

STRATEGIC LINES AND OBJECTIVES

On its way to positioning as an **innovative and digitalized** company in the construction sector, FCC Construcción has the goal to meet a series of objectives in the upcoming years, framed within the following strategic lines:

- 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 the BIM methodology in FCC Construcción's processes.
- Driving digitalization within the company.

Targets 2050:

- Invest more than 0.5% of FCC Construcción's turnover in R&D&I.

To access the complete information on FCC Construcción's Sustainability Strategy click on the following

Link





Achievements 2022

- EUR 2,5M of investment in R&D&i, 19% of which corresponds to topics related to Sustainability and the Environment.
- Leadership as coordinators, on the European R&D&i Project “DigiChecks” of the HORIZON EUROPE call. A project that will generate a Digital Environment for the management of permits and conformity control in construction projects.
- Participation in national R&D&i projects related to the digitalization of construction management processes such as ONLYBIM (BIM management in non-linear construction design), EDIFICTECH (Industry 4.0 in facade execution), PRACAN and ROBUST (aerial and terrestrial robotics for construction control).
- FCC Industrial’s participation in mixed and augmented reality projects for application in RPAS simulators such as DESIRE, projects related to technological solutions for security against cyber-attacks such as the CYBERSEC project, or projects related to the security of data spaces in industry such as ESPADIN.
- Granting of Patents or Utility Models in strategic construction processes for the company worldwide.
- Participation in organizations and working groups related to innovation and sustainability.
- AENOR certification of the R&D&i Management System according to UNE 166002:2021 in FCC Construcción, MATINSA and FCC Industrial.
- AENOR Certification of the Collaborative Work Relationship Management System, in accordance with the UNE-ISO 44001:2017 Standard, for the R&D&i departments of FCC Construcción, MATINSA and FCC Industrial.
- Preparation of a BIM Implementation Plan 2022-2025, which is committed to the increasing use of technical and economic control tools, such as BIM (Building Information Modeling) and GIS (Geographic Information Systems), throughout the life cycle of its projects.
- Internal dissemination of projects for certification of novel actions in the works.

- Dissemination externally and within the Organization of the results achieved in R&D&i projects through online and face-to-face conferences (DI_LAB).



Future challenges

- Continue to participate in projects related to the strategic themes of technology watch.
- Intensify participation in R&D&i projects related to digital transformation for the improvement of the company’s different processes.
- Promote participation in R&D&i projects related to Sustainability and Health and Safety.
- Maintain and expand the Industrial and Intellectual Property portfolio.
- Promote the involvement and participation of the different organizations in the certification of projects.
- Maintain the certification of the R&D&i Management System according to the UNE 166002:2021 standard for FCC Construcción, MATINSA and FCC Industrial.
- Continue with the activity of disseminating externally and within the organization the results achieved in R&D&i projects.

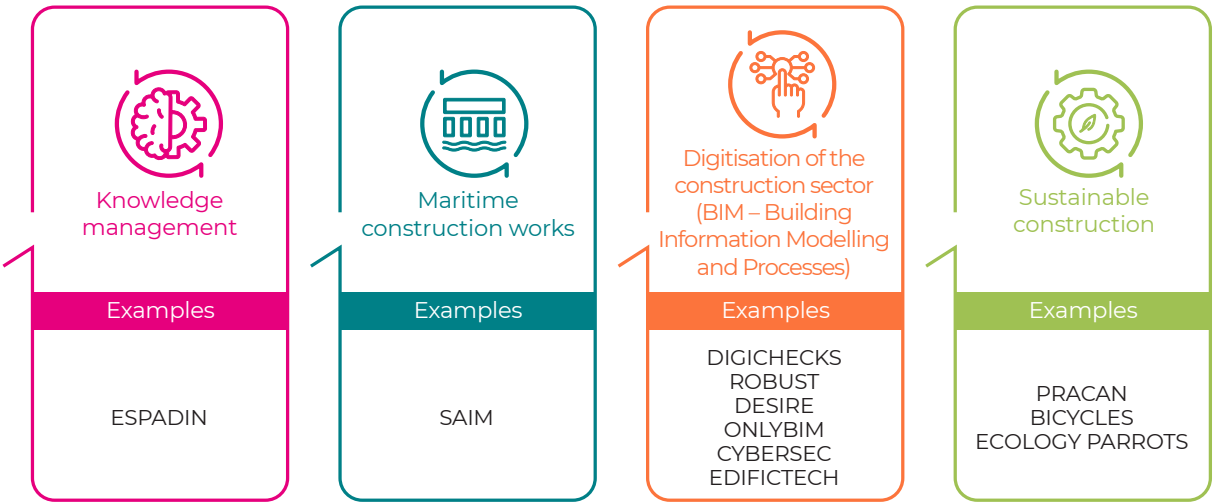


Les Glories Tunnel. (Barcelona, Spain)

Investment in R&D&i (€)

	2021	2022
Total investment in the year	2,881,837	2,478,020
Percentage of investment allocated to projects related to Sustainability and the Environment	27.6%	18.6%
Received grants	51,811	747,368
Credits obtained on advantageous conditions	1,025,496	1,197,765

LÍNEAS PRIORITARIAS DE I+D+i EN FCC CONSTRUCCIÓN



BIM METHODOLOGY AS THE AXIS FOR INNOVATION

Project	Description
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ONLYBIM

Development of a module for the design and execution of non-linear works under BIM methodology

ONLYBIM is a design tool for non-linear works projects, such as esplanades, ponds and sewage treatment plants, which enables the interconnection between different projects and BIM technology, and it’s integrated into the ISTRAM®/ISPOL® package for non-linear works. The company’s goal is to facilitate the design and implementation of execution of non-linear works, according to the BIM requirements of the projects and 5D connectivity.

UNIQUE PROJECTS

Project	Description
ACUSCOIN/ECO	<p>Project executed by Matinsa based on an acoustic emission system for corrosion assessment in reinforced concrete infrastructures.</p> <p>The main objective of the project is to evaluate the corrosion degree of a reinforced concrete structure by using non-destructive testing and the Acoustic Emission technique. This technique is based on the detection of ultrasounds generated by a redistribution of stresses in a solid medium, allowing to detect, analyze and know cracks in the concrete due to the increase of the volume of the steel due to its corrosion.</p> <p>This technique, in addition to the conventional parameters, makes it possible to analyze the ultrasound waveform, depending on the process that generates it and the path followed, and to deduce the corrosion phase of the material from it.</p>
DESIRE	<p>Multipurpose mixed and augmented reality system demonstrator. Application to RPAS simulator.</p> <p>The DESIRE project (a FCC Industrial Systems Division project) aims to develop a viable low-cost technological solution as an alternative to the visual projection systems used in traditional simulators, focusing on the research of various technologies, both at software and hardware level. The proposal deals with the development of a micro-camera system, together with the necessary software to merge the real and virtual worlds. This would allow the simulated environment to be displayed, while maintaining interaction with the real elements of the simulator.</p> <p>In addition, software and hardware components will be developed for tracking people or other mobile elements. This will make locating users in large environments possible. The project will apply the technologies developed to an RPAS (Remotely Piloted Aircraft System) simulator in collaboration with the Unmanned Aerial Systems School of the Mataracán Group of Schools (GRUEMA) at the Mataracán-Salamanca Air Base.</p>
SAIM	<p>Automated maritime information system.</p> <p>The objective of this project, carried out by Matinsa, is to develop a new technological solution to assist in the environmental management of coastal areas that allows to automatically characterize the environment in real time using information from a new sensorized data collection system, a new algorithm for processing satellite information and a new computational simulation model.</p>
EDIFICTECH	<p>New 4.0 technological solution for the building sector: connected and centralized management for the installation of facades.</p> <p>This project, executed by FCC Industrial's Systems Division, seeks to develop an advanced technological solution for the collaborative and centralized management of works on modular facades. It uses digital technologies based on Digital Twins and Artificial Intelligence Algorithms to maximize productivity, reduce construction times and improve safety in the sector.</p> <p>This project includes monitoring ecosystem solutions and an <i>indoor</i> location system at the construction site, which will make it possible to locate materials, machinery and people, in addition to using pattern identification and surveillance algorithms. In addition, it will work with a Digital Twin that will establish a connection between the BIM model and real-time data. All these technological interactions will focus on improving productivity in the management of materials and assembly tasks, developing an <i>indoor-outdoor</i> position system on site.</p>

Project	Description
PRACAN	<p>Active robotic platform for identification, control, and monitoring of carcinogens in construction environments.</p> <p>This project aims to design and develop a mobile ground and aerial node for the identification and localization of risks in construction sites. This project carries out a study to define a SCR (<i>Secondary Cancer Risk agents</i>) estimator, an asbestos identifier, and a dust particle aspiration system.</p>
ROBUST	<p>Development of a mapping system for small indoor environments using aerial robots and advanced sensor technology.</p> <p>Development of a georeferenced mapping and automated tracking system for confined environments, mainly tunnels and trenches. This will require the development and deployment of autonomous aerial robots (drones), as well as the design and development of control systems and algorithms for communication with the robots.</p>
BICYCLES	<p>Sustainable, energy self-sufficient, intelligent, decontaminating, integrated and safe bike lanes.</p> <p>Framed within the CIEN 2018 program of CDTI, the project is about the development of a new generation of bike lanes, produced with sustainable materials, which include new applications in polymeric materials, and are custom-designed for the integration of various technologies and according to the needs to be covered. In addition, the project includes the development of a new AAM binder and new multifunctional bike lane modules made with sustainable materials.</p>
CYBERSEC	<p>Research in emerging technologies to achieve cyber secure and resilient infrastructures.</p> <p>This project executed by FCC Industrial's Systems Division aims to research various technologies, techniques, tools, methodologies and knowledge, all aimed at developing technological solutions for securing against cyber-attacks in highly critical connected environments, such as Industry 4.0, <i>Smart Cities</i> or critical infrastructures.</p>
ESPADIN	<p>Data space in the industry.</p> <p>This project, executed by FCC Industrial Systems Division, aims to research and develop technological solutions to improve the interoperability, governance and security of data spaces in industry, promoting Industry 4.0 and ensuring the reliability, security and control of data in connected industrial environments.</p>
DIGICHECKS	<p>European project to develop a digital environment for permits management and compliance control in the construction industry.</p> <p><i>Digichecks</i> seeks to develop a solution that improves the permit validation and approval system in construction projects, providing flexibility, ease of use and efficiency, and allowing interoperability with the tools used in the construction industry. <i>Digichecks</i> facilitates the exchange of information between the different actors involved in permitting procedures.</p>
ECOLOGY PARROTS	<p>Project executed by Matinsa which is part of the Industrial Doctorate Program of the Community of Madrid.</p> <p>The objective of this project is to study in depth the ecology of the Argentine and Kramer's Parakeet (and their ecological and health impacts) in order to better understand how biological invasion processes work and to integrate the scientific knowledge generated into management plans for these species.</p>



5

Our vision:
how we work

5.1. OUR PROFESSIONALS

STRATEGIC LINES AND OBJECTIVES

In order to respond to the social challenges facing FCC Construcción in the upcoming years in terms of **Human Capital, Health and Safety and Diversity and Equality**, the following strategic lines have been defined:

HUMAN CAPITAL

Strategic lines and objectives.

- Encourage the development of the workforce.
- Build awareness of ESG among personnel.
- Strengthen reconciliation and flexibility measures.
- Measure and continuously improve the work environment.

HEALTH AND SAFETY

Strategic lines and objectives.

- Build a zero-accident culture.

Targets 2050:

- Achieve 0 serious or fatal accidents.

DIVERSITY AND EQUALITY

Strategic lines and objectives.

- Promote female talent and ensure equality.
- Integrate people with disabilities and groups at risk of social exclusion.
- Attract young and over-50 talent.

Targets 2050:

- To achieve an equitable representation of gender in the Management Committee and positions of responsibility (Board of Directors, Management and middle management).

To access the complete information on FCC Construcción's Sustainability Strategy click on the following

Link



Comprehensive renovation of Plaza de España and its surroundings. (Madrid Spain)



Sota Bridge. (Norway)



Achievements 2022

- Granting of the extension of the Equality Seal by the Ministry of Equality.
- Strengthen HR policies, as well as continue to incorporate all the changes that the labor reform that was approved in 2022.
- Commitment to management by transversal competencies throughout the FCC Group.
- Preparation and dissemination of the Road Safety Plan for the Construction area.
- Ongoing reporting of good practices related to safety and health in the workplace, with subsequent dissemination of an annual report to the entire organization.
- Improved machine safety, including rear-view cameras to improve visibility from the driver's cockpit.
- Implementation of the corporate virtual training platform "CAMPUS FCC" in the Construction area.
- Launch of various employee communication campaigns related to equality, sustainability and corporate values.



Challenges future

- Continue to develop the project for the assignment of employee positions and functions to complete the dynamic staffing map.
- Increase the presence of women in the workforce and management positions.
- Continue to promote the preventive culture in the company.
- Encourage the participation of production managers in health and safety issues.
- Develop specific actions for the control of exposure to chemical agents.
- Develop and disseminate good practices in safety, health and welfare in the company.
- Continue with the deployment of "CAMPUS FCC", digitizing more internal content developed by FCC experts.
- Increase on-line training.
- Promote training in BIM methodology for designated personnel.
- Implementation of induction training prior to the entry of new workers on site.



Achievements 2022

- Increase in the average number of training hours per employee.
- Continued and updated digitization of technical courses in HTML5 format and, as a consequence, increased on-line training in the technical area.
- *On boarding* program for new hires.
- **V Edition of the International Program for Young Talents**, with a training program that aims to promote the development of recent graduates and then facilitate the filling of positions in international projects, with seven young talents participating in the program in 2022.
- Development and implementation of an application for the provision of statistics.
- Implementation of a management procedure for serious accidents and/or accidents with external repercussions, and the corresponding follow-up.
- Implementation of the SCR Guide in the work centers, and follow-up of the pertinent actions.
- Compilation and publication of best practices, lessons learned and safety moments.
- FCC's presence in specific health and safety forums and business organizations (FIEC, SEOPAN, AEC, INSTT, etc.).
- Technological development in R&D&I projects related to Health and Safety, specifically the PRACAN project on silica and asbestos.
- Campaign for periodic medical check-ups at office locations.



Challenges future

- Identify and train internal trainers to develop their activity through concrete actions that allow the development of their skills.
- Continue to select external training providers with a high technical component.
- ISO 45001 certification in Norway.
- Conducting a psychosocial risk assessment at the Las Tablas work center.
- Carrying out awareness campaigns on Occupational Risk Prevention.
- Implementation of improvement ideas in the works, which due to their simplicity and economy can be extended to other works.
- Implementation of induction training prior to the entry of new workers on site.
- Implementation of the "pause-process-proceed" in case of serious and imminent risk situations, and the adoption of the pertinent measures.
- Implementation of safety inspections and their corresponding report.
- Certification before the OFSC (*Office of Federal Safety Commissioner*) of FCC Australia PTY, Ltd.

STAFF PROFILE OF FCC CONSTRUCCION



6,659 employees



14% women

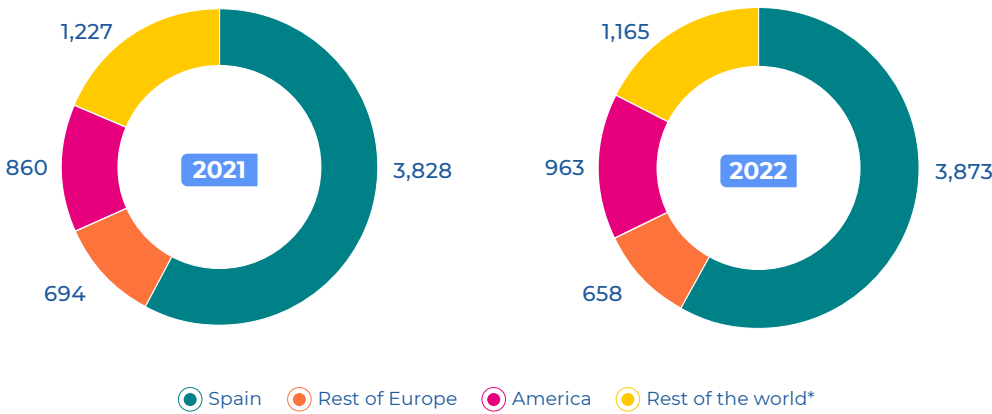
86% men

Breakdown of workforce by gender, type of contract and geographic area

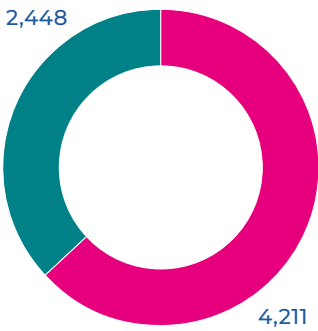
	2021	2022				
	TOTAL	TOTAL	Distribution by gender		Distribution by type of contract	
			Women	Men	Permanent	Temporary
Spain	3,828	3,873	493	3,380	3,217	656
Rest of Europe	694	658	134	524	189	469
America	860	963	133	830	300	663
Rest of the World*	1,227	1,165	156	1,009	505	660
Total	6,609	6,659	916	5,743	4,211	2,448

* Rest of the world includes Australia, United Kingdom, Jersey, Saudi Arabia, Algeria, Egypt, Qatar and Norway.

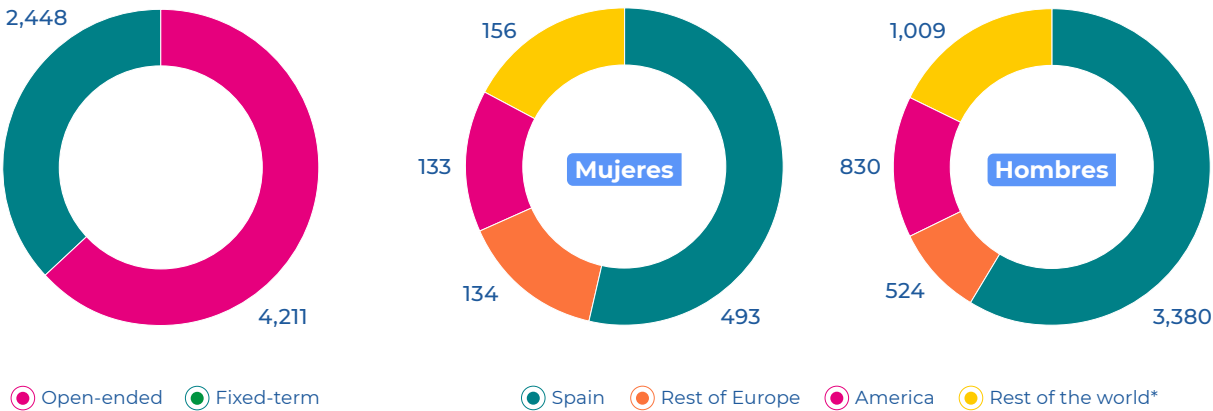
Distribution by geographic area



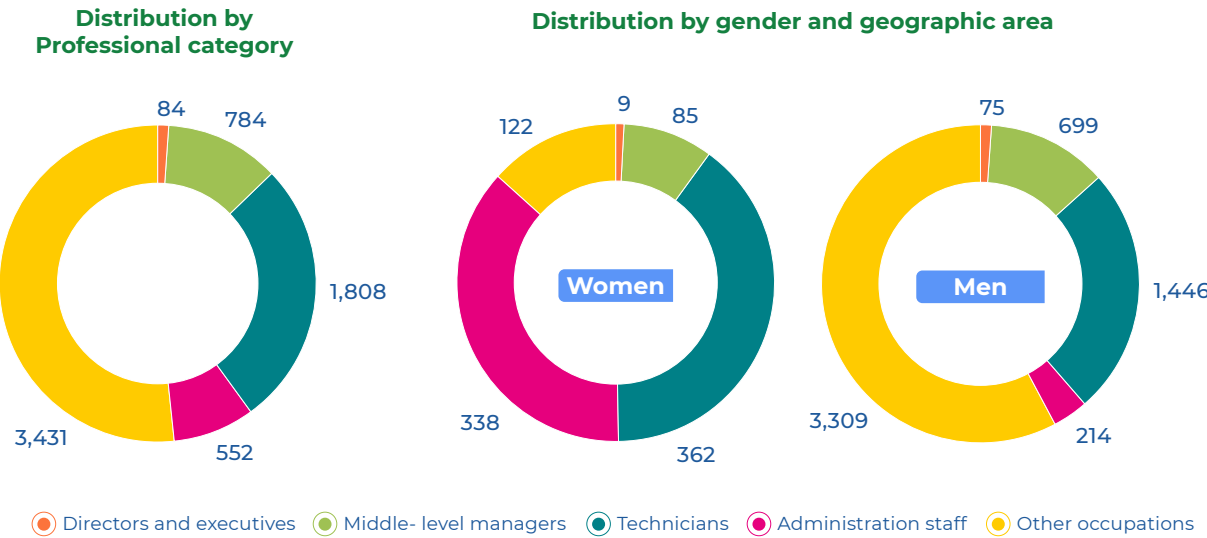
Distribution by type of contract



Distribution by gender and geographic area

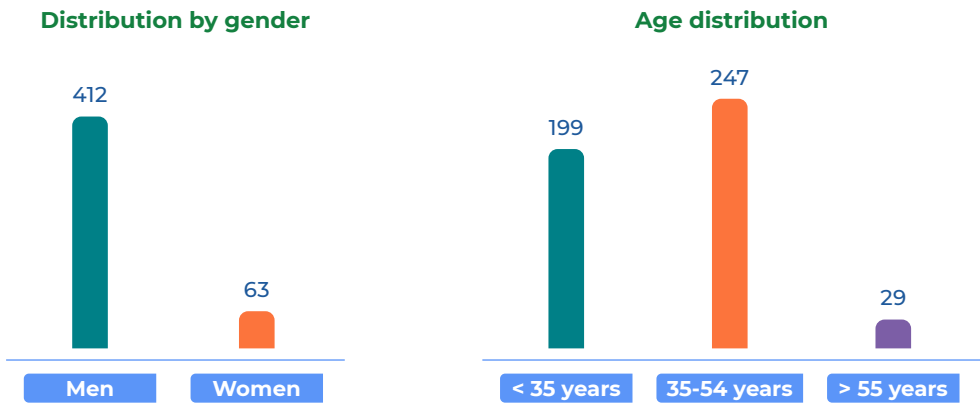


Distribution of the workforce by gender and professional category						
	2021			2022		
	Total	Women	Men	Total	Women	Men
Directors and executives	82	9	73	84	9	75
Middle- level managers	763	81	682	784	85	699
Technicians	1,600	328	1,272	1,808	362	1,446
Administration staff	710	403	307	552	338	214
Other occupations	3,454	127	3,327	3,431	122	3,309
Total	6,609	949	5,660	6,659	916	5,743



Distribution of the workforce by age group and professional category								
	2021				2022			
	Total	< 35 years	35-54 years	> 55 years	Total	< 35 years	35-54 years	> 55 years
Directors and executives	82	1	47	34	84	1	44	39
Middle- level managers	763	43	455	265	784	47	455	282
Technicians	1,600	347	925	328	1,808	415	1,012	381
Administration staff	710	303	285	121	552	159	259	134
Other occupations	3,454	951	605	1,898	3,431	867	1,963	601
Total	6,609	1,646	2,318	2,646	6,659	1,489	3,733	1,437

Voluntary turnover rate						
7,1%	TOTAL 2022	Distribution by gender		Age distribution		
		Women	Men	< 35 years	35-54 years	> 55 years
Total	475	63	412	199	247	29



Industrial Tanks. Lima Airport. (Peru)

EMPLOYEE HEALTH AND SAFETY

Coverage of occupational safety and health system

	2021					2022				
	Total Co.	Total FCC Co.	Total FCC Ind.	Co. Intern.	Co. Spain	Total Co.	Total FCC Co.	Total FCC Ind.	Co. Intern.	Co. Spain
Percentage of employees and other workers* covered by the system	93.3%	84.9%	96.9%	65.3%	100.0%	91.7%	85.9%	98.6%	66.2%	100.0%
Percentage of employees and other workers* covered by the system and subject to internal audits	93.3%	84.9%	96.9%	65.3%	100.0%	91.7%	85.9%	98.6%	66.2%	100.0%
Percentage of employees and other workers* covered by the system and subject to external certification	93.3%	84.9%	96.9%	65.3%	99.4%	91.7%	85.9%	98.6%	66.2%	99.9%

FCC Construcción's accident rates

	2021				2022			
	Lost Time Incident Rate (LTIR) ¹	Severity Rate (SR) ²	Incidence Rate (IR) ³	Absenteeism Rate ⁴	Lost Time Incident Rate (LTIR) ¹	Severity Rate (SR) ²	Incidence Rate (IR) ³	Absenteeism Rate ⁴
National Construction	2.96	0.14	524	6.37	2.60	0.08	488.27	6.75
International Construction	1.06	0.03	167	1.95	0.12	0.0003	28.14	2.31

* The breakdown of the accident rate by sex is not relevant in the construction sector, given that practically all workers on site are men.

¹ Lost Time Incident Rate (LTIR): number of lost time incidents per 1,000,000 hours worked.

² Severity rate (SR): number of days lost due to registered accident with medical leave per 1,000 hours worked.

³ Incidence rate (IR): number of incidents with medical leave per 100,000 workers.

⁴ Absenteeism rate: a measure of the actual days lost by an absent worker, expressed as a percentage of the total scheduled working days for workers during the same period.

SECURING AND RETAINING THE BEST TALENT

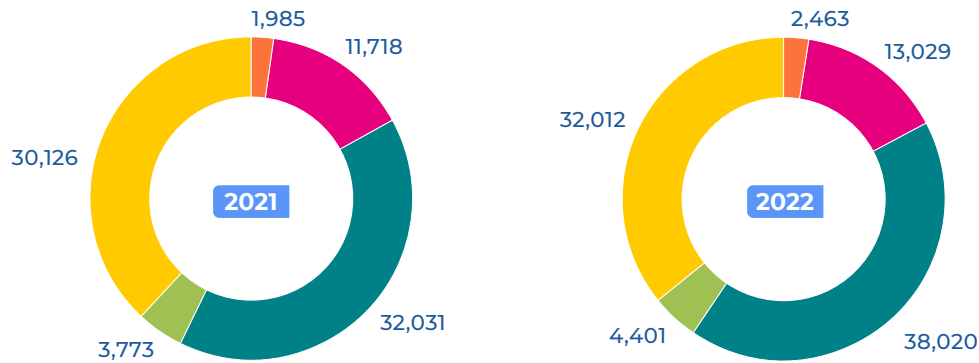


33,450 online training hours.

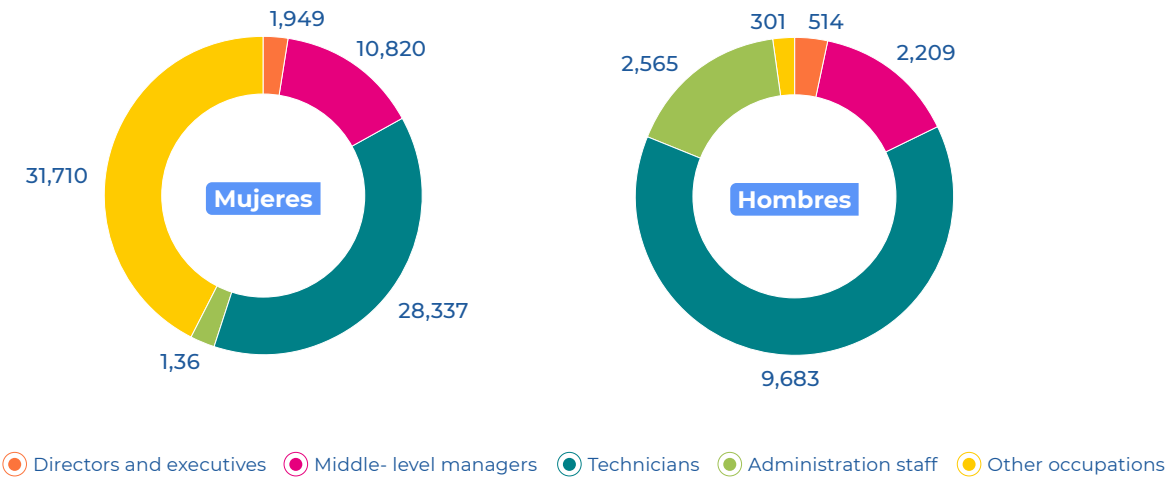
Number of hours of training, distributed by gender and professional category

	2021	2022		
	Total	Total	Women	Men
Directors and executives	1,985	2,463	1,949	514
Middle- level managers	11,718	13,029	10,820	2,209
Technicians	32,031	38,020	28,337	9,683
Administration staff	3,773	4,401	1,836	2,565
Other occupations	30,126	32,012	31,710	301
Total	79,634	89,924	74,652	15,273

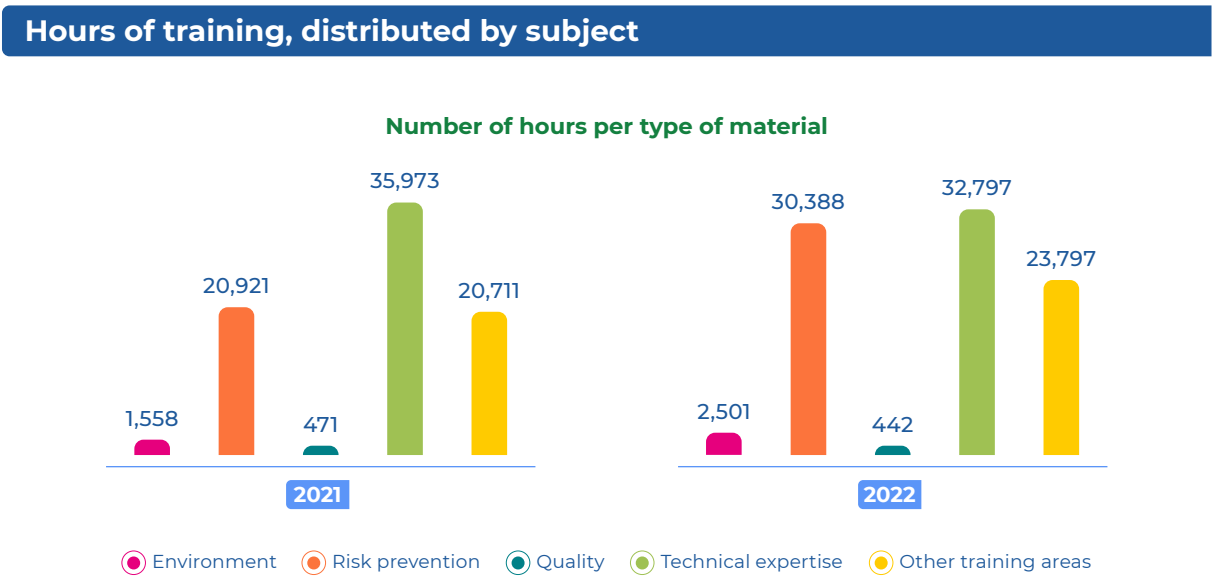
Number of hours by professional category



Number of hours by professional category and gender



Average hours of training per employee, distributed by gender and professional category				
	2021	2022		
	Total	Total	Women	Men
Directors and executives	24	13.5	216.6	6.9
Middle- level managers	15	29.3	127.3	3.2
Technicians	20	16.6	78.3	6.7
Administration staff	5	21.0	5.4	12.0
Other occupations	9	8.0	259.9	0.1
Total	12	9.3	259.9	2.7



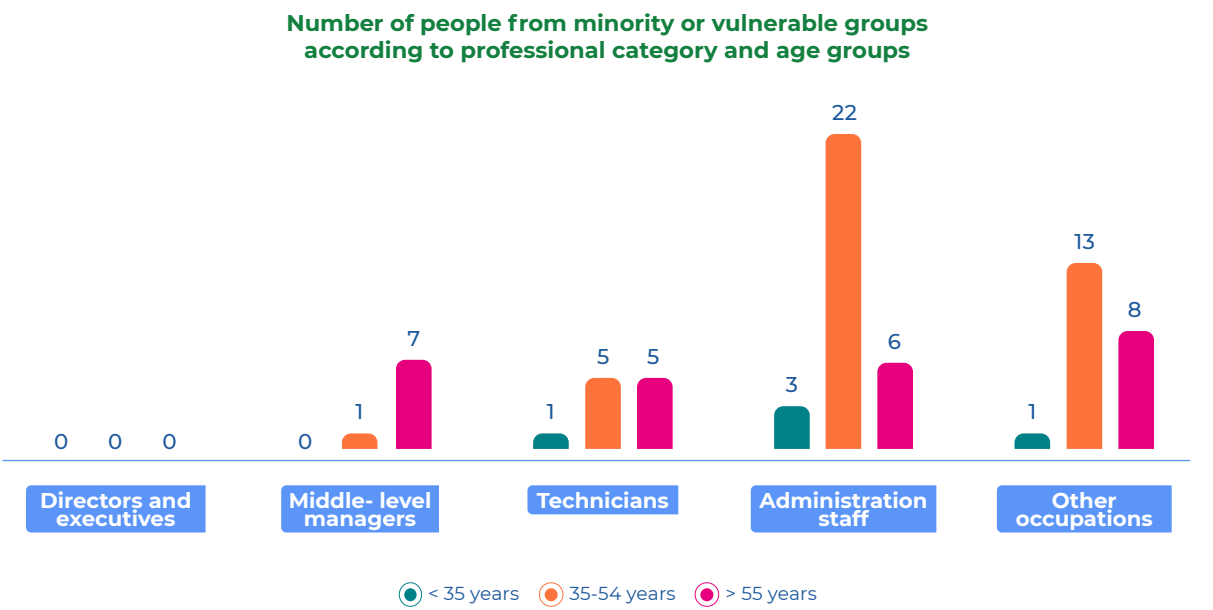
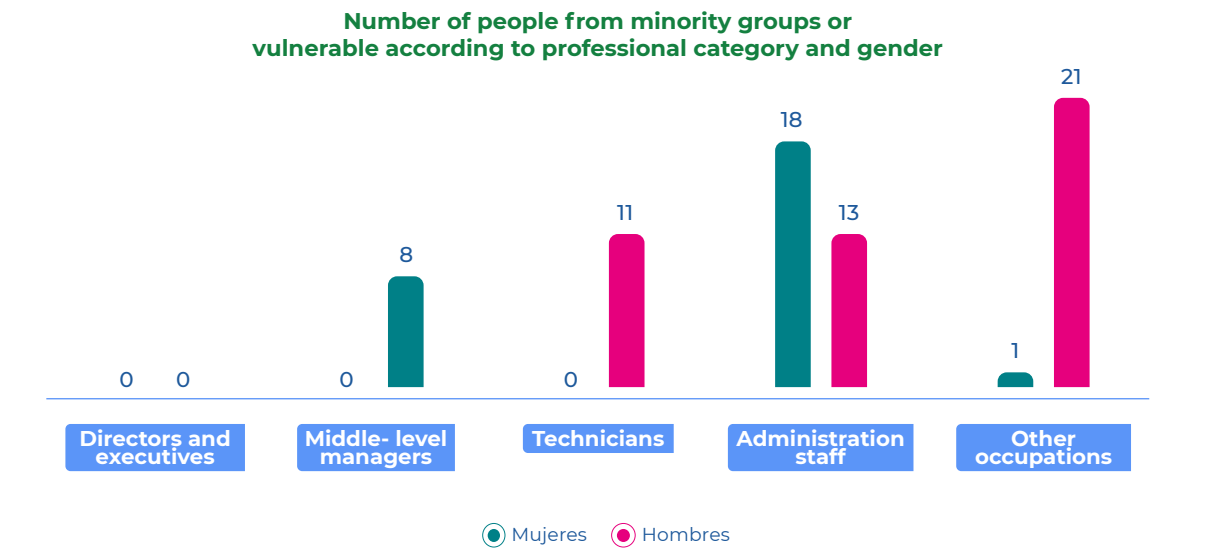
Training expenses (€)		
	2021	2022
Total expenses	1,302,572	1,747,623

EQUALITY AND DIVERSITY PRINCIPLES

Percentage of women		
	2021	2022
As percentage of total workforce	14%	14%
As percentage of management positions	11%	11%
On the Board of Directors	29%	31%

Minority or vulnerable groups in employees*							
Distribution by category	2021	2022					
	TOTAL	TOTAL	Distribution by gender		Age distribution		
			Women	Men	< 35 years	35-54 years	> 55 years
Directors and executives	0	0	0	0	0	0	0
Middle- level managers	6	8	0	8	0	1	7
Technicians	10	11	0	11	1	5	5
Administration staff	30	31	18	13	3	22	6
Other occupations	19	22	1	21	1	13	8
Total	65	72	19	53	5	41	26

* Vulnerable groups are people with disabilities. The data provided correspond to those employees with payroll in Spain.



5.2. RELATIONSHIP WITH THIRD PARTIES

STRATEGIC LINES AND OBJECTIVES

FCC Construcción, as a driver of sustainable development and aware that the impacts of its activity extend beyond the projects it executes, has defined strategic lines for the following years in terms of **Social Action, Value Chain and Alliances**.

SOCIAL ACTION

Strategic lines and objectives.

- Generate a positive impact on local communities.

Targets 2050:

- Allocate 0.1% of FCC Construcción's turnover to the development of social action programs.

VALUE CHAIN

Strategic lines and objectives.

- Evaluate and improve the ESG performance of supplier companies.
- Measure and manage customer satisfaction.

Targets 2050:

- Have 100% of strategic suppliers trained in ESG issues.

ALLIANCES

Strategic lines and objectives.

- Cooperate with the main sector associations, promoting the exchange of knowledge on ESG matters.
- Collaborate with international initiatives to promote sustainable practices.
- Working within the ISO 44001 framework of Collaborative Relationships with Strategic Stakeholders.

Target 2050:

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

To access the complete information on FCC Construcción's Sustainability Strategy click on the following

[Link](#)



Achievements 2022

- Progress in the purchase digitalization process.
- Progress on the ISO 20400 sustainable purchasing certificate.
- Improvement of the service offered to the internal customer.
- Deepening of the supplier approval process.
- Establishment of processes to carry out compliance audits of suppliers and contractors classified as "critical".
- Improved knowledge of the Group's procurement department.
- Extension of the geographic scope of purchases.
- Promoting the use of collaborative relationships in the establishment of alliances to achieve FCC Construcción's strategic objectives, promoting SDG 17.
- High client satisfaction in the final site surveys, rating the performance of FCC Construcción and its companies as "Very Good" and "Good" in 100% of the surveys received in 2022.
- Promoting effective knowledge transfer through Quality and Environmental Technicians' workshops throughout the organization.
- Implementation of a local communication policy aimed at the communities in which we operate.
- Implementation of measures to minimize local impact during construction and of social projects with benefits for nearby communities.
- Participation in events for the dissemination and promotion of knowledge.
- Endorsement of the #supportS campaign on the 7th anniversary of its approval by the United Nations.
- Solidarity campaign "No home without food" in favor of food banks, with the aim of helping the most vulnerable families who have been affected by the crisis caused by COVID-19.

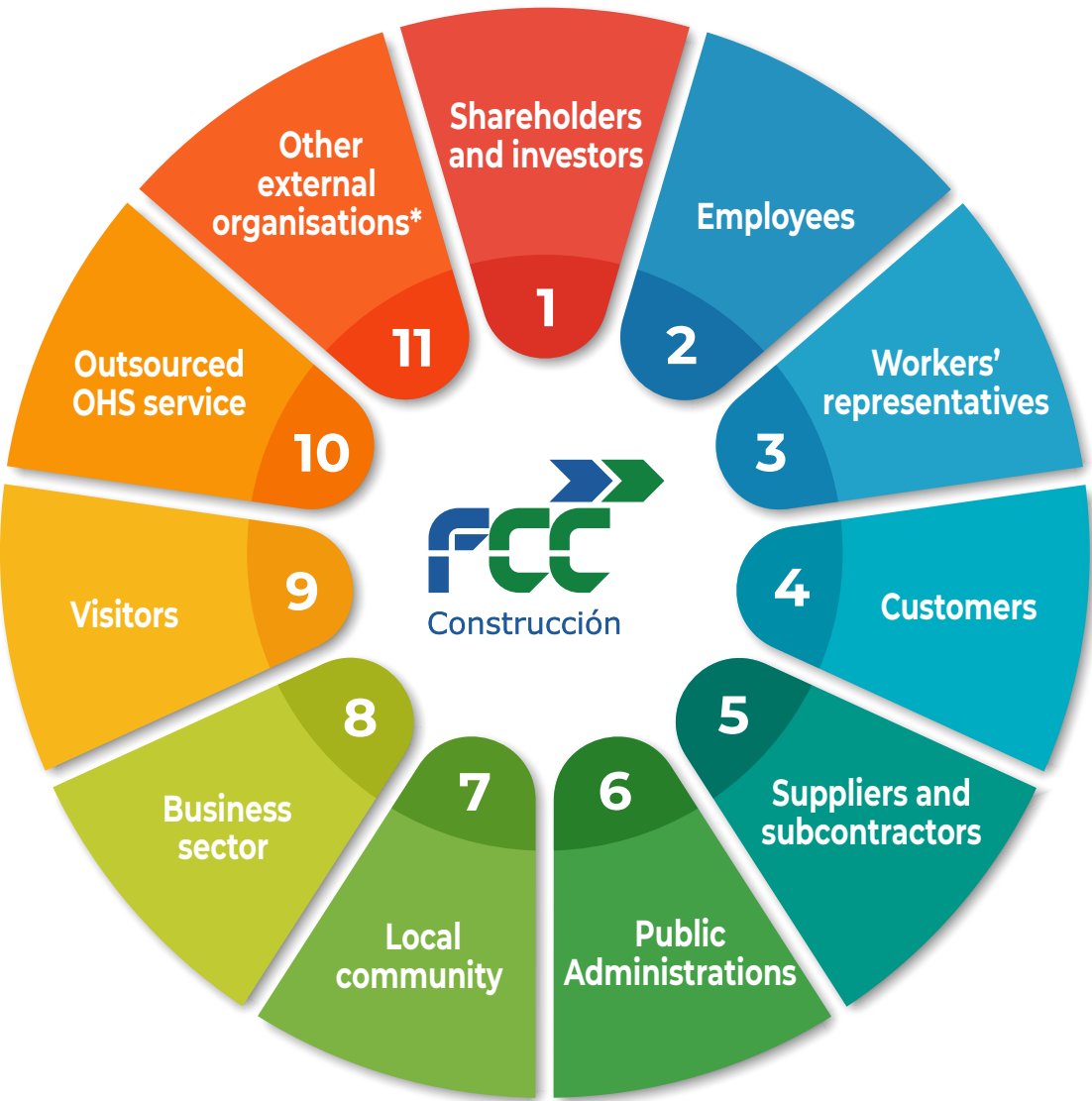


Future challenges

- Finalize the ISO 20400 sustainable procurement certification process.
- Advance in the process of digitalization of purchases.
- Continue improving the service offered to internal customers.
- Improve the level of knowledge of the Group's procurement department.
- Deepen the supplier approval process.
- Extend the geographic scope of purchases.
- Modify the DISCON incident module in order to be able to register complaints from stakeholders other than customers.
- Develop a guideline for maintenance and operation activities to be applied in those contracts where FCC Construcción's performance is extended beyond the completion date of the work (*Commissioning*).
- Develop a new documentation management system for the entire organization that facilitates access, consultation and participation of all users.
- Restructuring the websites of the countries in which we operate.
- Digitize communication actions through the different media developed.
- Continue brand positioning around innovation and sustainability.

RESPONSIBILITY TO OUR STAKEHOLDERS

OUR STAKEHOLDERS



* Foundations, NGOs, universities and technology centers, among others.



MAIN COMMUNICATION CHANNELS WITH STAKEHOLDERS

FCC ONE CONSTRUCCIÓN
Main internal communication channel among employees, which includes company news, press releases, procedures of the different organizations, publications, videos and technical documentation.

2

FCC 360
Mobile application, to channel information between the company and employees and perform other internal queries.

2

WEBSITES AND SOCIAL NETWORKS
Websites of [FCC Construcción](#) and [FCC Industrial](#) in different countries, as well as those of the rest of the company's subsidiaries.
[FCCo Live](#) (external communication videoblog), [FCCo Youtube](#), [FCC Construcción LinkedIn](#) and [FCC Construcción Instagram](#) channel.

1 2 4 5 7 8 9

FCC CITY
On-line channel that allows two forms of navigation: a virtual city and a map of the world, where more than 120 unique projects executed by FCC Construcción have been located, organized by type of project and geographic location.

1 4 7 8 9

CORPORATE COMMUNICATIONS
The company's corporate communication is carried out through articles in the press, publications, posters, brochures, the Friday newsletter, the "Cápsula informativa" channel, thematic videos or corporate videos, manuals, presentations and reports, both in print and on digital platforms.

2

SUSTAINABILITY REPORT AND ENVIRONMENTAL COMMUNICATION
Publications aimed at internal and external communication with all stakeholders, which constitute the presentation of the economic, environmental and social performance of our organization. They are published every other year, although the data is updated annually.

1 2 3 4 6 7 8 9 10

CUSTOMER SATISFACTION SURVEY
Client satisfaction is measured through the end-of-job survey, in which our clients rate a series of attributes of the work performed by FCC Construcción, assigning them a score from 1 to 4 and evaluating their importance.

4

CUSTOMER CONTACT PERSON
Figure in charge of raising points of collaboration, attending to suggestions received, processing the information gathered in meetings with clients and subsequently communicating to them the actions taken as a result of their suggestions.

4

FAIRS, CONFERENCES, COURSES AND CONGRESSES
Presence in multiple forums, congresses, courses, colloquiums on current topics, public presentations, working groups and other events, to share knowledge and disseminate information and experiences acquired in daily work and research activities.

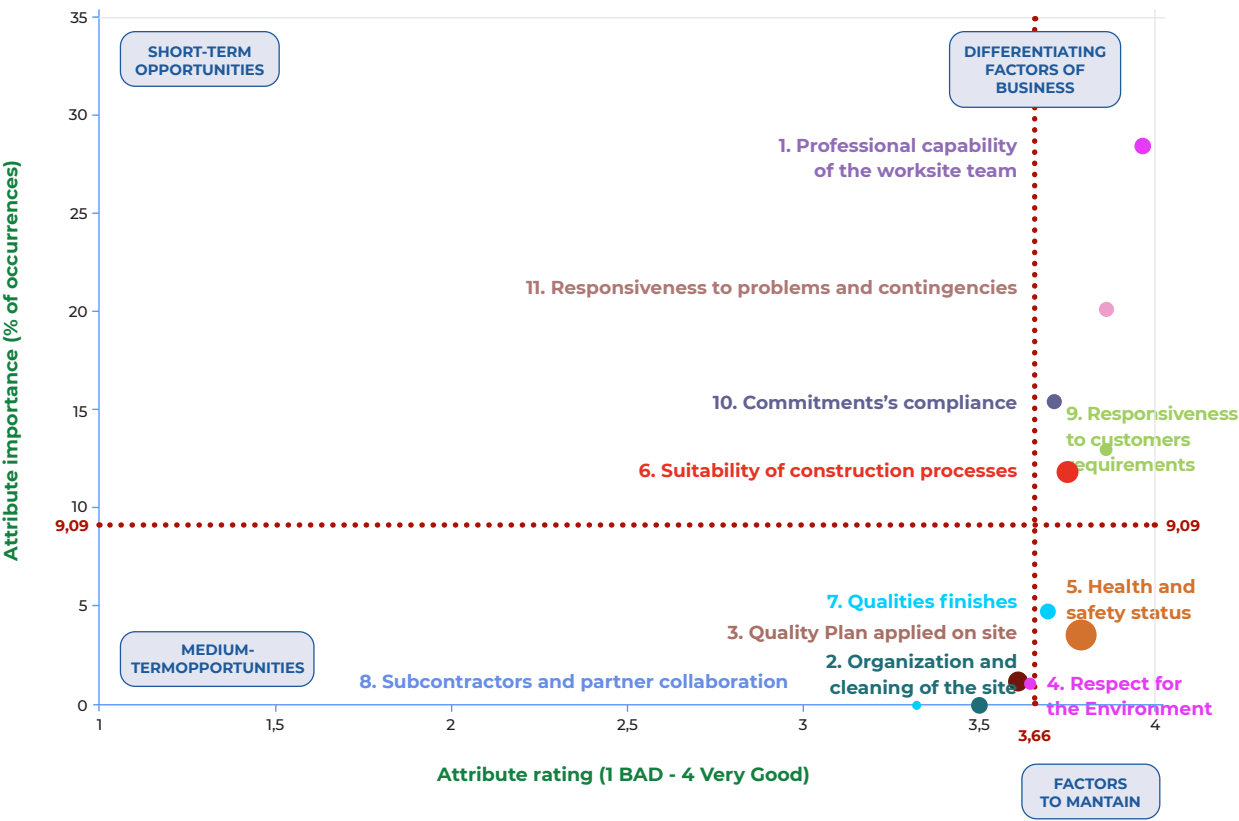
2 5 6 7 8 9

PARTNERSHIP
FCC Construcción is a member of numerous industry associations and organizations in which it actively participates (AENOR, Spanish Rock Mechanics Society, AETOS, ACHE, PTEC Foundation, Railway Innovation Hub, Technical Association of Ports and Coasts, AEC, Spanish Global Compact Network, SPANCOLD, APTB, ENCORD, Technical Road Association, CICCIP, ECTP, SEOPAN, etc.).

3 6 7 8 10 11

ATTENTION TO CUSTOMER NEEDS

DECISION MAKING CHART



TREND OF FCC CONSTRUCCIÓN'S GLOBAL RATING BY THE CUSTOMERS
(1 BAD - 4 Very Good)



* Data from projects executed by FCC Construcción and FCC Industrial e Infraestructuras Energéticas (does not include data from Matinsa, Prefabricados Delta or Megaplas).



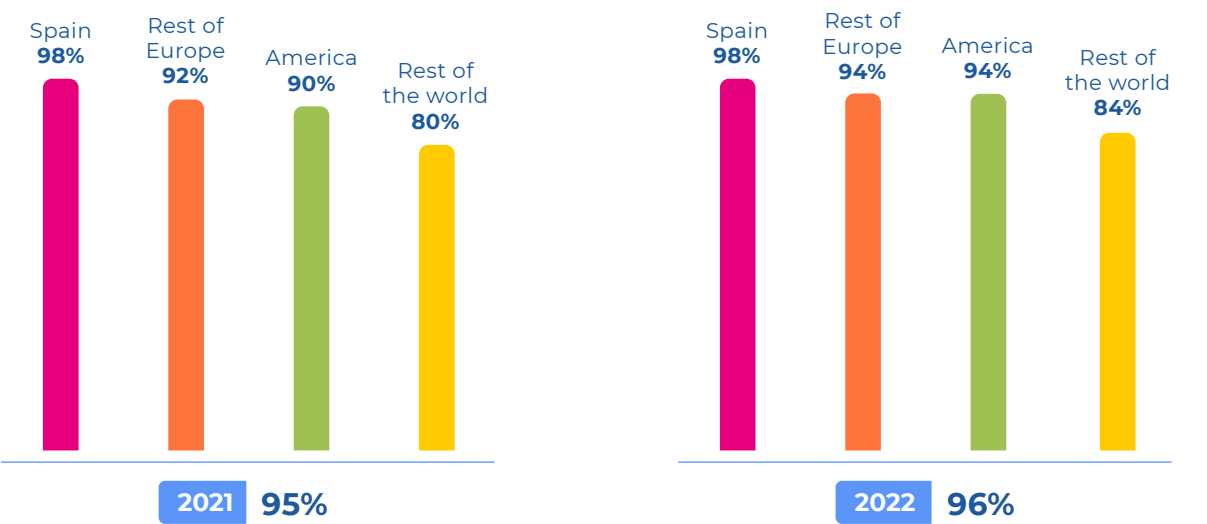
A-465 section 5 and 6. (Wales, United Kingdom)

RESPONSIBLE PROCUREMENT

Number and cost of suppliers by geographic location

	2021				2022			
	Total suppliers	Local suppliers	Total supplier cost (M€)	Cost of local suppliers (M€)	Proveedores totales	Local suppliers	Total supplier cost (M€)	Cost of local suppliers (M€)
Spain	8,802	8,634	787	770	8,366	8,201	779	764
Rest of Europe	2,021	1,864	315	292	2,087	1,959	327	303
America	621	560	66	60	1,076	1,008	296	293
Rest of the world*	900	715	343	326	1,186	993	374	351
Total	12,344	11,773	1,510	1,448	12,715	12,161	1,775	1,712

* Rest of the world includes Australia, United Kingdom, Jersey, Saudi Arabia, Algeria, Egypt, Qatar and Norway.



Supplier evaluation

	2021	2022
Suppliers in the database	132,705	136,454
Irregular	4,425	4,527
Problematic	46	56
Banned	81	81














* These are values accumulated at origin.



Comprehensive renovation of Plaza de España and its surroundings. (Madrid Spain)

MAXIMIZING THE POSITIVE IMPACT ON THE COMMUNITY

Some social projects carried out by our projects

Project	Description	Aligned with the ODS
Mapocho Rio Park	<p>Mapocho Río Park is an ambitious project for the recovery of the southern bank of the river to which it owes its name, located in Santiago, Chile, with an extension of 9 kilometers and 52 hectares. This project, as a singularity, constitutes the largest urban work project with green areas of the program of the Ministry of Housing and Urbanism of Chile, which aims to improve the quality of life of local communities, betting on it through various initiatives since its inception.</p> <p>As part of this project and as a driving force for sustainable development, FCC Construcción demonstrated its commitment to the community through training and awareness-raising activities on the natural environment, such as the delivery of 400 illustrated books on the project to the local school community, promoting their participation and interest in the future park.</p> <p>Another social initiative developed by FCC Construcción Chile was the organization of events for the celebration of Christmas festivities within the framework of the project. Two free performances of a well-known play were held for the local community, in collaboration with the municipalities of Quinta Normal and Cerro Navia, and more than 200 people enjoyed “The Christmas of Toys”, adapted with elements related to the future park and the environment.</p>	 
PRACAN Project	<p>FCC Construcción is participating in the development of the PRACAN project, a robotic platform to identify and control carcinogenic agents in construction. The objective is to prevent cancer at the source, substituting risk substances or using closed systems.</p> <p>This project focuses on respirable crystalline silica (RCS) and asbestos, the two main cancer-causing building materials. The platform includes mobile nodes that identify these agents and issue alerts. The innovations are the rapid and safe detection of asbestos on construction sites and the estimation and mapping of SCR inhalation risk.</p>	  
A-465 Gales	<p>For two years now, FCC Construcción has been developing the project to improve and widen the 17 km of the A-465 dual carriageway in Wales, United Kingdom, which is scheduled for completion in 2025. The highway crosses Welsh communities, where development indices are below average, including lower education and skills levels among the population, lower wages and higher unemployment rates.</p> <p>As a socially responsible company, FCC Construcción has adapted the execution of the project with a sustainable approach to meet the specific needs and objectives of the Welsh government and improve the resilience of the neighboring communities, committing to go beyond the social objectives required by the client, the Welsh Government, and has made additional commitments to improve the environment near the project and the quality of life of the local population. Among others, the key actions carried out are:</p> <ul style="list-style-type: none">• Hiring of long-term unemployed, people with limited training, disadvantaged or minority groups, students, etc.• Employee training.	       

MAXIMIZING THE POSITIVE IMPACT ON THE COMMUNITY

Some social projects carried out by our projects

Project	Description	Aligned with the SDGs
A-465 Gales	<ul style="list-style-type: none">Engagement with students in science, technology, engineering and mathematics (STEM) related studies.Supporting the community, helping them to maintain their services and favoring the local population, through various activities.Implementation of two environmental projects in the area, one of them focused on the protection of bats to maintain and improve the balance of the ecosystem.15,000 trees plantation in the surrounding area.Investment in the local supply chain.	<div><div><div>1 NO POVERTY</div><div>4 QUALITY EDUCATION</div><div>10 REDUCED INEQUALITIES</div></div><div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>15 LIFE ON LAND</div></div><div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div><div>17 PARTNERSHIPS FOR THE GOALS</div></div></div>
Cuevas de Campo irrigation system	<p>Prefabricados Delta in 2022 won the contract to supply the main pipeline for the modernization of irrigation in the Cuevas del Campo Collectivity (Granada).</p> <p>The project, which includes works that will affect 3,491 hectares of the Cuevas del Campo irrigation area, will benefit 1,100 community members, making a significant contribution to boosting the primary sector in the area, through the transformation of the existing irrigation system, consisting of ditches and canals that suffered significant losses, replacing it with a network of more efficient pressurized pipes that allow better use of the resource.</p>	<div><div><div>1 NO POVERTY</div><div>6 CLEAN WATER AND SANITATION</div></div><div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div></div>
Fomento Awards - FCC Construcción (Corporate)	<p>After two years being held online, in 2022, FCC Construcción, organized the Fomento Awards event in person, as before the Covid pandemic. These awards, instituted in 1995, have the fundamental commitment to recognize the highest levels of technical qualification, innovation and capacity of the projects managed by the company around the world. This initiative, which has a long history and is deeply rooted within the organization, awards two "Quality Promotion for Excellent Work" prizes, one in the area of Building and the other in Civil Works, and one "Innovation Promotion" prize. In 2022, the winning projects were the Fomento 2022 Award for QUALITY for the Mersey Bridge (United Kingdom) project, and the Fomento 2022 Award for INNOVATION, for the UTE Fotovoltaica Puertollano project: bifacial photovoltaic panel (FCC Industrial Gerencia Sur) project.</p>	<div><div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div></div><div><div>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div></div><div><div>17 PARTNERSHIPS FOR THE GOALS</div></div></div>
FCC Group	<p>Development of training actions such as "Let's talk about Equality", training aimed at opening a space for reflection on equality in the company, "Ethmor" training on the Code of Ethics and Conduct, the training action on "Disability Awareness", 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, training on cyberbullying or training on cybersecurity, given with the aim of creating a culture of security in FCC and laying the foundations for protection (both of confidential information of the FCC Group and of our customers and suppliers).</p> <p>At the end of the year, a Sustainability training program was also launched to inform the organization of the Group's objectives in this area.</p> <p>In 2022, the FCC Group joined the commemoration of European Diversity Month, recalling the company's motivation to continue advancing in the creation of inclusive work environments and received the Award for best practice in cultural transformation in diversity and inclusion for the <i>you_diversity</i> project.</p>	



Tenerife Island Ring

5.3. GOOD GOVERNANCE AND EFFECTIVE RISK MANAGEMENT

STRATEGIC LINES AND OBJECTIVES

The path to be followed by FCC Construcción in the coming years in terms of the different matters encompassed by good governance in the company, such as internal and external **communication, human rights, ethics and compliance** and **ESG risk management**.

COMMUNICATION

Strategic lines and objectives.

- Communicate externally the ESG performance of FCC Construcción.
- Improve internal communication.

HUMAN RIGHTS

Strategic lines and objectives.

- Assess the risk of human rights violations.

Targets 2050:

- Evaluation, human rights violations risks in 100% of FCC Construcción's activities.

ETHICS AND COMPLIANCE

Strategic lines and objectives.

- Generate a culture of compliance in the company.
- Encouraging free competition.
- Extend ethical and compliance principles to the value chain.

ESG RISK MANAGEMENT

Strategic lines and objectives.

- Assess ESG risks.

Objective 2026:

- Mitigation and development of action plans for 100% of the ESG risks identified as significant.

To access the complete information on FCC Construcción's Sustainability Strategy click on the following

Link





Achievements 2022

- Elaboration of FCC Construcción's Climate Change Strategy 2023-2026, approved by the Sustainability Committee.
- Preparation of the 2023-2026 Sustainability Strategy, approved by the Sustainability Committee. This Strategy sets the ambition, through major objectives for 2050, and the roadmap for FCC Construcción, supported by intermediate objectives that will enable to improve its responsible performance.
- Approval by the Board of Directors of FCC, of the new Sustainability Policy of the FCC Group, which reformulates the former Social Responsibility Policy, in force since 2016.
- Adherence to the Code of Ethics and Conduct and regulatory compliance block of the companies of Costa Rica, Peru, Portugal, Colombia and Panama.
- Approval of the Competition Policy by the Board of Directors of the FCC Group.
- Launch of new mandatory online training on the Code of Ethics and Conduct and new adherence to the Code.
- Provided in person training in Spain on Competition and online training on the Code of Ethics and Conduct.
- Re-evaluation of the risks of the Criminal Compliance Model of the infrastructure area of the FCC Group and updating of the Criminal, Risk and Control Matrix.
- During 2022, FCC has not received any complaint that has resulted in a violation of these fundamental rights and freedoms by the Group.
- Coordination of the supervision of the Compliance Model in the construction area by Internal Audit.
- Identification of environmental risks and opportunities in 97% of FCC Construcción's works and fixed centers.



Future challenges

- Launch new online training courses through the FCC Campus platform on the Code of Ethics and Conduct, Anti-Corruption and Conflicts of Interest.
- Establish a new specific methodology to identify and evaluate the physical climate risks of all activities carried out by the FCC Group in order to determine their degree of importance or materiality.
- Establish a framework for monitoring compliance with the Climate Change and Sustainability Strategies.
- Extend the scope of compliance training given in Spain to international subsidiaries.
- Continue with the homologation of suppliers in terms of compliance.
- Test the design and effectiveness of the controls established in the certifications of the criminal prevention model.
- External review of the Compliance Model to confirm that we comply with the highest national and international compliance standards.

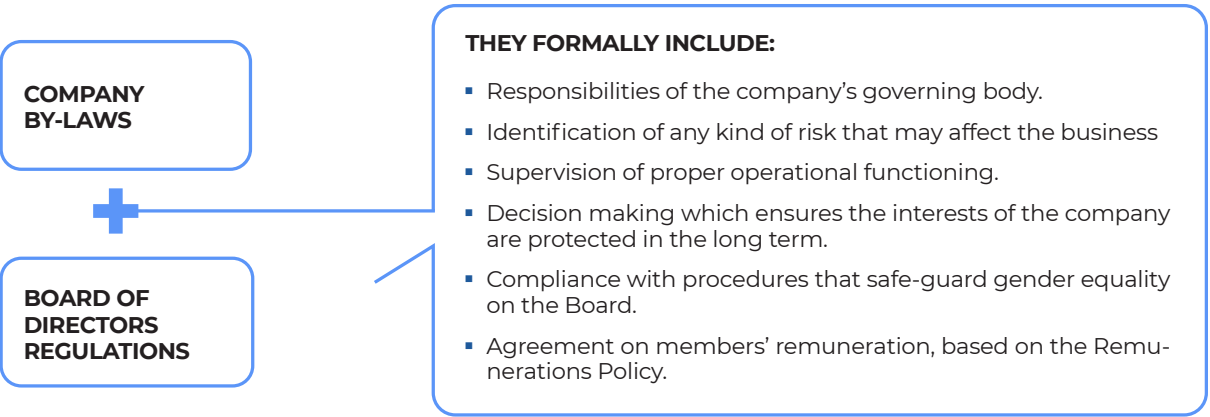


Guillermo Gaviria Tunnel. (Colombia)

CORPORATE-GOVERNANCE MODEL

Where can I find information about FCC's Corporate Governance management?

FCC Group Annual Report (Governance and corporate ethics section)	Annual Corporate Governance Report
FCC Group Annual Report	Annual Corporate Governance Report



COMPLIANCE, ETHICS AND INTEGRITY

FCC COMPLIANCE MODEL



ETHICS CHANNEL:

- FCC Group has numerous effective reporting mechanisms, which allow workers and other stakeholders to report event if potential breaches are detected.
- 190 notifications received en 2022 in FCC Group.
 - 157 of these were considered relevant and were processed in accordance with the Group's Compliance Model.



REGULATORY SECTION:

- Code of ethics and conduct.
- Criminal Offence Prevention Manual.
- Anti-corruption policy.
- Competition Policy.
- Partner relationship policy in the area of Compliance.
- Investigation and response procedure.
- Ethical Channel Procedure.
- Human Rights Policy.
- Compliance Committee Regulations.
- Agent policy.
- Gift policy.
- FCC Group participation policy in bidding processes for goods or services.
- Harassment Prevention and Eradication Protocol.



COMPLIANCE COMMITTEE:

Responsible for ensuring the proper functioning of the Ethics Channel and assessing possible improvements in the controls and systems established in the company, being able to recommend corrective actions if deemed necessary.

- In 2022, 12 ordinary meetings and 3 extraordinary meeting.



TRAINING AND DISSEMINATION

Ongoing training and communication programs on the Code of Ethics and Conduct for employees. In 2022 the following stand out:

Online training:

- 1,690 FCC Construcción employees take the new “Ethmor” course on the Code of Ethics and Conduct.
- *Mandatory Equality training and ESG training

Face to face training:

- On-site training on the Compliance Model, Code of Ethics and Conduct and dissemination of the Ethical Channel in the following subsidiaries and branches: PREFABRICADOS DELTA, MEGAPLAS, MEGAPLAS ITALIA SPA, Romania, Holland, Chile, Norway and Cana.



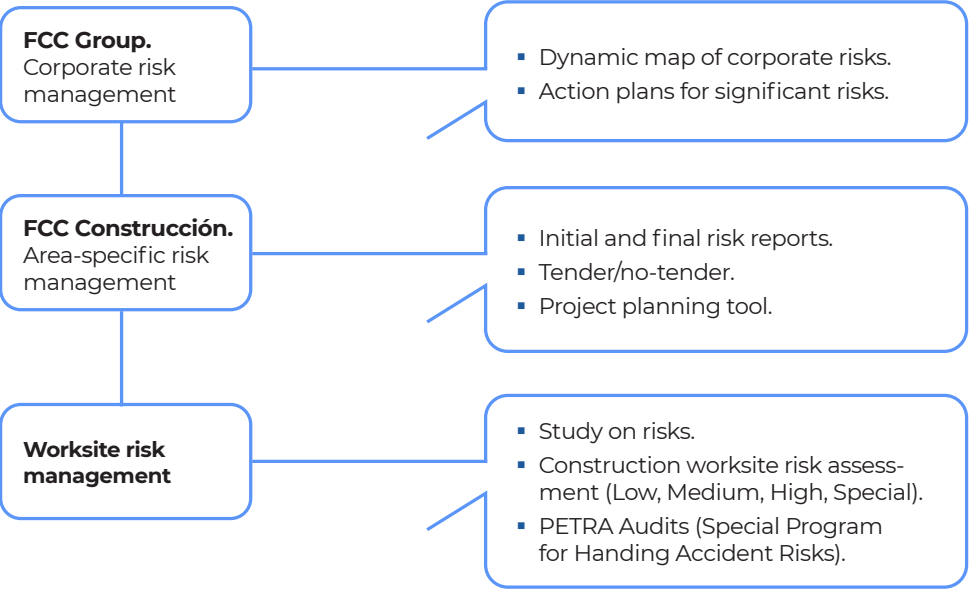
MODEL CERTIFICATIONS:

Those responsible for the controls designed to prevent criminal risks carry out a six-monthly self-assessment.

- In 2022, the Construction area completed two certifications of the Criminal Prevention Model through the Compliance Tool.
- 618 and 651 controls evaluated in each certification, with 100% of the controls answered in both certifications.
- Implementation and certification of the controls of the International Anti-Corruption Matrix in the Australian subsidiary of FCC Construcción, SA, FCC CONSTRUCCIÓN AUSTRALIA PTY LTD and specific adaptation of the international anti-corruption matrix and certification of its controls in the subsidiary MEGAPLAS ITALIA, SPA.

IDENTIFICATION AND PREVENTION OF ESG RISKS

PRIORITY LINES OF R&D&I AT FCC CONSTRUCCIÓN



Social and environmental risk of projects at bidding stage*

Level of socio-environmental risk	2021	2022
High risk projects	0.09%	4.8%
Medium risk projects	85%	10.6%
Projects with minimal or no risk	18%	84.7%
Total projects studied and tendered	1.066	378

* Data from FCC Construcción and FCC Industrial e Infraestructuras Energéticas (does not include data from Matinsa, Prefabricados Delta or Megaplas).

Environmental risks and opportunities of projects in the construction stage

	2021	2022
Nº of identified risks/opportunities	5,717	6,556
Average number of identified risks/opportunities	47.25	52.87
Nº of identified actions	10,356	10,917
Average number of identified actions	85.59	88.04
Total projects with environmental risk data	121	124



Mayan Train. Section 2. (Mexico)



