



Sustainability Report

2021
2022



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Letter from the CEO

Sustainability is no longer seen as a voluntary framework for businesses but as a necessary instrument for their development and progress. It is essential to build environmental, social and good-governance (ESG) criteria into all the processes and activities that organisations undertake.

At FCC Construcción, with more than 120 years of experience, we continue to consolidate our position as a world benchmark when it comes to sustainability in the construction sector. This enables us to respond to the latest international trends and address the serious contingencies caused worldwide by the COVID pandemic, the energy crisis and the armed conflicts that have sadly been occurring.



At FCC Construcción we continue to consolidate our position as a world benchmark when it comes to sustainability in the construction sector

We are well aware that our business operates in a complex and dynamic framework, but we know how to adapt to it and make the most of the opportunities and competitive edge that the market offers. Despite the uncertainty of our times, we ended 2021 with positive results, achieving a turnover of 1.660 M EUR - 3% higher than in 2020. The EBITDA of the construction division of FCC Group increased by 91.5% in 2021, reaching 102.6 M EUR.

To continue with our economic development and make it sustainable over time, we must carry on working on integrating the demands of society and the communities where we operate, dealing with the consequences of serious global crises, and strengthening and holding on to our biggest assets: more than 6,000 professionals who work with us, and play an essential role in FCC Construcción and without whom it would be impossible for us to achieve our goals.

At FCC Construcción we create workplaces that are inclusive, egalitarian and collaborative, where diversity is fostered, and talent and innovation are strengthened. Because our projects are so complex, we have been drawn towards HR policies that attract and retain the best professionals on the market, ones who are committed to our company and have enormous knowledge and technical experience, enabling us to meet all our stakeholders' needs and requirements.

Our business continues to grow thanks to our stakeholders, so it is imperative that we continue to earn their confidence by creating and maintaining both lasting and valuable partnerships, so that we can share synergies and join forces to face the huge global challenges.

Construction is one of the key sectors with the greatest global influence on the economic, social and environmental development of communities and their surroundings. Therefore, to address the huge challenges that the world is facing such as

combating climate change, depleted resources, environmental pollution and the excessive generation of waste, turning them into opportunities, based on models already implemented within the company, such as the circular economy is a top priority for the company. Not only we are aware that we have the necessary know-how to create more sustainable communities; but also we know that it is in our hands to convey this and achieve it right across our value chain.

Our intention by publishing this sustainability Report 2021-2022 is to report, account for and highlight our performance in terms of sustainability, innovation and compliance with the highest standards of commitment. Through this annual Report, we once again reaffirm our commitment towards the UN Global Compact and integrating its ten principles right across our organisation.

Our report is the result of all the actions and projects that we are developing, but also everything that remains for us to do. There can be no doubt that we are facing tough challenges, both now and in the future, but we also see many opportunities as well that we must make good use of in order to convey our sustainability model to the value chain. At FCC Construcción we have been working on this for many years now, because our vocation and passion push us towards continuing to strive to give our company the leverage for change in order to build a better planet for the generations to come.

Pablo Colio Abril

FCC Construcción
Chief Executive Officer



FCC Construcción at a glance

I+D+i

In 2021 investment in RDI stood at EUR 2,881,000. Our main projects: **Bicisendas, Desire, Cybersec, Polder, SAIM, OnlyBIM and Gaudi**

37%
civil works

Our building business increased by **37%**. Civil works was the most significant business area, representing a **56%** of the total turnover

56%
total turnover

6,609
employees

6,609 employees, **14%** of whom are women (2 percentage points higher than in 2020)

Adhering to the UN Global Compact since 2004

In 2021 training hours added **79,634**
Investment in training rose to EUR 1,302,572 — **22% more** than in 2020



47% turnover

Although Spain is still the main market, **international** presence now accounts for **47%** of FCC Construcción turnover

97%
local
suppliers

66% civil works

A business portfolio of **3.981M EUR**. **66%** was located abroad, with civil works as the principal business area.



1.660 M EUR

Turnover increased to EUR **1.660** M EUR — **3%** higher than in 2020

Expenditure on **donations, associations and sponsorships** in 2021 totalled EUR **859,000**



624,678 tonnes

100% of **FCC Construcción's** carbon footprint was verified in 2021. **624,678** tonnes of CO₂ eq verified (excluding FCC Industrial and Áridos de Melo)

It covers all fields of construction engineering:

Civil works
Building and refurbishment
Industrial



93%
employees

93% of employees are covered by the **occupational health and safety** (OHS) system.

WWW

Our website was visited **210,392** times in 2021

ISO-certified management systems in all areas:

Quality Assurance
Environment
Occupational Health and Safety
Greenhouse Gases
Information Security
RDI management
Partnerships

27
countries

Present in **27 countries**. Including:

Europe: Spain, Belgium, Norway, Netherlands, Portugal, Romania, Ireland, United Kingdom, Bulgaria.

Americas: United States, Canada, Chile, Colombia, Mexico, Peru, Panama, El Salvador, Costa Rica, Nicaragua

Rest of the World: Saudi Arabia, Qatar, Australia.

Energy consumption (GJ)



Water dumped (m³)



Materials consumption (t)



Total waste (t)



Hazardous waste (t)



Particles (Kg)



GGE (t CO₂ eq)



Water consumption (m³)



Water recycled (m³)



Earth and rubble reused (m³)



Non-hazardous waste (t)



NO_x and SO_x emissions (Kg)



Particle emissions avoided (Kg)



GGE avoided (t CO₂ eq)





Highlights

2021

- Murcia tram system wins award for **leadership in sustainable mobility**.
- Official start of the Mapocho Río Park project.
- **Megaplas the first firm in its sector to achieve EC mark for building metal structures.**
- FCC Construcción completes Castrovido dam.
- **FCC Construcción wins European PPP Deal of the Year award for the A465 project in Wales (UK).**

January

- FCC Construcción takes part in sessions on climate change organised by the European Commission.
- FCC Construcción takes part in the UN Regional Forum event.
- FCC Construcción organises the **second Digitisation/BIM conference.**

March

- Convensa starts works on the Hipogeo at the Santiago Bernabéu Stadium in Madrid.
- FCC Construcción wins the **EJE&CON** distinction as a committed business.

May

February

- Convensa wins contract for Madrid Metro track maintenance, lot 3.
- Prefabricados Delta obtains certification accrediting its metal-jacketed concrete pipe as suitable material for carrying drinking-water.
- FCC Construcción takes part in the first edition of the **SDG AMBITION** accelerator programme.
- Megaplas chosen by BP Europe to design its corporate image.
- FCC Construcción presents its 2021 report on **Good Occupational Health and Safety Practices.**

April

- FCC renews its commitment to the **Diversity Charter.**
- FCC Construcción takes part in the "Sustainable Finance in Business" forum.
- FCC Industrial leads a pioneering employment project for vocational-training students.
- FCC Construcción plays a successful part in the MWCC and Global Shoppers initiative "35 under 35".
- FCC takes part in the "Smart Digitisation in Industry" event organized by Expansión.
- FCC Construcción included in the first **Catalogue of Good Circular-Economy Practices.**
- **Gerald Desmond Bridge project among Transportation Award Winners.**

June

- FCC Construcción participates and supports the campaign by the Spanish Global Compact Network: **Altavoz ODS.**
- FCC Construcción takes part in the **second Solidarity Circuit of the Real Madrid Foundation.**
- FCC Construcción completes the "Doubling the N-338 for access to Alicante-Elche Miguel Hernandez Airport" project.
- FCC Construcción takes part in the **Leaders Summit 2021 (UN Global Compact).**
- **Industrial Bridge contract won in Chile.**

- **FCC Construcción honoured as Civil Construction Company of the Year 2021** at the Construction and Engineering Awards.
- Convensa wins track-renovation contract at Aguilar de la Frontera station in Córdoba.
- Two FCC Construcción projects included in the **UN Top 20 for PPP** and post-COVID reconstruction.
- A465 project, sections 5 & 6 (Wales, UK) wins international **IJGlobal Awards 2020**.
- Prefabricados Delta wins contract for single-block sleepers for renovation of Llerena and Fuente del Arco stations in Badajoz.
- **"Refurbishment of Santiago Bernabéu Stadium"** wins Construsoft BIM Awards.
- FCC Construcción pioneers combining BIM and "blockchain".

July

August

- FCC group wins **FESBAL's COVID-19 Stars** award for its engagement, commitment and solidarity during the health crisis.
- Convensa wins contracts for infrastructure maintenance and conventional-track network.
- Convensa completes works for improvement and renovation of Metro line 12.

- **Parador de San Marcos (León), built by FCC Construcción, recognised as "Best Hotel in Europe 2021"**.
- Convensa wins contract for phase 1 of renovation of diversions on Madrid-Seville HST line.
- FCC Industrial completes project for urgent action to repair Fuente Álamo pumping station (Murcia).
- FCC Construcción joins the campaign **#apoyamoslosODS** promoted by the UN Global Compact Spain.
- **PREFABRICADOS DELTA obtains Environmental Product Declaration for its post-tensioned metal-jacketed concrete pipe**.
- FCC Construcción joins **COP26** ambition manifesto.
- **FCC Construcción reaches its target of verifying 100% of its activities under the ISO 14064 standard for greenhouse-gas emissions**.

September

October

- FFCC Construcción publishes the **2020 Sustainability Report Update**.
- FCC Construcción involved in the drafting of *"CFO Principles on Integrated SDG Investments and Finance"*.
- A465 project in Wales (UK), completed by FCC Construcción, preselected for **Valued Partner Awards 2021**.
- Buildings at the Grangegorman Campus at the Dublin Institute of Technology (Ireland), finalists in the **Irish Construction Industry Awards 2021**.
- Prefabricados Delta wins **Technical Innovation award**.

- Prefabricados Delta wins contract to supply concrete sleepers for works and maintenance needs on the South and Central Spain rail network.
- **FCC Construcción chosen as "Company of the Year 2021"**.
- For the ninth time, FCC Construcción renews the **registration of its carbon footprint and carbon-dioxide reduction, offsetting and absorption projects**.
- FCC Construcción wins contract to build Quisi viaduct (CALP-TEULADA section) on line 9, Alicante section.
- **Inauguration of Plaza España works**.

November

December

- FCC Construcción participates in **GO ESG ASEAN 2021 Summit** by United Nations.
- FCC Construcción takes part in the closing event of the sixteenth edition (2021) of the EOI master's degree for **Management Development: Women with High Potential**.
- FCC Construcción participates in the Future Valleys Construction consortium, winner of the **"Best Newcomer Award"** at the Valued Partner Awards.
- FCC Industrial completes construction of Barciene photovoltaic plant.
- FCC Construcción publishes its sustainability report **"Environmental Disclosure 2021"**.
- **RRC wins award at seventh edition of Awards for Practices in Social Responsibility and Sustainability**.

Awards and recognitions



National

- Caminos Madrid Award. CICCOP. Award for best municipal public works CTR Loeches (Madrid).
- *Building Smart International finalists*. Design category for refurbishment of Santiago Bernabéu Stadium (Spain).
- Murcia tram system wins award for leadership in sustainable mobility.
- EJE&CON 2021 Award: Committed business. Talent and competitiveness code.
- “Best Hotel in Europe 2021” award for San Marcos Parador (León).



International

- Finalist at the “Construir 21” awards in the project to refurbish the Beira Baixa line between Covilhã and Guarda, in the *Best Public Engineering project* (RRC, Portugal).
- Recognition of “Work-Life Balance” best practices under social responsibility in the Decent Jobs and Conciliation category by the Portuguese Business Ethics Association (RRC, Portugal).
- PFI Award, *Europe - PPP Deal of the Year*. A465 project, Wales (UK).
- *Transportation Award Winners*. Project of the Year: *Gerald Desmond Bridge*.
- *JGlobal Awards 2020*: European Social Infrastructure Education PPP Deal of the Year: A465 sections 5 & 6 *IJGlobal Awards 2020*: European Transport Deal of the Year: A465 sections 5&6.
- *Civil Construction Company of the Year 2021*. *Construction and Engineering Awards*.
- Finalists. A465 - Wales (UK). *Valued Partner Awards 2021*, in the Best Newcomer Award category.
- *Finalists*. *Dublin Institute of Technology (DIT)* at Grangegorman campus (Ireland). *Irish Construction Industry Awards 2021*.
- “Business of the Year 2021” awarded by the Spanish Chamber of Commerce in Belgium and Luxembourg.
- *Future Valleys Construction*: Relevant Business award. *Valued Partner Awards*.



Key sponsorships in 2021

- 23rd *Riegos del Alto Aragón* conference.
- 38th National Irrigation Conference.
- Madrid Regional Government Transport Minister's working breakfast.
- Andalusian Regional Government Works and Environment Minister's working breakfast.
- First Circular Economy Conference (Seville).
- Mediterranean Corridor Conference (Expansión).
- New irrigation forum.
- Jersey Island Awards.
- Climate Change 16 Summit (COP16).
- Caminos Galicia Conference.
- Caminos Foundation.
- UN Global Compact.

Certified Management Systems

Certified management systems by management division

Management division	Standard	2021				
		Total Construction	Total FCC Co	Total FCC Industrial	International construction	Construction in Spain
Quality	ISO 9001	95.1%	98.9%	81.3%	91.4%	98.4%
Environment	ISO 14001	94.8%	98.9%	79.7%	90.7%	98.4%
Occupational Health and Safety	ISO 45001	93.3%	84.9%	96.9%	65.3%	100.0%
Information Security	ISO 27001	43.1%	41.9%	47.4%	0.0%	80.3%
GHG Emissions	ISO 14064	77.8%	98.8%	0.0%	90.6%	66.8%
Partnerships	ISO 44001	33.0%	41.9%	0.0%	0.0%	61.5%
RDI management	UNE 166002	47.6%	41.9%	68.8%	NA	88.7%

Case study

Contributing towards creating more sustainable communities that can withstand climate change and are natural-environment friendly.



► FCC Construcción wins a new contract in Chile; Industrial Bridge Road Concession



In 2021 FCC Construcción won a new contract in Chile, for the **Puente Industrial Road Concession**. The objective of this project, located in the Bío Bío region in southern Chile, is to create an alternative crossing over the river Bío Bío to relieve traffic congestion between the communes of Hualpén and San Pedro de la Paz.

The contract represents an investment of more than EUR 126 M, and the works consist of building a 6.42-kilometre section of urban motorway to link Avenida Costanera de Hualpén, on the north bank, and Route 160, in San Pedro de la Paz commune, on the south bank.

The new road also features a new bridge over the river, 2.5 km long, plus two new links to Avenida Costanera and Los Batros, besides other structural works for the railway crossing, pedestrian walkways, level-crossings, riverbank-defence works, sanitation and drainage, road signage and safety, lighting, landscaping, etc.

A particularly notable feature of this project is the inclusion of rehabilitation of Los Batros wetlands, with both objectives of improving their environmental conditions by such actions as incorporating species to conserve and strength the functions of the ecosystem and increasing the energy-dissipation function of the flood area in the event of a tsunami, to assure greater protection for the communities living in this region.



1

Who we are

FCC Construcción S.A. is a leading firm in infrastructure development, civil engineering works, and new residential and non-residential buildings. With more than 120 years' history, the company has proven experience developing projects in the construction sector, both in Spain and abroad.

The construction division of the FCC Group also has a number of subsidiaries operating in the industrial, energy and other related sectors (infrastructure maintenance, precasting, corporate image, facilities maintenance, energy efficiency, etc.). It also has considerable experience in developing projects under concession arrangements.

FCC Construcción

- | Motorways, dual-carriageways and roads
- | Bridges
- | Tunnels
- | Railway works
- | Airport works
- | Maritime works
- | Water works
- | Infrastructure maintenance
- | Sewage- and water-treatment

Industrial

- | Distribution networks
- | Industrial pipelines
- | Electromechanical installations
- | IT systems
- | Facilities maintenance and energy efficiency
- | Infrastructure maintenance
- | Construction precasting
- | Corporate image

Building

- | Housing and urban development
- | Non-residential building (hospitals, stadiums, museums, offices, etc.)
- | Refurbishment

Companies in the FCC Group's construction division



Design and execution of building projects (residential, non-residential buildings and refurbishment) and civil works (rail infrastructure, roads, bridges, tunnels, and maritime, airport and water infrastructure).



Design and build of projects in the industrial and energy sectors. Its service ranges from construction by packages or the turnkey delivery of facilities right up to Operation and Maintenance.



Actions to conserve major infrastructure such as roads, railway lines, water work and forestry works, as well as services to improve energy efficiency.



Precasted elements of a wide range of products for construction



Integrated corporate-image services provided all over the world.



Production of aggregate for concrete, asphalt mix, granular courses and artificial graded aggregate.



Construction firm specialized in railway works (both infrastructure and superstructure) Its services cover the maintenance and renovation of existing lines and the building of new stations.

FCC Construcción belongs to the FCC Group, whose activities include environmental services, management of the end-to-end water cycle, construction, concessions and cement production.

The FCC Group also operates motorways, tunnels and other kinds of infrastructure and is present in the real state market (housing developments and office rentals), through the company F-C y C, S.L. Unipersonal and a participating interest in Realia Business S.A.



Design, build, operation and maintenance of infrastructure connecting people.



Management of the end-to-end water cycle to supply homes and businesses.



Production of cement, concrete, aggregate and mortar.



Municipal services, including maintenance and cleaning of public spaces, full waste management and contaminated-soil recovery.

The Real Estate area of the FCC Group, whose head office is FCC Inmobiliaria, is integrated by Jezzine Uno and the Realia Group, the parent company of which is a listed company with over 30 years of experience, with the corporate purpose of promoting the development, management and operation of all kinds of real estate.

1.1. FCC Construcción worldwide

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

Canadá

- Maintenance of 195 km of the Trans-Canada Highway.
| EUR 205 M | (30 years)

USA

- Gerald Desmond Bridge in Los Angeles
| EUR 739 M |

Mexico

- Gas pipeline Samalayuca-Sásabe.
| EUR 225 M |
- Maya railway
| EUR 286 M |

Colombia

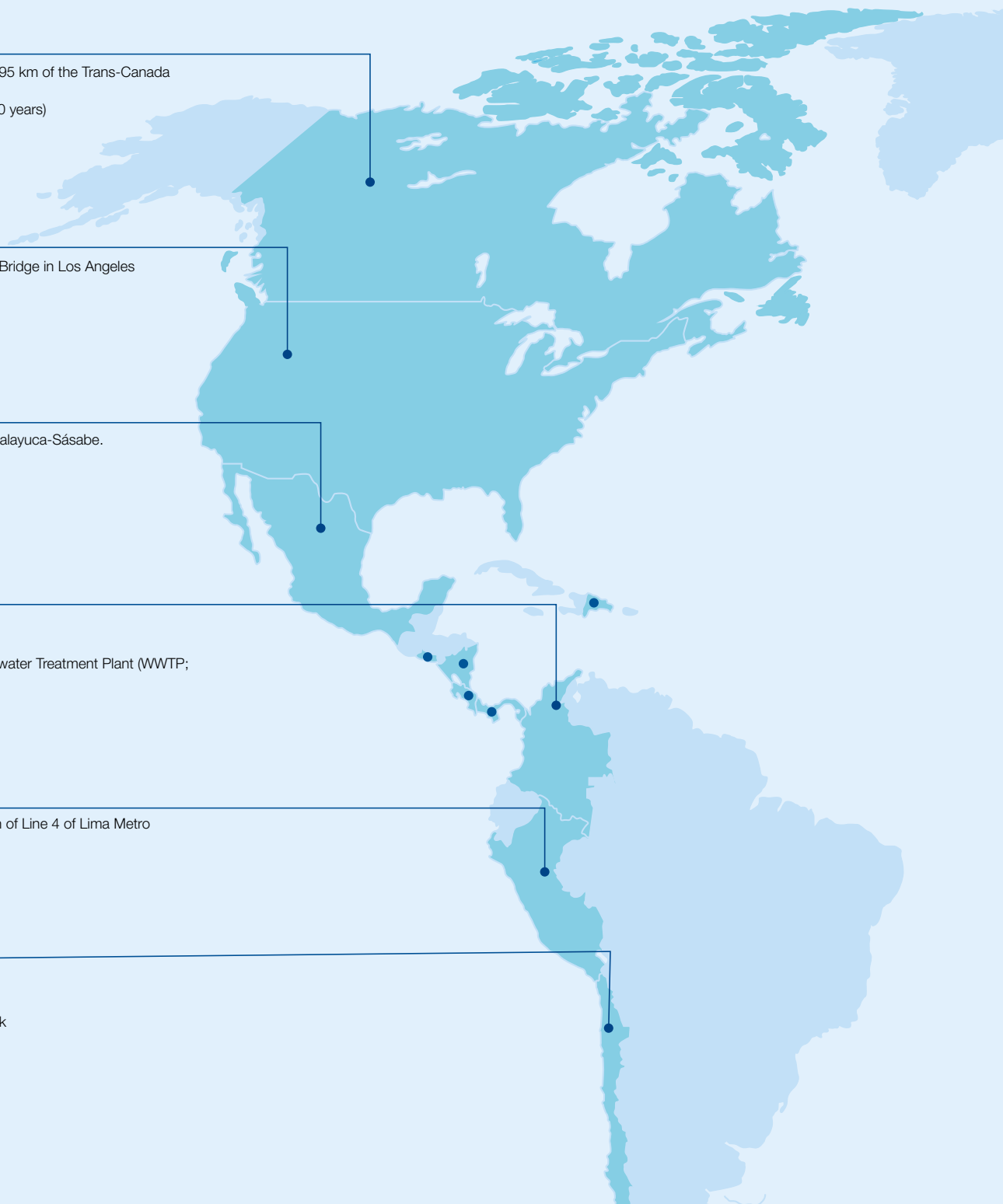
- Toyo Tunnel.
| EUR 366.7 M |
- "El Salitre" Wastewater Treatment Plant (WWTP);
| EUR 398 M |

Peru

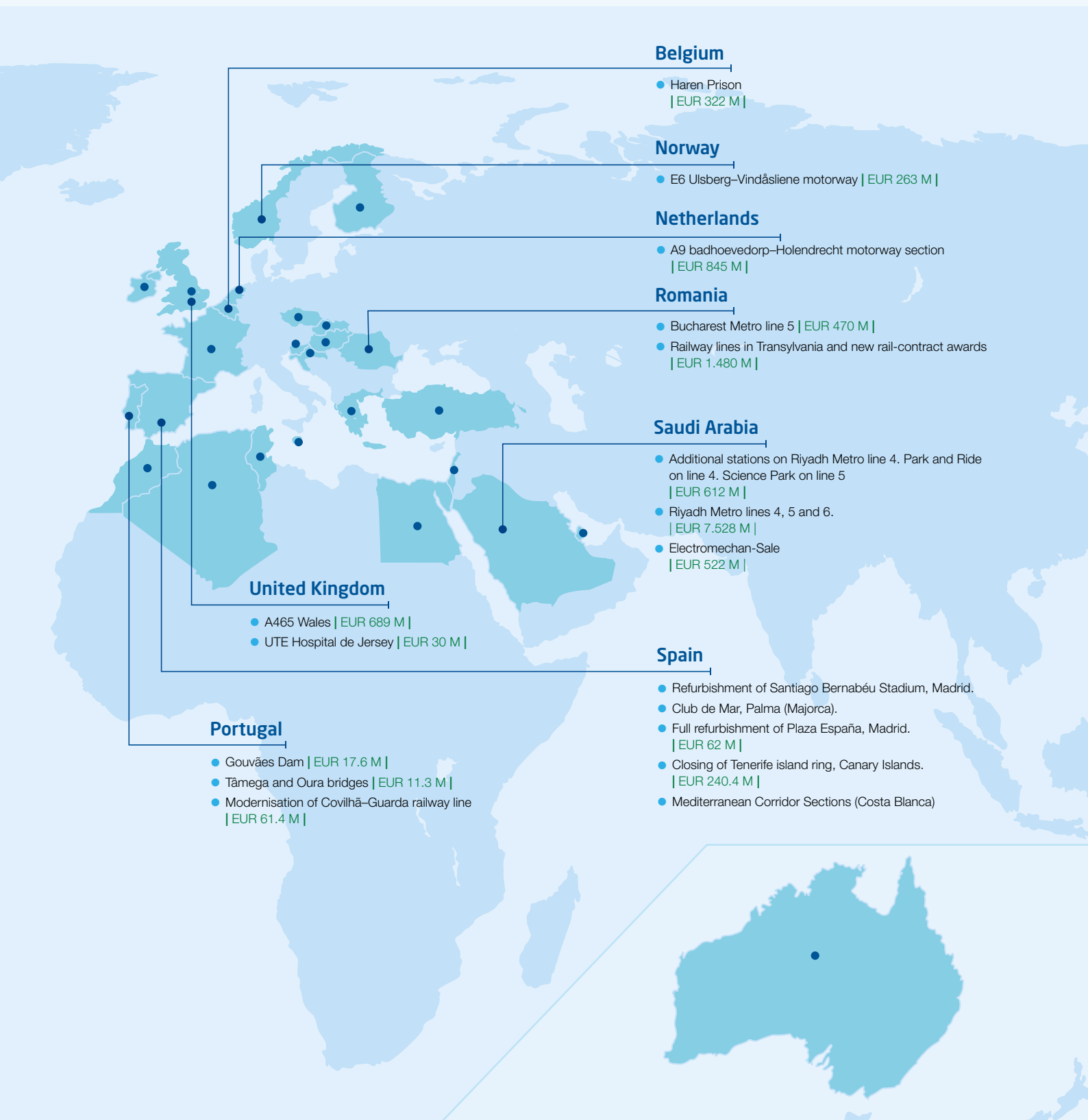
- Line 2 and branch of Line 4 of Lima Metro
| EUR 3.9 B |

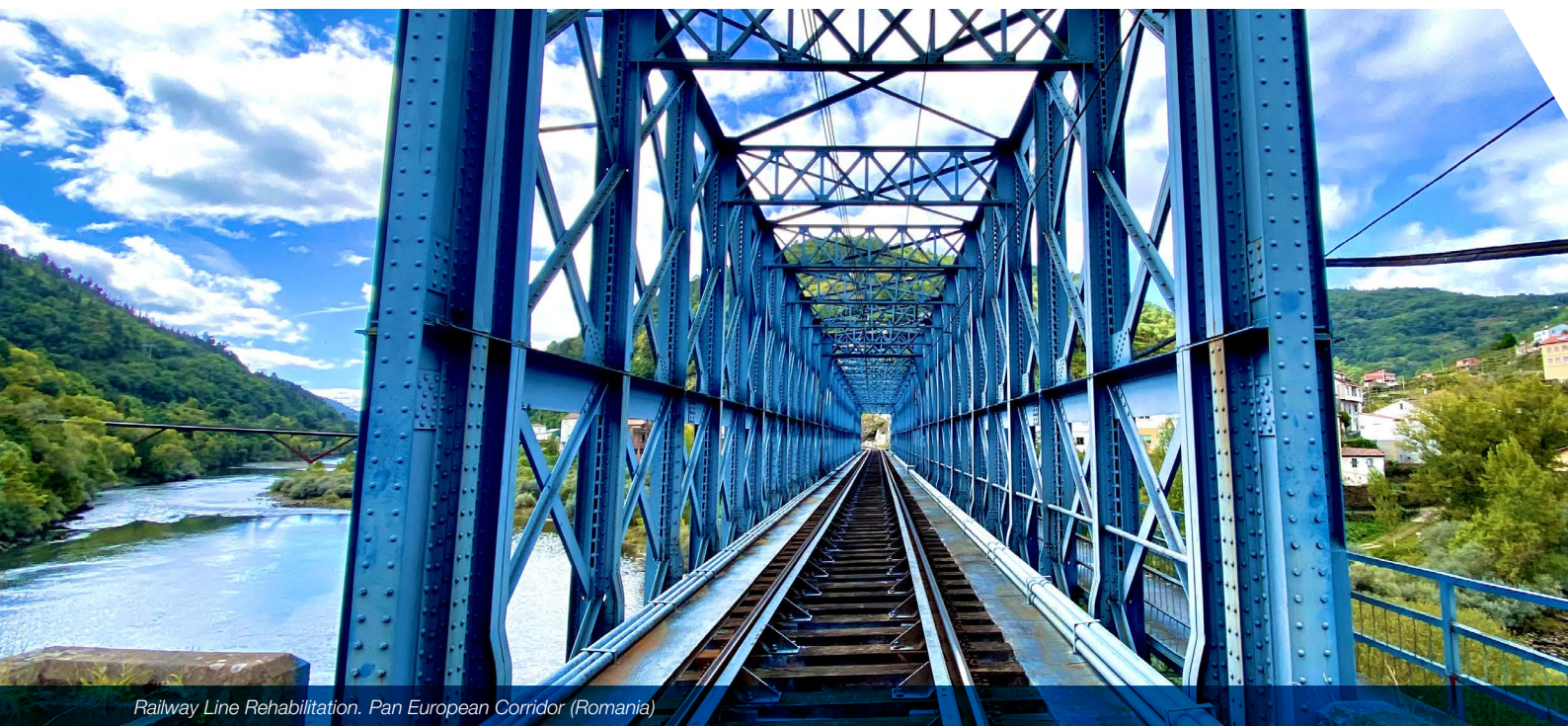
Chile

- Industrial Bridge
| EUR 126 M |
- Mapocho Río Park
| EUR 56 M |



FCC Construcción continues its international expansion, developing its business in high-potential markets worldwide



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Railway Line Rehabilitation, Pan European Corridor (Romania)

Operations by FCC Construcción over the last 50 years

+700 km
of tunnels

+2,300,000 m²
of airport terminals

+8,500 km
of motorways and dual carriageways

+44 km 32 km
of breakwaters of quays

1,650
bridges and viaducts

110,202
residential buildings

+2,600 km
of railway tracks

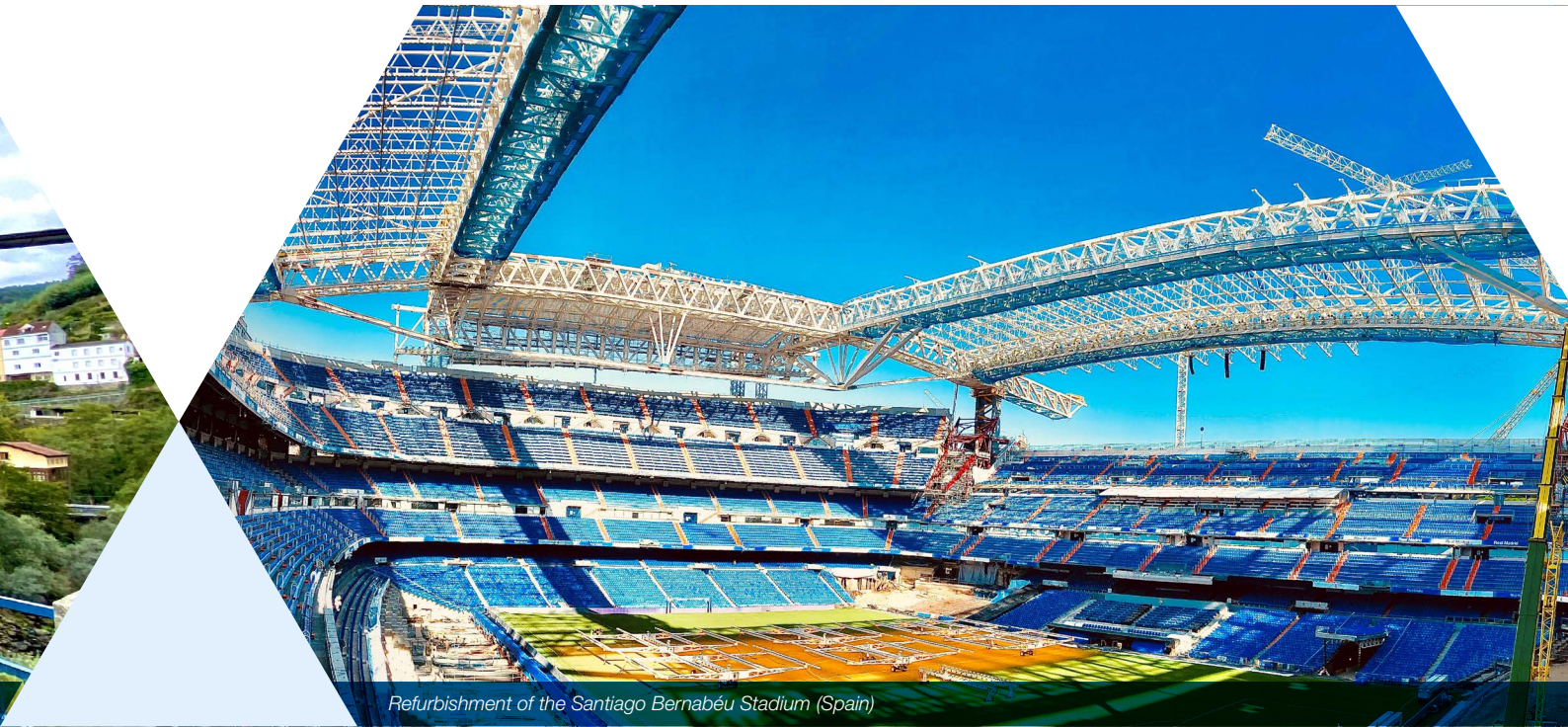
+3,500 km
of gas and oil pipelines

48
dams

+317 km
of metro lines

+4,500,000 m²
of airport runways

+10,500 km
of water pipes



Refurbishment of the Santiago Bernabéu Stadium (Spain)

1.2. FCC Construcción's business

FCC Construcción is a global benchmark in infrastructure construction. In 2021 the company's turnover was EUR 1,66 B,

3% higher than the previous year, with a gross operating profit of EUR 103 M, nearly 91% higher than the previous year.

Economic performance

Main financial figures (EUR M)

1,611	1,660
2020	2021

Gross operating profit (EBITDA) (EUR M)

54	103
2020	2021

Margen EBITDA (%)

3.35%	6.20%
2020	2021

Orders (EUR M)

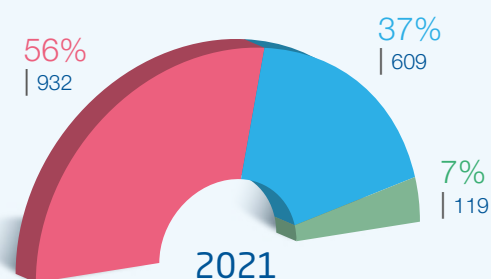
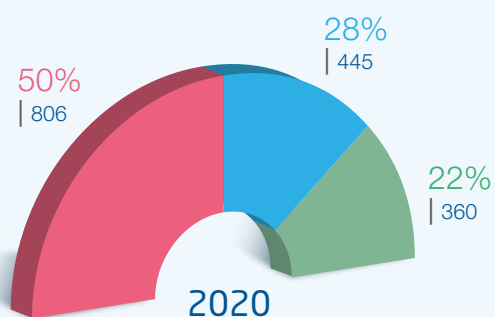
5,156	3,981
2020	2021

Distribution of turnover

2020 **1,611** M€

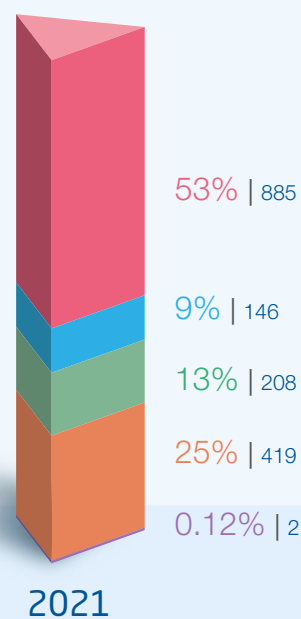
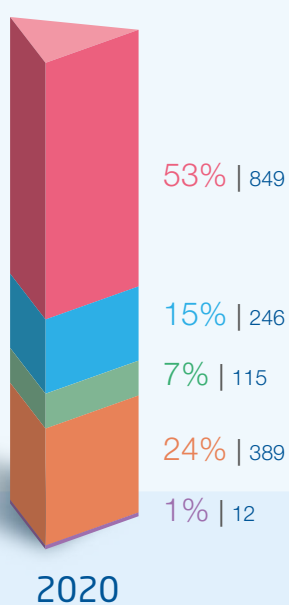
2021 **1,660** M€

Distribution of turnover by activity (EUR M)



● Civil works ● Building ● FCC Industrial

Distribution of turnover by geographical region (EUR M)



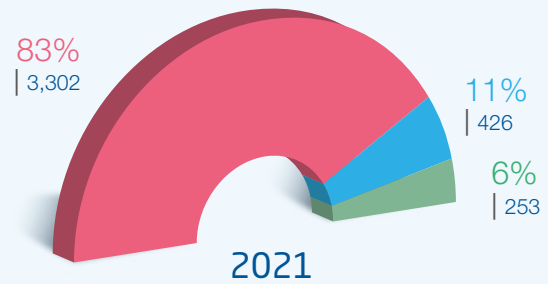
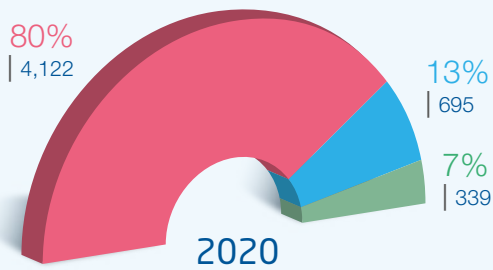
● Spain ● Middle East ● Latin America ● Rest of Europe ● United States and rest of world

Evolution and distribution of project portfolio

2020 5,156 M€

2021 3,981 M€

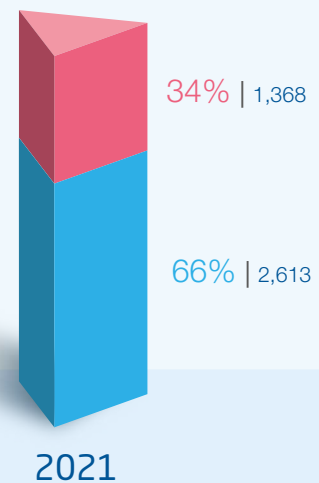
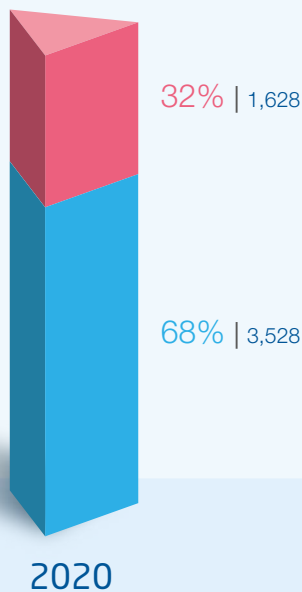
Distribution of portfolio by bactivity (EUR M)



● Civil works ● Building ● FCC Industrial

* This reduction is due to the stage at which projects — particularly civil works — are currently at, as works such as the Riyadh Metro, for example, are now close to completion.

Distribution of portfolio by geographical region (EUR M)



● Spain ● International

1.3. Sustainable construction

Sustainability is at the core of FCC Construcción's values and how the company do business, striving to build the associated challenges and opportunities into all the processes and activities. The company works to come up with the best possible solutions for our customers, running operations by seeking efficiency, working to attract and hold on to talent, and managing environmental, social and governance risks, all with the ultimate goal of helping to build more sustainable communities.

Since the United Nations' Agenda 2030 was approved in 2015, FCC Construcción has been working towards achieving the 17 Sustainable Development Goals (SDGs) by implementing numerous actions. In 2004, the company also adhered to the UN Global Compact as a founder member of the network in Spain, since when FCC Construcción has worked to be in line with the ten principles on human rights, combating corruption, protecting the environment and workers' rights.

Direct contribution to the SDGs



Creating direct and indirect jobs in communities, generating added economic value for them.



Building water-management infrastructure to provide access to water supply and sanitation services.



Implementing initiatives to promote social inclusion and gender equality.



Implementing water-treatment processes prior to dumping to minimise impact on marine water resources.



Promoting the health and welfare of all employees, with OHS as the core focus.



Developing more energy-efficient facilities and seeking new, less polluting solutions.



Contributing towards creating more sustainable, climate-change-resistant cities and communities.



Protecting biodiversity when undertaking projects by implementing best practices.

Letter from the CEO

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4
QUALITY
EDUCATION


Training employees and developing vocational-trainings schemes for young people and women.

5
GENDER
EQUALITY


Fostering effective equal opportunities and implementing corporate equality plans.

8
DECENT WORK AND
ECONOMIC GROWTH


Including tools for a stronger response to employment risks and encouraging communities' economic growth.

9
INDUSTRY, INNOVATION
AND INFRASTRUCTURE


Encouraging innovation as a key approach for building and developing sustainable infrastructure.

12
RESPONSIBLE
CONSUMPTION
AND PRODUCTION


Including circularity principles and best practices in all processes in line with responsible production and consumption.

13
CLIMATE
ACTION


Calculating and monitoring the company's carbon footprint, adopting practices that pollute less and driving a business model that favours a low-carbon economy.

16
PEACE, JUSTICE
AND STRONG
INSTITUTIONS


Developing and implementing regulations and control mechanisms to assure the ethics and integrity of operations.

17
PARTNERSHIPS
FOR THE GOALS


Partnering with other firms, universities, organisations and institutions to undertake RDI projects.

FCC Construcción has the capacity to influence all spheres of sustainable development, having a direct impact on the natural environment, social welfare, growth and the economy. Likewise, its value chain is very broad and complex, which allows it to maintain a direct relationship with other sectors, such as commerce and distribution, telecommunications and technology.

The company is fully aware of its important role in the creation of more sustainable communities, facing today's challenges and striving to make the most of all the opportunities that they present. These values are also conveyed to FCC Construcción's workforce through actions, such as the Spanish Global Compact Network's **"Altavoz de los ODS"** campaign and other internal corporate actions developed within the company itself and across the whole FCC Group.

Some of the most notable actions taken by FCC Construcción in 2021 to contribute towards the SDGs have included the following:

SDG-related case studies



Letter from the CEO

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Port Playa Blanca (Spain)

2 "COVID-19 STARS" Award. +

3 Demolition of concrete by mechanical means. +
Installation of vaporisers during the building of the Plaza de les Glòries Catalanes in Barcelona.) +

4 Students' visits to the river Manzanares naturalisation site. +

5 FCC Construcción took part in the closing event of the sixteenth edition (2021) of the EOI master's degree for Management Development: Women with High Potential. +

8 FCC Industrial leads a pioneering employment project for vocational-training students. +
FCC Construcción involved in the drafting of "CFO Principles on Integrated SDG Investments and Finance". +
FCC took part in "The Role of Finance in a Sustainable Economy". +

9 DESIRE – Multipurpose Mixed and Augmented Reality System Demonstrator. Application to RPAS simulator. +
GAUDÍ - new knowledge-management platform based on AI algorithms and content-curation techniques. +

10 FCC Construcción wins the EJE&CON distinction as a business committed to talent and competitiveness. +

11 FCC Construction wins a new contract in Chile: Industrial Bridge Road Concession. +

FCC Construcción's involvement in the launch of the "Reconsidering Our Cities" report Towards a Sustainable New Urban-Development Model" at Sustainable Cities 2030. +

12 Supplier-approval process. +
Prefabricados Delta obtains Environmental Product Declaration for its post-tensioned metal- jacketed concrete pipe. +
Classification of waste generated during the refurbishment and extension of the Arts Faculty at the University of Zaragoza. +
Reuse of water from tank chutes on the A-33 Murcia-Valencia Region motorway. +

13 FCC Construcción took part in sessions on climate change organised by the European Commission. +

15 Insect hotel at Dublin airport. +
Recovery of fauna at the Toyo Tunnel site. +

16 TOPFAS Enhanced Readiness Reporting System project. +

17 Partnership between FCC Construcción and TPF Ingeniería to prepare the tender project for the Copero WWTP (Andalusia). +



Rehabilitation of different railway lines (Portugal)

Key alliances involving FCC Construcción

Sustainability is also driven by FCC Construcción through actions such as developing guidelines and standards in collaboration with diverse Spanish and international working groups.

Some of the most notable areas in which FCC Construcción has partnered with other organisations include defining the terminology and general principles of sustainable construction, describing the life cycle of buildings or infrastructure, identifying and establishing sustainability indicators for environmental product declarations, and developing and monitoring methods to review the sustainable performance of sites.

FCC Construction is particularly proactive in the working groups of the ISO/TC 59/TC 17 (international) and CEN/TC350 (European) Technical Committees, focusing on preparing sustainability standards for one of FCC Construcción's principal areas of business: civil works.

Other leading organisations and work groups where the company is present, working with them to establish sustainability criteria, include:

- Technical Committee for Standardisation AEN/CTN198 "Sustainable Construction"
- International Initiative for a Sustainable Built Environment (iiSBE)
- Green Building Council España (GBCe)
- BREEAM Spain.
- Madrid World Construction Capital (MWCC).

Work groups related to sustainable construction

Organisation	Participation
International Technical Committee sISO/TC59/SC17 "Building Construction/ Sustainability in Building Construction"	- Participating in ISO/TC59/SC17/WG1: <i>General Principles and Terminology</i>. - Participating in ISO/TC59/SC17/WG2: <i>Sustainability Indicators for Buildings</i>. - Participating in ISO/TC59/SC17/WG3: <i>Environmental Declaration of Building Products</i>. - Participating in ISO/TC59/SC17/WG4: <i>Framework for Assessment of Environmental Performance of Buildings and Constructed Assets</i>. - Chairing ISO/TC59/SC17/WG5 <i>Civil Engineering Works - Committee on sustainability in civil works</i>.
International Technical Committee CEN/TC350 "Sustainability of Construction Works"	- Participating in the CEN/TC350/Task group: <i>Framework for Assessment of Buildings</i>. - Participating in CEN/TC350WG1: <i>Environmental Performance of Buildings</i>. - Participating in CEN/TC350WG2: <i>Building Life Cycle Description</i>. - Participating in CEN/TC350WG3: <i>Product Level</i>. - Participating in CEN/TC350WG4: <i>Economic Performance Assessment of Buildings</i>. - Participating in CEN/TC350WG5: <i>Social Performance Assessment of Buildings</i>. - Chairing CEN/TC350/WG6: <i>Civil Engineering Works</i>. Committee on sustainability in civil works.
Technical Committee for Standardisation AEN/CTN198 "Sustainable Construction"	- Deputy chair of the Technical Committee for Standardisation AEN/CTN198 "<i>Sustainable Construction</i>". - Participating in the Technical Sub-committee for Standardisation AEN/CTN 198/SC 1 "<i>Sustainability in Building</i>". - Chairing the Technical Sub-committee for Standardisation AEN/CTN 198/SC 2 "<i>Sustainability in Civil Works</i>".
International Initiative for a Sustainable Built Environment (iiSBE)	Members.
Green Building Council Spain (GBCe)	Members of this organisation, constituting the Spanish Council of the international association "<i>World Green Building Council</i>", set up as a source in Spain for all the information on the LEED building certification tool.
BREEAM Spain	Members of the Advisory Committee, responsible for drawing up BREEAM Spain's development strategy, representing stakeholders in the building sector.
Madrid World Construction Capital (MWCC)	President.

Case study



Building alliances to achieve more sustainable cities and communities.

- FCC Construcción's involvement in the *"Reconsidering Our Cities" report "Towards a Sustainable New Urban-Development Model"* in the framework of the *Sustainable Cities 2030 project*



FCC Construcción is one of the companies involved in the Forética project *Sustainable Cities 2030*. The aim of this project is to strengthen the contribution made by business to develop sustainable cities in Spain and highlight the importance of public-private partnerships to achieve a robust, inclusive, sustainable city model in line with SDG 11.

The framework of this project included preparation of the report *Reconsidering Our Cities: Towards a New Sustainable Urban-Development Model*, setting out the key factors for success in our journey to achieve sustainable urban development, based on six action areas:

- | SUSTAINABLE MOBILITY - Towards an accessible, sustainable, active modality.
- | GREEN AREAS - Green, healthy, robust cities.

| CLIMATE CHANGE - Global climate-related ambitions must involve cities.

| ENERGY - Energy-efficient cities.

| CONSTRUCTION AND BUILDINGS - Towards sustainable construction and buildings.

| HEALTH - Urban health is also global health.

As a member of this project, FCC Construcción helped to prepare the report and shared the innovation project BI-CI-SENDAS.



Letter from
the CEO

FCC Construcción
at a glance

1
Who
we are

2
Our environmental
commitment

3
Creating value
in society

4
Governance, ethics
and transparency

5
Building
the future

6
Materiality and reaching
out to stakeholders

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Annexes

2

Our Environmental Commitment

The natural environment is the main supplier of resources for the development of activities in the construction sector. That is why sustainable construction is one of FCC Construcción's priorities, considering the responsible use of natural resources and minimising the environmental footprint of its' operations. The two main action areas that FCC Construcción is currently working on, as it strives to achieve environmental sustainability, consist of speeding up the implementation of a **circular-economy model** and reaching **carbon neutrality by 2050**.

environmental

2.1. Responsibility in environmental management



FCC Construcción's **Sustainability Management System** and **Good Practices System**® are two key tools for developing more efficient processes and reducing the company's environmental footprint.



Achievements

- | Reduction on the consumption of materials by more than 14% compared with last year.
- | Reduction on the volume of water discharge by about 24% compared with last year.
- | Application of good environmental practices, to avoid the emission of 5,076 tonnes of particles into the atmosphere.
- | Elaboration the 2021 Environmental Report.
- | Dissemination of knowledge pills for environmental awareness among FCC Construcción's employees.



Future challenges

- | Optimising the consumption of materials and reducing the generation of waste.
- | Encouraging the use of materials with a smaller ecological footprint.
- | Continuing to bolster collaboration and participation in national and international environment-related working groups.
- | Fostering new environmental-awareness initiative for stakeholders, focusing particularly on the company's own personnel, suppliers and subcontractors.
- | Including social best practices into the current register of best practices, seeking compatibility and synergies and achieving both social and environmental gains.



Salamanca University Hospital (Spain)

Our Good Practices System

FCC Construcción has its own **Good Practices System®**, a pioneering initiative in the construction sector that sets out a number of voluntary actions to define environmental targets that are more demanding than those required by law, contracts or third parties. This system includes sector-specific environmental actions, applied systematically on sites to become an integral part of the environmental-planning process.

The system addresses the continuous improvement of the Management and Sustainability System by identifying and defining risks and impacts in advance, so as to minimise the environmental footprint of FCC Construcción's activities.

The company's Management System also features an array of indicators to enable the monitorization of good practices and a continuous improvement:

- 98% of the works undertaken provide information for the Good Practices System over the course of the year.
- The average percentage of good practices actually applied against those which could be applied is 89%. The non-application of any good practices planned at the beginning of the project may be due to unforeseen circumstances, changing plans, etc.
- 98% of the sites that reported good practices, comply with the environmental target defined in the Management System.

Use of good practices on sites in 2021*

	2020	2021
Sites reporting good practices data	92/94 (98%)	85/87 (98%)
Use of good practices on-site	24/27 (89%)	24/27 (89%)
Works fulfilling environmental targets	92/92 (100%)	83/85 (98%)

* Data for works undertaken by FCC Construcción (excluding FCC Industrial and Áridos de Melo). The data corresponds both to the company's own sites and those of joint ventures where FCC Construcción's management system is applied.

Good environmental practices are applied by FCC Construcción in the following areas:



Society

"Training, personal attention, shared experiences and lessons learned are factors that build up the way in which FCC Construcción behaves in the environment and are key elements for the final activities performance."



Noise and vibration generated

"Regarding noise and vibration, efforts are focused on actions directly derived from the highest noise levels or, indirectly, from minor nuisance caused to those affected depending on working hours, uses or local customs."



Soil occupation, contamination or loss

"Soil is a non-renewable resource in the short and medium term, characterised by being highly vulnerable."

"The measures adopted include restoring affected areas due to temporary site facilities or access and occupation limitations."



Waste generation

"The waste generated during the construction phase is one of the main environmental issues caused by construction, as it plays a significant role in degrading the local environment. This is coupled with the depletion of landfill space and the need to optimise the consumption of resources. That is why it is essential to manage waste correctly, identifying it and forecasting the corresponding amounts of it."



Atmospheric emissions

"Earthworks, machinery movements and buildings and structure demolitions are the activities that cause the most significant emissions of dust and particles."



Water discharge

"Water is a high-value resource and FCC Construcción's activities are developed responsibly in terms of its consumption, the occupation of river banks, watercourse diversions or dumping."

"Actions are focused on increasing the efficiency of how water is used and eliminating the associated discharge."



Use of natural resources

"FCC Construcción's business must address the need to optimise the consumption of the resources usage, which cannot be fully attributed to the building stage, as the materials used fulfil with the projects requirements, but can be optimised with a correct waste management."



Land planning

"The construction sector's impact goes beyond abiotic factors (water, atmosphere, soil) and clearly affects biotic ones as well, such as vegetation or other species found around sites. Biodiversity conservation is another major environmental challenges that concern FCC Construcción. The measures applied focus particularly on physical protection and adapting work planning to life cycles. Practices that minimize the day-to-day life of the community impact are applied, such as avoiding dirty site entrances and exits or providing alternative access whenever sidewalks or roads are occupied."



For more information on this topic, please visit the FCC Construcción website.

Environmental issues and indicators¹



Dublin Airport's North Runway (Ireland)

The construction sector has a considerable influence, not only on economic and social matters, but also on environmental aspects, making it necessary to determine and study any positive or negative impact that could be generated in the natural environment where the work sites are located.

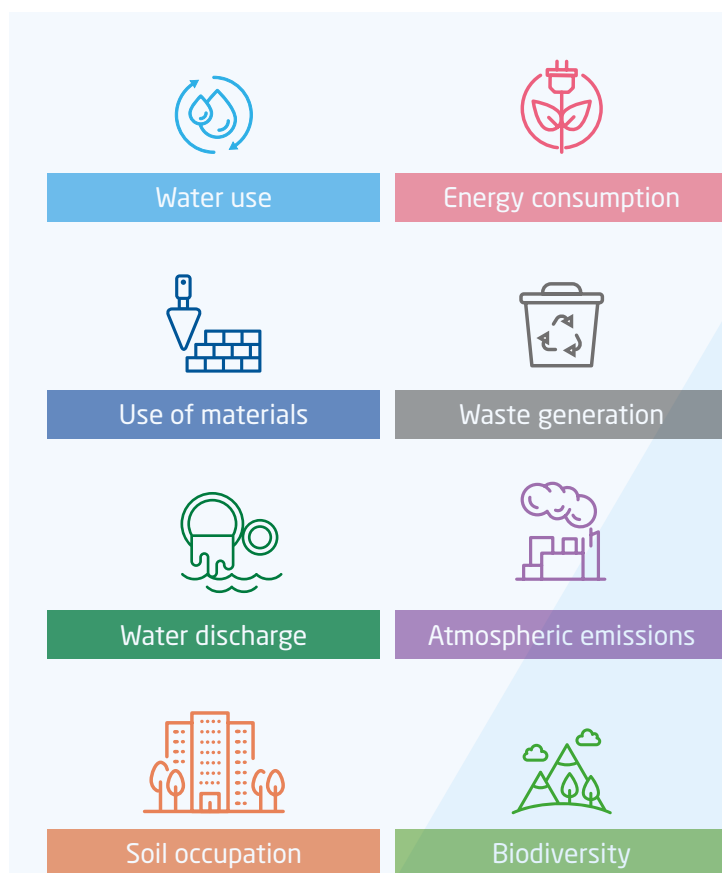
FCC Construcción is aware of its influential role in society and has implemented a **Management and Sustainability System**, applicable to all the projects, which enables the company to identify and assess all the relevant environmental and social issues, focusing particularly on significant ones.

For all these issues, FCC Construcción plans actions to comply with the applicable legislation and contractual undertakings, since any significant environmental or social aspects could lead to risks and opportunities in terms of both adverse environmental impact (threats) and beneficial ones (opportunities).

Therefore, all worksites and fixed centres must identify, at least, the risks and opportunities related to the aspects that are previously assessed as significant.

If the end result of dealing with an identified **environmental risk** is other than accepting it, actions and measures must be defined and implemented to minimise that risk. Strategies defined on-site aim to ensure that risks do not arise (preventive measures) **or to reduce their risk and negative impact** on the local environment or community (**corrective measures**, if the risk is unavoidable and occurs). Measures and actions are also taken to make the most of any **opportunities** that have been identified as being associated with the site's aspects.

Environmental aspects are classified into the following areas:



Based on the risks and opportunities, operational control is developed through indicators.

¹ For further information about environmental issues at FCC Construcción, see the 2021 Environmental Disclosure.





Water use

Water use in construction is not intensive, although it can still have an impact on local ecosystems by, for example, availability fluctuation, decrease of the groundwater level or changes to the water/sediment balance. Therefore, it is key to control water consumption, which will also enable the appropriate measures to be defined and implemented and encourage efficient use of this resource.

1,377,280 m³



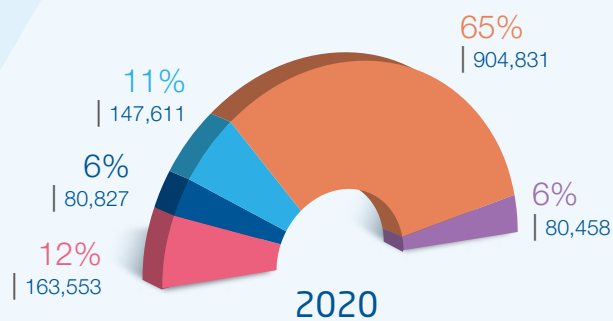
2020

774,671 m³

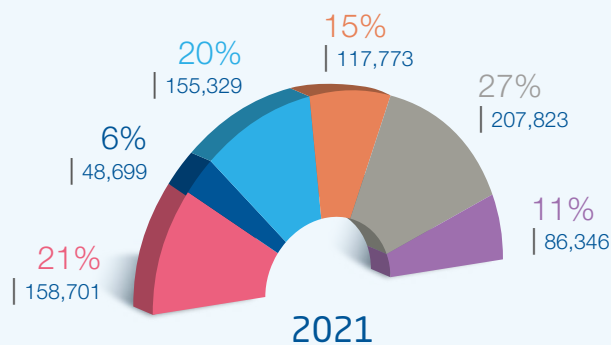


2021

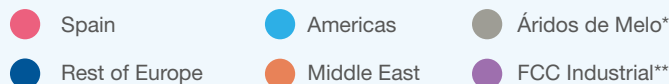
Water consumption by geographical area (% , m³)



2020



2021



The main source of water in 2021 was municipal water supply, accounting for 59% of total sources.

In 2021 total water consumption fell by 44%, particularly with regard to the use of *municipal water supplies*. This reduction was due to a slowdown in activities at the Riyadh Metro works, as they approached the final completion date, representing in 2020, nearly half of the water consumption.

It is worth highlighting the fact that 19% of the water consumed came from a recycled or reused resource- a significant increase over last year, when this figure was only 6%, even though the total volume of water consumed was significantly lower in 2021. This demonstrates the commitment made by the company to minimise their water consumption.



Abu Rawash Wastewater Treatment Plant (Egypt)

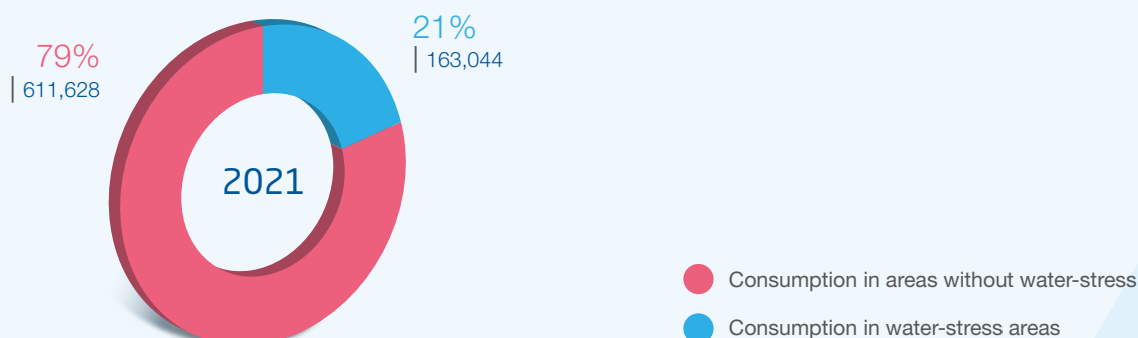
Water consumption by source (m³)

Source of supply	2020		2021						
	Total	Total	FCC Construcción						Total in water-stress areas
			FCC Industrial*	Áridos de Melo**	Spain	Rest of Europe	Americas	Middle East	
Surface water	41,266	108,472	7,341	66,838	9,324	24,673	–	–	93,176
Groundwater	137,619	40,053	17,088	–	1,028	173	21,764	–	40,032
Municipal water supply	1,112,662	457,853	61,917	24,633	148,171	14,110	92,093	116,929	2,359,117
Recycled or reused water	85,732	125,916	–	116,352	153	2	9,409	–	116,507
Water from other sources	–	42,378	–	–	25	9,446	32,063	845	2,796
TOTAL	1,377,279	774,671	86,346	207,823	158,701	48,699	155,329	117,773	611,628

* FCC Industrial constitutes a framework that brings together various specialist firms. Includes data for FCC Industrial e Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas located in Spain.

** Áridos de Melo was included within FCC CO Spain in 2020, but its scope was changed in 2021 on the acquisition of the Vicálvaro plants, hence the breakdown of figures for 2021.

Water consumption by regions with or without water stress (% m³)



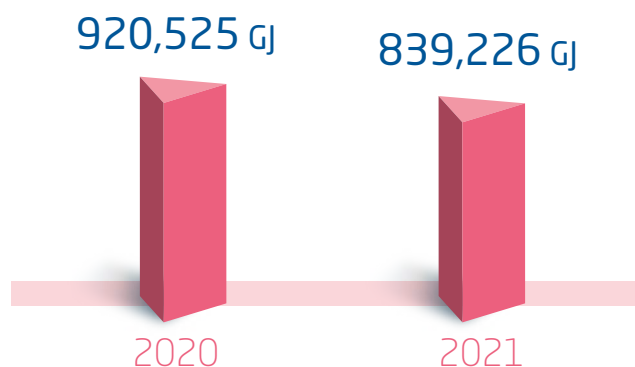


Energy consumption

FCC Construcción identifies its sources of energy consumption and the amount of each that is consumed, with a view to taking the necessary steps to achieve a more efficient energy use and orient the company towards an energy transition to become less dependent on fossil fuels.

The total energy consumption in 2021 was 839,226 GJ, which is 8.8% less than in 2020. Fuel consumption decline by 11%, while electricity consumption rose by 27%. These fluctuations are due to the different stages of the progress of works, where the consumption of different energy types is variable.

By geographical area, the Middle east had the highest energy consumption of energy resources(36.55%), mostly accounted by diesel-B consumption.



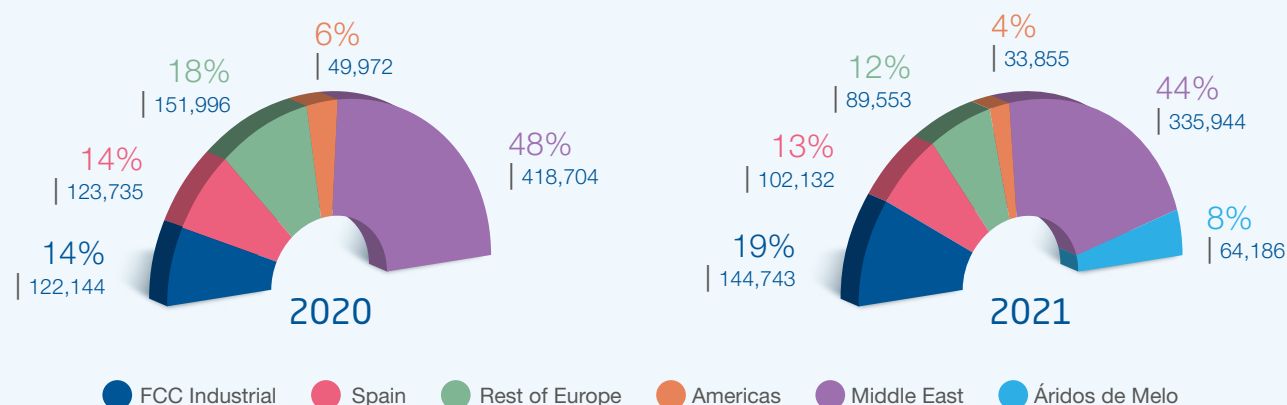
Energy consumption (GJ)

Type of energy consumption	2020		2021					
	Total	Total	FCC Industrial*	Áridos de Melo**	FCC Construcción			
					Spain	Rest of Europe	Americas	Middle East
Direct energy consumption	866,551	770,413	144,743	64,186	102,132	89,553	33,855	355,944
Indirect energy consumption (electricity)	53,974	68,813	12,804	7,405	14,028	13,488	20,547	541
TOTAL	920,525	839,226	157,547	71,591	116,160	103,041	54,402	336,485

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Consumption of energy resources by geographical area. Direct energy (% GJ)



If we break down the energy consumed in 2021 by type of resource, diesel B and A were the energy resources most used by FCC Construcción, representing a 51% and 29% respec-

tively. In the construction sector, diesel is the most common fuel used by big machinery, generators, etc.

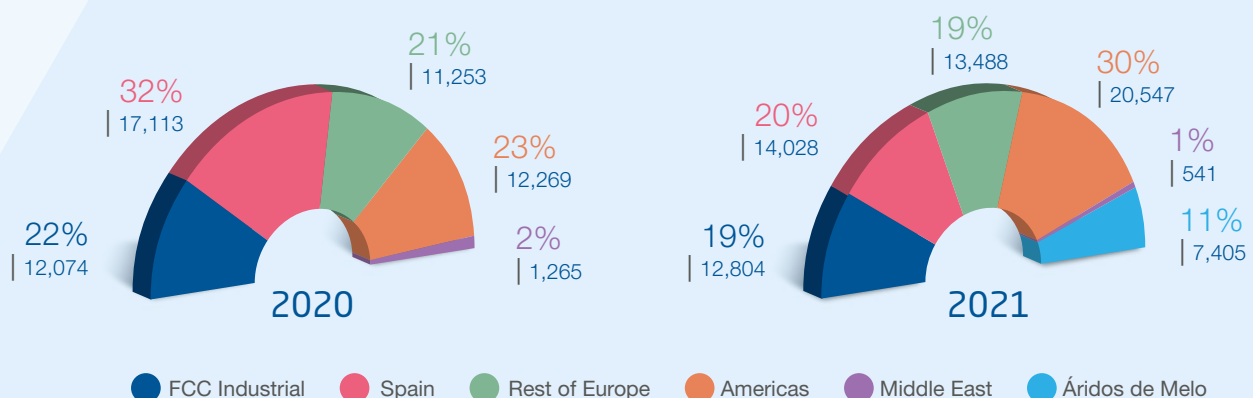
Consumption of energy resources by consumption type (GJ)

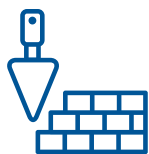
Consumption by energy-resource type	2020	2021						
	Total	Total	FCC Industrial*	Áridos de Melo**	FCC Construcción			
					Spain	Rest of Europe	Américas	Middle East
Direct energy consumption								
Fuel oil	51,430	6,666	–	–	5,912	–	754	–
Natural gas	216,328	64,832	64	63,637	164	967	–	–
Diesel A	216,971	246,386	133,872	–	66,387	31,572	14,555	
Diesel B	574,647	430,193	3,848	549	26,002	54,346	13,207	332,241
Diesel C	21,262	6,440	3,861		2,522	–	57	–
Petrol (gasoline)	13,724	15,246	2,448	–	1,145	2,668	5,282	3,703
Biomass	0	171	171	–	–	–	–	–
LPG	4,420	425	425	–	–	–	–	–
Butane	341	4	4	–	–	–	–	–
Propane	612	50	50	–	–	–	–	–
Indirect energy consumption								
Electricity	53,974	68,813	12,804	7,405	14,028	13,488	20,547	541
TOTAL	920,525	839,226	157,547	71,591	116,160	103,041	54,402	336,485

* FCC Industrial constitutes a framework that brings together various specialist firms. Includes data for FCC Industrial e Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas located in Spain.

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Indirect energy (% GJ)





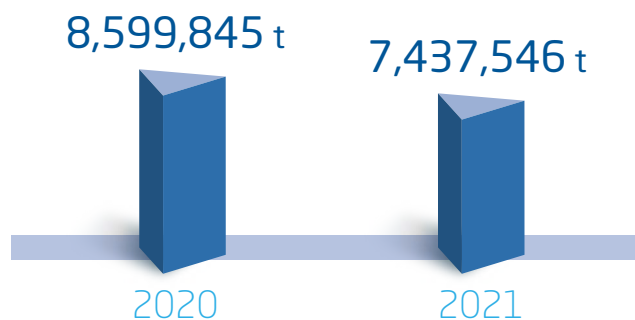
Use of materials

FCC Construcción has detailed knowledge of the quantities of materials that are used in sites, enabling the company to verify whether a responsible and an efficient use of material resources is being made.

In 2021 the consumption of materials fell by 14% compared with the previous year. This reduction occurred in Spain (28%) and at FCC Industrial (36%).

According to FCC Construcción's business nature, the most significant consumption corresponds -as expected- to raw materials (gravel, earth and graded aggregate, marl and limestone), representing a 70%, followed by semi-processed products such as concrete, asphalt concrete, reinforcement steel and cement.

One of the good practices displayed on FCC Construcción's sites is the reuse of raw materials, mostly by balancing cuts and fills. This materials are not only reused on site, but also sometimes they are shipped to other sites, thereby optimising processes and minimising the atmospheric emissions caused by its production. Unless the soil is contaminated, earth can also be used to regenerate quarries with working plans.



Other materials that can be reused are the ones that results of land clearance, demolition and the removal of granular materials. These are usually treated by crushing, cleaning or, in the case of vegetation debris, pulping them for reuse on site.

Over the last year, much work has been done in this regard. A large portion of the rubble from demolitions has been crushed and reused on site, thereby strengthening closing the circle and minimising the consumption of natural resources.

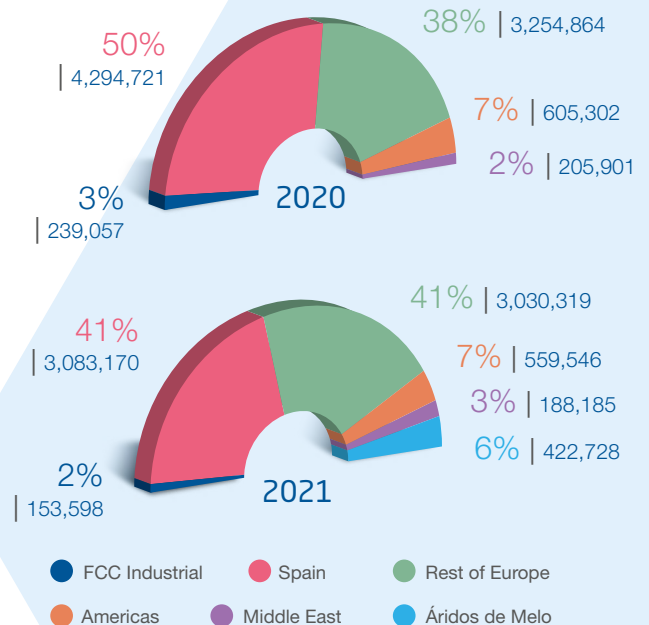
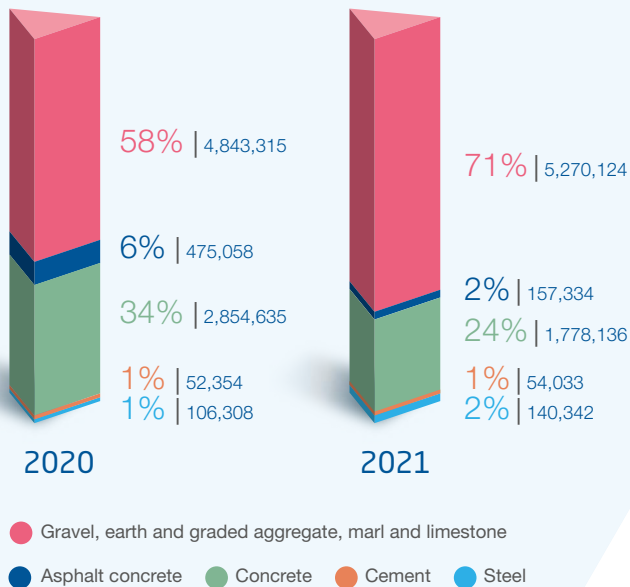
Consumption of materials by type (t)

Type of materials consumption	2020		2021					
	Total	Total	FCC Industrial*	Áridos de Melo**	FCC Construcción			
					Spain	Rest of Europe	Americas	Middle East
Gravel, earth and graded aggregate, marl and limestone	4,843,315	5,270,124	71,791	391,526	1,899,289	2,849,102	17,339	41,077
Asphalt concrete	475,058	157,334	38,104	–	20,664	18,602	64	79,900
Concrete	2,854,635	1,778,136	13,831	–	1,053,739	135,424	510,780	64,362
Cement	52,354	54,033	11,310	31,202	7,917	2,719	8	877
Steel	106,308	140,342	17,981	–	73,335	18,494	29,503	1,029
Bricks	24,193	22,468	18	–	18,725	3,135	590	–
Glass, metal and insulation	2,016	4,913	455	–	3,026	1,261	20	191
Paint, solvents, formwork removers, concrete-curing liquids, accelerants, fluxing agents	4,642	8,207	56	–	4,617	1,513	1,237	784
Oil, grease and other harmful substances	10,311	1,989	52	–	1,858	69	5	5
TOTAL	8,599,845	7,437,546	153,598	422,728	3,083,170	3,030,319	559,546	188,185

* FCC Industrial constitutes a framework that brings together various specialist firms. Includes data for FCC Industrial e Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas located in Spain.

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Material Consumption (% , t)



Case study

Striving to apply the best available techniques in the production process in order to develop products with less environmental impact and generate as little waste as possible, in line with circular-economy principles.



► PREFABRICADOS DELTA obtains Environmental Product Declaration for its post-tensioned metal-jacketed concrete pipe

Developing long-lasting products and assuring service in the long-term is one of the most important premises for all FCC Construcción's companies.

Fifty years ago, **Prefabricados Delta** began to develop pipes to supply the Madrid region. The most innovative techniques of the day were applied to the manufacture of these pipes so they would be long-lasting, providing a secure, reliable service. These pipes are still functioning today, showing their stability and by extension, efficient use of resources and materials, as well as reducing the amounts of waste generated by extending the product's working life.

At present, Prefabricados Delta continues to apply the same philosophy, providing customers with the materials they request to the highest quality standards, as accredited by the implementation of QA and environmental systems certified under the standards ISO 9001 and ISO 14001, respectively.



At the product level, Prefabricados Delta has obtained product certification for its PRFV pipes under UNE-EN 1796 and UNE-EN 14264, complying with requirements established in the new CEDEX Guide for PRFV piping. The company has also achieved product certification for metal-jacketed concrete pipes under DIT 445 (Eduardo Torroja Institute).

As part of this drive to keep getting better, their **post-tensioned metal-jacketed concrete pipe has achieved an environmental product declaration (EPD)**, which is a standardised document or report with quantified, verifiable information on their product's environmental performance. These tools are used to assess environmental impact throughout the life cycle of products in accordance with the international standard UNE-EN ISO 14025.



Waste generation

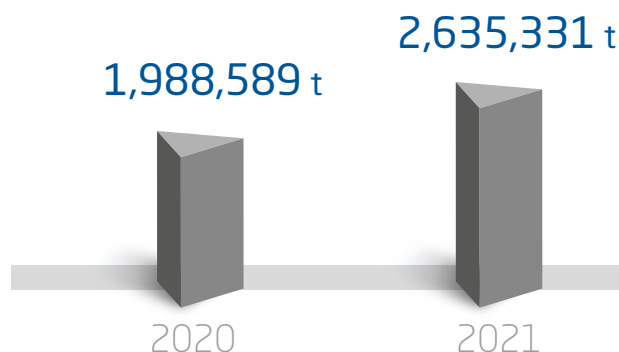
The waste generated by FCC Construcción's activities is mostly the residue of materials used in construction and demolition processes (CDW). This waste is not usually hazardous and can easily be recycled and reused.

FCC Construcción, thanks to the implementation of the Management and Sustainability System on its sites, has identified the risks that result from the generation of waste and has implemented procedures in site enabling the quantification of waste and reusing, recycling or valorising it.

In 2021 waste generation stood at 2,635,331 tonnes - 33% higher than in 2020.

In 2021, FCC Construcción recycled and/or valorised nearly 98% of all the hazardous waste generated, shipping only 2% to landfills.

FCC Construcción either shipped to landfills, or planned to do so with the waste that was temporarily deposited at intermediate stockpiles, 70% of all its non-hazardous waste. The remaining 30% was valorised, recycled, reused, used for compost or recovered (including energy recovery).



Waste generated by type (t)

		2020		2021					
		Total	Total	FCC Industrial*	Áridos de Melo**	FCC Construcción			
						Spain	Rest of Europe	Americas	Middle East
Waste									
Hazardous waste									
	Subcontractors	53	7,322	–	–	3	7,262	57	–
	Own works	151,929	172,827	177	5	357	172,181	107	–
Non-hazardous waste									
Urban waste	Subcontractors	141	244	–	–	–	–	244	–
	Own works	3,390	6,593	–	–	3,152	276	942	2,223
Other non-hazardous waste	Subcontractors	584,344	896,499	–	–	260	177	896,061	–
	Own works	1,248,732	1,551,846	115,067	87	838,742	40,422	557,101	427
TOTAL		1,988,589	2,635,331	115,244	93	842,514	220,318	1,454,512	2,651

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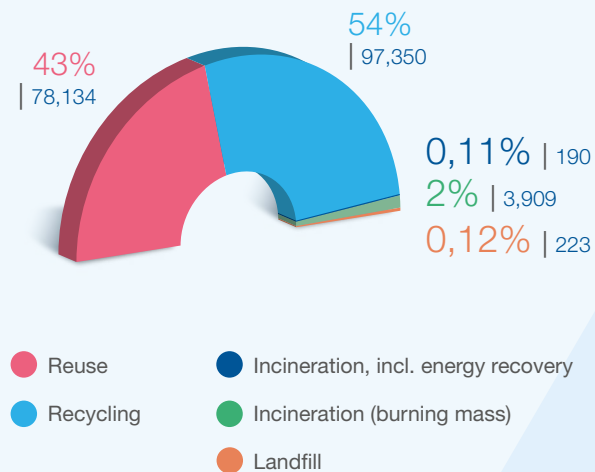
In 2021, FCC Construcción recycled and/or valorised nearly 98% of all the hazardous waste generated, shipping only 2% to landfills.

FCC Construcción either shipped to landfills, or planned to do so with the waste that was temporarily deposited at intermediate stockpiles, 70% of all its non-hazardous waste. The remaining 30% was valorised, recycled, reused, used for compost or recovered (including energy recovery).

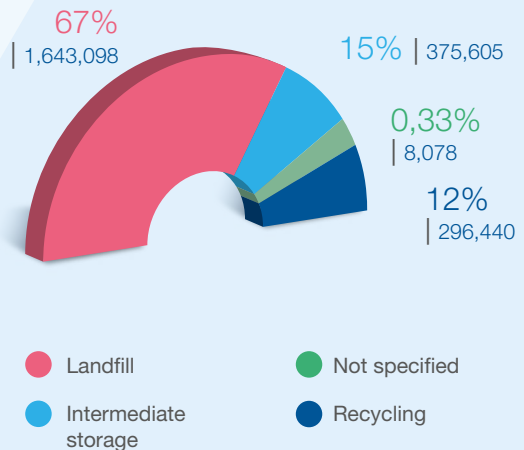
Waste generated by type (% , t)



Treatment of hazardous waste (% , t)



Treatment of non-hazardous waste (% , t)



Waste generation

Type of treatment of waste NOT shipped for elimination (t)

Waste NOT shipped for elimination	2021						
	Total	FCC Industrial*	Áridos de Melo**	FCC Construcción			
				Spain	Rest of Europe	Americas	Middle East
Hazardous waste	175,497						
Reuse	78,134	29	–	3	78,102	–	–
Recycled	97,350	6	–	133	97,210	1	–
Other valuation operations	14	7	5	2	–	–	–
Non-hazardous waste	417,181						
Reuse	104,984	67,202	–	32,735	5,046	–	–
Recycled	296,550	4,800	87	288,996	1,774	894	–
Other valuation operations	15,647	8,078	–	7,277	289	3	–
TOTAL	592,678	80,122	92	329,145	182,420	898	–

* FCC Industrial constitutes a framework that brings together various specialist firms. Includes data for FCC Industrial e Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas located in Spain.

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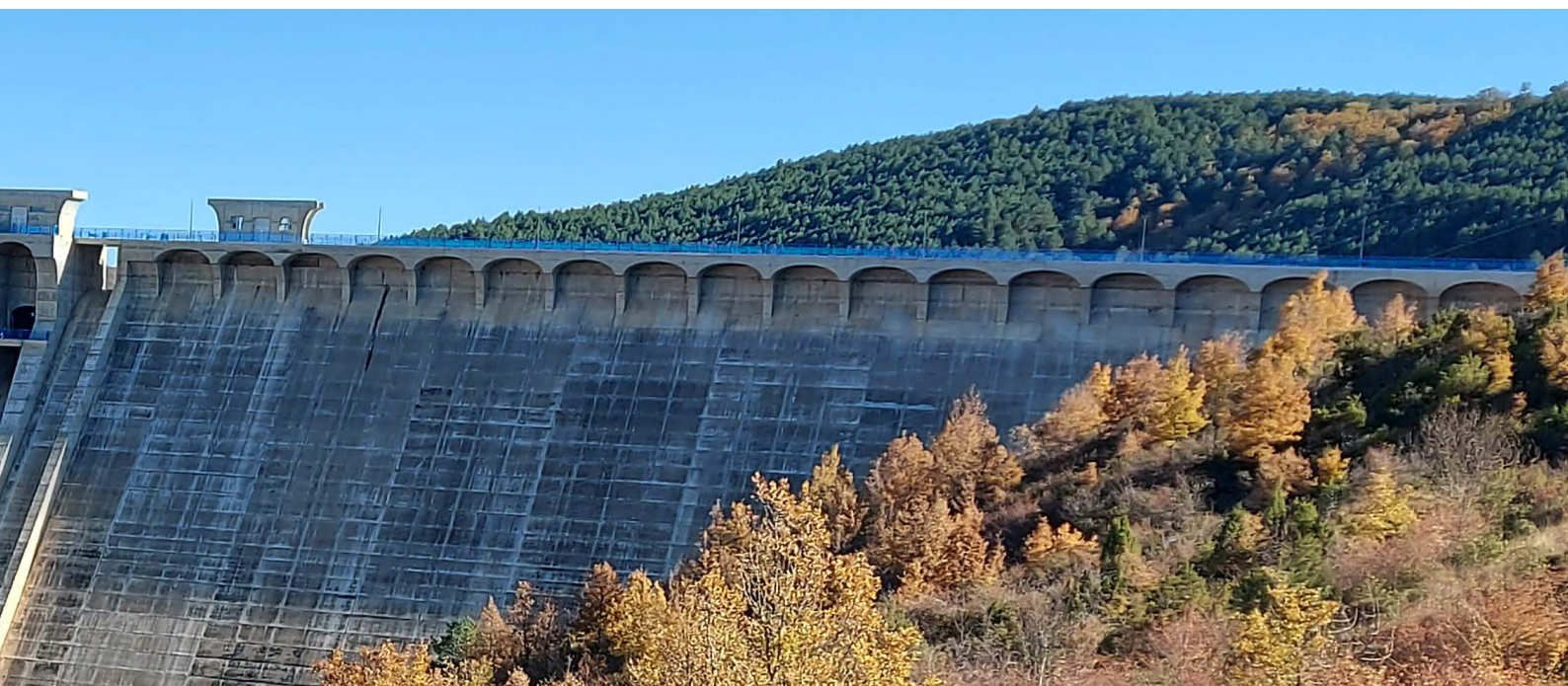
Castrovido Dam (Spain)

Type of waste treatment shipped for elimination (t)

Waste shipped for elimination	2021						
	Total	FCC Industrial*	Áridos de Melo**	FCC Construcción			
				Spain	Rest of Europe	Americas	Middle East
Hazardous waste	4,651						
Incineration with energy recovery	190	–	–	4	183	2	–
Incineration without energy recovery	3,909	–	–	–	3,881	28	–
Landfill	223	59	–	1	38	125	–
Others	329	76	–	217	30	7	–
Non-hazardous waste	2,038,001						
Incineration with energy recovery	3,331	343	–	2,559	1	–	427
Incineration without energy recovery	2,449	2,445	–	–	3	–	–
Landfill	1,643,098	18,919	–	144,207	24,472	1,453,277	2,223
Others	389,124	13,280	–	366,381	9,289	174	–
TOTAL	2,042,653	35,122	–	513,369	37,898	1,453,614	2,651

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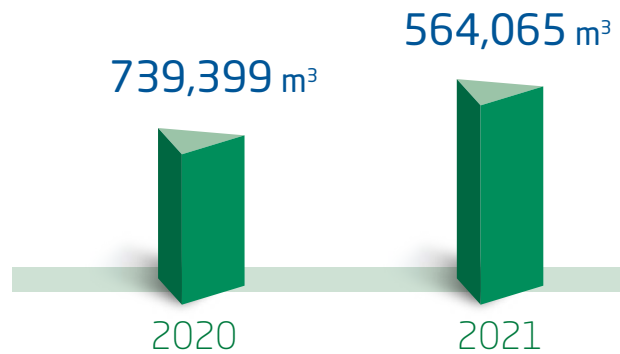


Effluent discharges

Some construction processes may generate wastewater, which is discharged into different water bodies. In order to ensure that the effluent discharges do not affect negatively to those water bodies, the company applies the necessary measures to reach the correct physical and chemical parameters. Some of these actions consist of installing on-site treatment plants sifting process of suspended soils or neutralising pH with acids or CO₂.

For projects involving effluent discharges, FCC Construcción obtains the necessary official permits to ensure that the dumping is controlled and supervised by environmental authorities. The quality of the effluent discharges generated in the sites is regularly assessed to determine whether it meets the required parameters.

If the relevant quality indicators are not reached, the necessary actions are identified and implemented in order to comply with the parameters and be able to proceed with the dumping. Some of these treatments are include in the Good Practices System.



In 2021, FCC Construcción reduced its effluent discharges by 24% compared with the previous year. The most notable reduction was in Spain, where 24% less water was dumped.

Effluent discharges (m³)

Effluent discharges	2020		2021						Total in water-stress areas
	Total	Total	FCC Industrial*	Áridos de Melo**	Spain	Rest of Europe	Americas	Middle East	
Hydraulic Public Domain (surface water)	312,813	160,967	915	–	160,002	–	50	–	160,916
Hydraulic Public Domain (groundwater)	1,294	3,457	–	–	3,422	35	–	–	3,457
Seaside public domain (seawater)	244,485	45,865	–	–	45,865	–	–	–	45,865
Sewerage network (third parties' water)	158,669	348,177	7,020	94	64,937	29,897	64,442	181,817	256,972
Watertight septic tank (third parties' water)	22,138	5,599	–	–	1,970	1,009	2,620	–	2,138
TOTAL	739,399	564,065	7,935	94	276,166	30,941	67,112	181,817	469,348

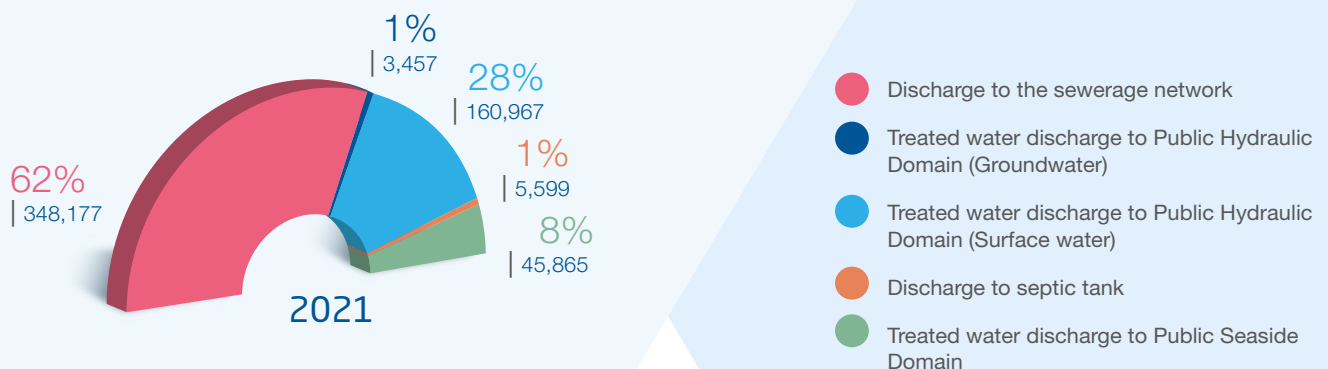
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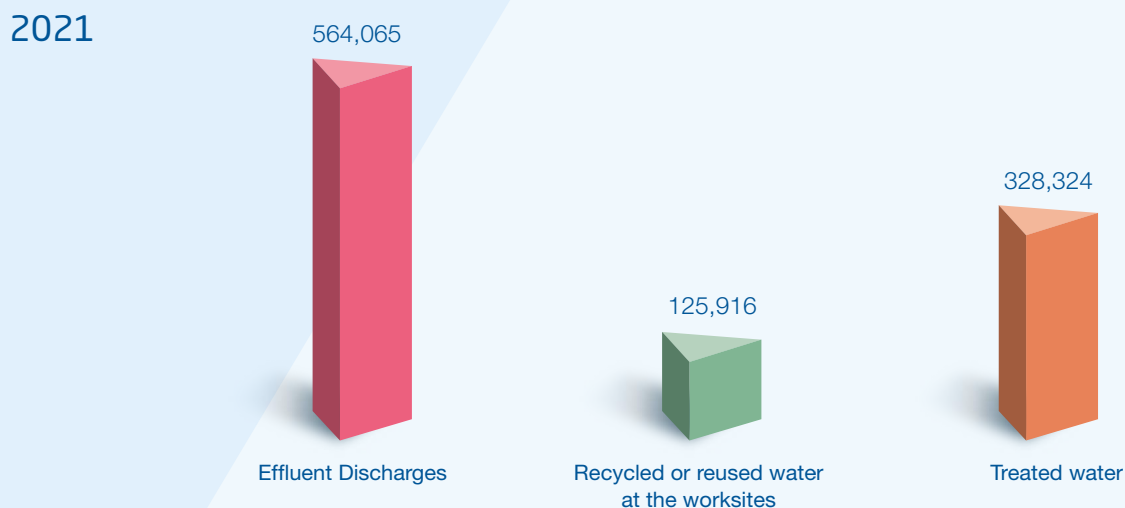
In 2021, the monitorization of the effluent discharge resulting from FCC Construcción's activities showed that more than 50% was discharged into the sewerage network and 28.5% into surface hydraulic public domain.

With the aim of minimising the consumption of natural resources, avoiding unnecessary discharges into water bodies, FCC Construcción also encourages the use of recycled or reused water on sites. If water cannot be recycled or reused, the company applies water treatments whenever they are necessary.

Wastewater discharge destination (m³, %)



Volume of recycled and reused water and volume of treated water vs. water discharged (m³)





Atmospheric emissions

In recent decades atmospheric pollution has become a global problem that affects not only people's health but also ecosystems. According to the EU Commission, it is the main environmental risk that people are exposed to and the second most significant environmental issue in the world after climate change.

Construction activities may often generate atmospheric emissions into the local atmosphere and surrounding areas, thus having an impact on air quality, although this mostly occurs on a specific and localized basis.

FCC Construcción has found that the main emission sources are those derived from the energy consumption of machinery, with regard to COVs, NOx and SOx, and from earthworks and the stockpiling of material, with regard to particle emissions.

The company is firmly committed to reducing its emissions to minimise the impact on air quality in the areas where we work. Therefore COV, NOX, SOX and particulate matter levels

are monitored, so that the necessary steps to reduce them are taken (many of which are included in our Good Practices System).

Dust emissions were reduced by more than 5 million kg. This result demonstrates FCC Construcción's commitment and sense of responsibility when it comes to air quality in the areas where our works and projects are located.

More detailed analysis of the specific activities that involve the emission of dust particles show that earthworks generate most of the dust (34% of FCC Construcción's total particle emissions), followed by the material stockpiling (29%), and concrete manufacture in third place (22%).

In 2021 FCC Construcción also quantified its nitrous oxide (NOX) and sulphur-oxide (SOX) emissions, which were 395,362 kg and 2,874 kg respectively - similar figures to those for the previous year.

Particle emissions and dust emissions avoided (Kg)

2021

5,076,800

319,366

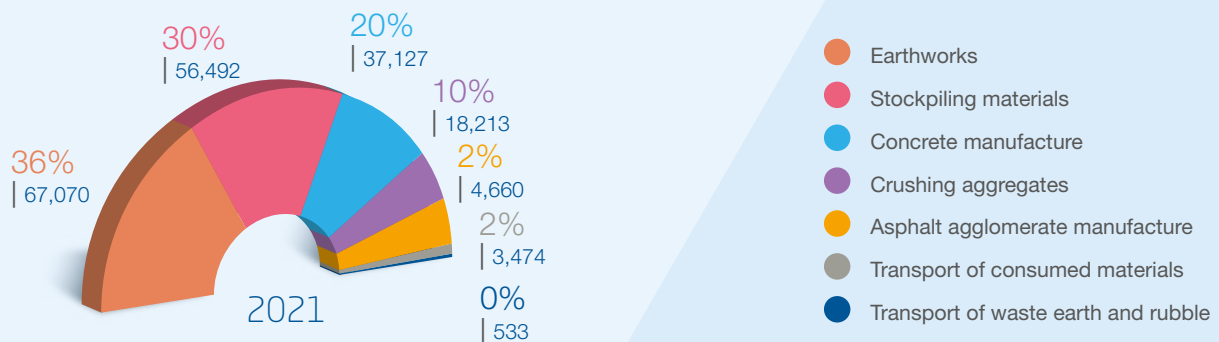
● Dust Emissions Reduction

● Dust Emissions



Metro lines 4-5-6 Riyadh metro (Saudi Arabia)

Dust-particle emissions by manufacturing type (Kg)



Case study

Safeguarding the health of people and the environment by implementing the necessary measures to reduce impact on air quality.



► Installation of vaporisers during the building of the Plaza de les Glòries Catalanes tunnel in Barcelona

During the course of the Plaza del les Gloriès project in Barcelona, earthworks and the transport of materials were found to be generating dust emissions, with a potential impact on air quality in the site area, which was an urban environment.

In order to reduce the atmospheric pollution caused by the dispersal of particles, FCC Construcción opted to install a vaporiser system on both sides of the exit ramps for trucks. The vaporisers sprayed the trucks with water as they joined local traffic.

In all a line of vaporisers **258 metres long** and 1 metre apart was installed, powered by a pressure unit at 6 litres per minute.





Soil occupation, contamination, or loss

FCC Construcción's activities may have an impact on the soil, as a result of its occupation, contamination or loss. For this reason, the company makes considerable efforts to minimise the potential risks both on sites directly occupied by projects and also in the surrounding areas.

In 2021 FCC Industrial began to report soil-contamination data for all its activities, which is the reason why the overall volume increased by nearly 50% compared with the previous year.

If we compare the data excluding FCC Industrial, the number of spills remained in the same levels.

Taking into account that production was higher in 2021, as pandemic restrictions were reduced, FCC Construcción has made great efforts to reduce its soil contamination.

Significant effects on FCC Construcción land

Geographical area	Improper or uncontrolled soil contamination or disturbance		Improper, uncontrolled or accidental dumping		TOTAL Accidental spills 2021		TOTAL Accidental spills 2020	
	No	Volume (m³)	No	Volume (m³)	No	Volume (m³)	No	Volume (m³)
FCC Industrial*	–	–	7	20	7	20	1	1.20
Áridos de Melo**	–	–	–	–	–	–	–	–
Spain	5	6	13	15.6	18	21.60	14	16.80
Rest of Europe	1	1	–	–	1	1	3	3.60
Americas	–	–	1	1	1	1	2	2.40
Middle East	–	–	–	–	–	–	–	–
TOTAL	6	7	21	37	27	44	20	24

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Line 2 and 4 Metro Lima (Peru)



Biodiversity

FCC Construcción's impacts on the surrounding areas of the sites may affect ecosystems and sometimes alter the landscape significantly, fragmenting and disconnecting natural habitats, hindering the development of the life cycles of wildlife in areas where projects are located.

To relieve the potential impact of projects, FCC Construcción applies measures to conserve and repair any negative effects on biodiversity. Most projects are also covered by environmental impact assessments, enabling the company to identify any risks and plan preventive measures during the design or during the construction phase, depending on the type of contract. When the works are completed, before final decommissioning, the company takes adequate actions to recover the natural environment of the affected area.

FCC Construcción takes special care to monitor the progress of works undertaken in sensitive areas, conserving the area and applying biodiversity-offsetting measures.

In 2021, FCC Construcción **restored 523.15 hectares and protected 512.27 hectares in highly sensitive areas**, through actions on the land such as: removing foreign objects from the environment and recovering or reforesting the affected area.

PROTECTION OF PROTECTED AREAS



512.27 ha

RESTORATION OF PROTECTED AREAS



523.15 ha

Land adjacent to or located in natural protected areas or areas of high-biodiversity value outside protected areas

Action type	2020		2021	
	No. works	Area (M m ²)	No. works	Area (M m ²)
Location in natural protected areas of high biodiversity value	7	5	10	6.14
Location where the landscape is catalogued as relevant	8	10	9	9.54
Impact on natural watercourse in a protected area	2	–	1	0.11
Impact on natural watercourse in areas of high biodiversity value	5	8.48	7	8.49
Impact on watercourses of very high or relevant value for local or indigenous communities	9	8.78	9	8.58
Impact on catalogued or protected vegetation	12	14.58	10	14.44
Impact on catalogued or protected animal species	12	13.93	11	13.56

* Data for FCC Construcción only.

* In 2021, the sites located in the most relevant areas for biodiversity or local communities were in Spain and Portugal and the Netherlands.

Case study

Promoting the creation and conservation of habitats of pollinating insects to preserve the biodiversity and the proper functioning of ecosystems.



► Insect hotel at Dublin airport

During the construction of the new runway at Dublin airport, in order to avoid the loss of local biodiversity and “insect hotel” was installed, to provide refuge during the hibernation period of insects that pollinate trees and crops, and also control pests.

It was designed with materials already available on site, preferably recycled or reused, such as pallets, bricks and pipes.

Insect hotels can be made in various designs and sizes, but if they are to be effected, they need to have lots of hollows and cavities to provide the necessary refuge conditions.

In this case, the hotel was built by creating a habitat of rotting wood to conserve the pollinating insects and others that are commonly found locally.

- | Reusing pallets attracted larvae of certain beetle species, such as the stage beetle, which feed on decomposing timber. These pallets were placed at the base of the hotel to keep the trunks as damp as possible.
- | Rotting vegetation was placed between the pallets to attract other species, such as centipedes, millipedes and woodlice.
- | The damp conditions together with the supply of organic matter also favoured the growth of fungi to aid in the decomposition of the woody material.





Conserving biodiversity and associated ecosystems are a key objective in all the company's projects. In order to achieve this, as many actions as necessary are undertaken.

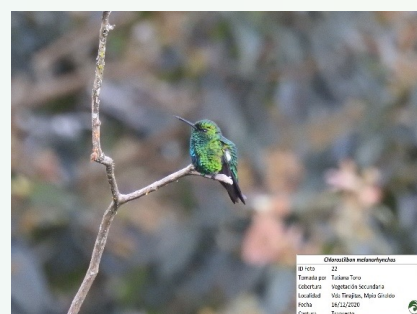
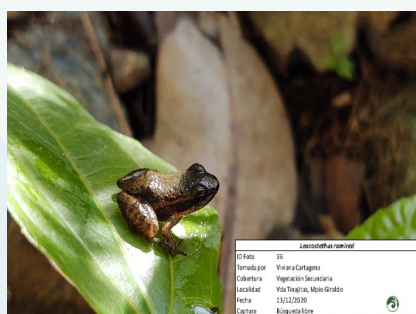
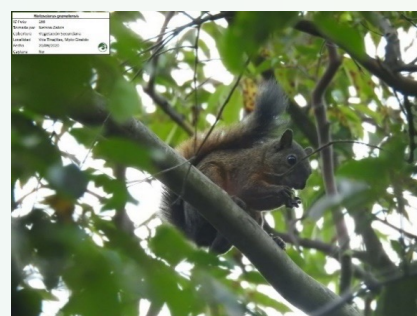
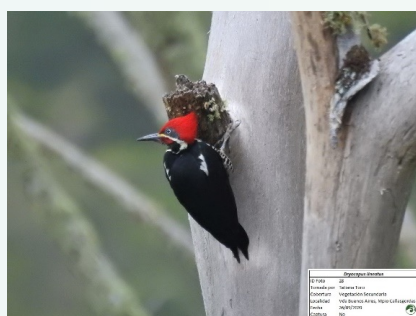
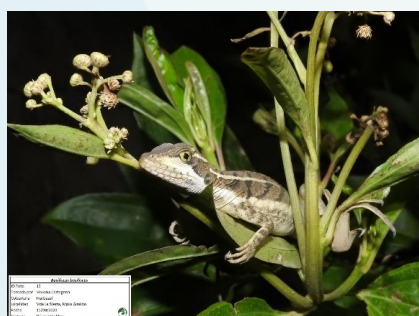
► Fauna recovery at the Toyo Tunnel site

During the construction of the road corridor for the *Toyo Tunnel* and Access Roads project, a risk of affecting biodiversity was identified because of the removal of the plant cover, refurbishment of the Morrón-Pinguro-Las Habas high road and the dismantling and removal of temporary infrastructure needed for the project, which could cause displacement and a loss of biodiversity.

As a solution, wildlife was driven out, rescued, transferred and relocated specifically in the areas of gallery and riverside forest, permanent bushy crops, secondary high vegetation and pasture in the site area.

The most significant tasks were:

- First, birds and mammals were driven from the area where trees were to be felled and sprayed during pre-construction and construction stages of the project.
- Also, before the felling or vegetation clearance tasks, any amphibians, reptiles and small mammals (rodents and some marsupials) were searched for, as their ability to be displaced is limited.
- Finally, the land vertebrates observed during the spraying and forestry tasks during the pre-construction and construction stages of the project were relocated elsewhere.



2.2. FCC Construcción in the face of the climate emergency



FCC Construcción faces the major challenge of dealing with climate change, seeking to apply the best mitigation and adaptation actions and orient the company's activities towards climate neutrality.

According to the latest IPCC report, climate change is one of the biggest challenges for the twenty-first century because of its impact on human activities. Multiple initiatives have been launched worldwide to combat climate change, including 2030 Agenda and the EU Green Compact, which have set targets that include achieving **climate neutrality by 2050**.

FCC Construcción was the first company in its sector to verify its GGEs and incorporate climate targets into its corporate strategy

FCC Construcción is fully aligned with the motivation to combat climate change, providing knowledge to the construction sector that has acquired over time by quantifying GGEs and implementing the ISO 140064 standard as part of its management system. FCC Construcción is also committed to the transition towards a carbon-free economy and works intensively on implementing the SDGs related to climate change.

By implementing a management and sustainability system the company is able to develop actions to improve its energy efficiency, reduce the consumption of materials and improve its waste management, as well as enhancing the infrastructure resilience. The aim of all these actions is to turn the company into a benchmark as a low-GGE organisation.

Most recently, FCC Construcción has been working on identifying climate risks and opportunities and taking the first steps to adapt the infrastructure to climate change, aiming to achieve carbon neutrality by 2050 as part of the company's climate-change strategy.





Glină Wastewater Treatment Plant (Bucharest)



Achievements

- | FCC Construcción has achieved its target of verifying 100% of its activities under the ISO 14064-1:2019 standard for greenhouse-gas emissions.
- | Dissemination of the knowledge pills *"Introduction to Climate Change"*. *"Actions for the Climate"* among FCCCO employees via FCC Campus platform.
- | Participation in workshops of climate change organised by the European Commission.
- | Launch of the preparation of FCC Construcción's *"Climate Change Strategy 2050"*.
- | Extending the scope of the carbon footprint by introducing more materials and new building processes and replacing emission factors to cover the entire life cycle of materials.
- | Obtaining the "Calculate and Reduce" seal for the carbon footprint and CO₂ offsetting and absorption recorded, awarded to FCC Construcción by the Spanish Ministry for Ecological Transition and Demographic Challenges.



Future challenges

- | Integrating FCC Construcción's subsidiaries into the carbon-footprint calculation and verification under the ISO 14064-1:2019 standard on greenhouse gases.
- | Publication of FCC Construcción's *"Climate Change Strategy 2050"*.
- | Studying alternative materials that have a smaller carbon footprint at their extraction and production processes, while strengthening reuse.
- | Increasing the consumption of renewable energy to replace fossil fuels in building processes and at fixed workplaces.
- | Strengthening the commitment by the company and its employees to strive to combat climate change.



Gouveas Dam (Portugal)

Risks and opportunities of climate change

FCC Construcción is aware of the risks that its activities generate on the climate, and for that reason, the company has been quantifying its GGEs for more than ten years now, as well as studying and implementing measures to mitigate climate change on its sites.

There are two approaches for assessing risks: **risks to the climate and risks to the company**. The first approach analyses the risks generated by the negative impacts on the climate that are caused by the company's activities through its greenhouse-gas emissions. The second addresses the risks that the company assumes as a consequence of climate change.

Regarding the company's risks, FCC Construcción has identified the physical risks that are caused by climate changes -floods, droughts, blizzards, etc.- and transition risks, derived from politics and regulation until carbon-free targets are reached.

Transition climate risks for FCC Construcción

	Transition risks	Example
Regulatory	Risks associated with public policies, that could require greater burdens or changes in existing products and services regulation, that are damaging for the company.	• Greater energy-efficiency requirements. • Changes to carbon pricing mechanisms that raise fossil-fuel prices. • Policies to encourage sustainable land use.
Legal	Risks of litigations as a result of not preventing or minimising negative effects on the climate or the failure of certain activities to adapt to climate change.	• Risks of litigations on environmental matters. • Greater regulatory-capital requirements because of risks associated with climate change.
Technological	Risks as a result of upgrading technology to make it less harmful for the climate.	• Upgrading existing technology and processes to reduce emissions. • Failed investment in new technology. • Costs of transitioning to low-emission technology.
Market	Business customers may tend to opt for products and services that are less harmful for the environment.	• Changing market trends. • Rising costs of raw materials. • Requirement by public authorities to obtain certifications related to climate change. • Financial risks.
Reputational	The difficulty of attracting customers, employees, business partners and investors, and holding on to them if a company has a reputation of not being climate-friendly.	• Changes in consumers' preferences. • A sector being stigmatised because of an abrupt change in how a sector is perceived, with a significant loss of sales. • Investment excluded because of market pressure.

Physical climate risks for FCC Construcción

	Physical or material risks	Example
Acute material risks	Risks due to increasing weather events, such as storms, floods, fires and heat waves, which may damage infrastructure and buildings and disturb value chains.	• Lower revenue because of less production capacity (e.g., transport difficulties, power cuts, interruptions to supply chains, problems with concrete-pouring, etc.). • Higher infrastructure-maintenance costs.
Chronic material risks	Risks resulting from longer-term changes in the climate, e.g., temperature changes, rising sea levels, limited water availability, loss of biodiversity and disturbance of the productivity of land and soil.	• Loss of value of customers' assets located in areas with water-supply problems (desertification). • Rising operating costs. • Population movements that may result in depression in certain areas, accompanied by loss of business.



Knowledge of risks is also a source of opportunities for FCC Construcción, allowing the company, for example, to be opened up to develop sustainable, robust infrastructure to adapt to climate change. It also favours the incorporation of BIM technology, encourages digitisation of the sector, creates opportunities for access to sustainable financing, favours access to new digital technology, and helps to improve data-collection processes and insurance cover by implementing measures to adapt to and mitigate climate risks, among many others.

Given this situation, in order to identify and report the risks and opportunities related to climate change and determine their impact on assets and investment, FCC Construcción follows the TCFD's recommendations, based on four approaches:

Strategy



► Strategy review to include climate change

In 2017, FCC Construcción published its climate-change strategy, which included the risks and opportunities derived by combating climate change. The most notable targets - and one that has now been achieved, has been to extend the verification of the greenhouse-gas inventory to 100% of the company's business.

The strategy is based on four strategic areas: mitigation and adaptation to climate change, communication and innovation.

The company's new climate-change strategy is currently being developed.

► Analysing the company's governance to make it more effective in terms of climate and sustainability

FCC Construcción is aware of the importance of including risks in companies' decision-making processes and integrating them into governance to combat climate change. It is essential for information on this process to be published, explaining management's involvement.

Risk management



► Detailed analysis of future scenarios and whether forecasting models may be possible

FCC has its own risk-management system, where internal and external issues are considered in order to identify and monitor its risks, such as: context of the organisation, needs and expectations of interested parties, delivered products, actual projects, and the own companies' characteristics.

The result is a SWOT analysis that enables risks and opportunities to be identified in order for management to decide what action to take.

► Increasing the information available and building awareness of climate-related risks

FCC Construcción verifies its GGEs every year, integrating stakeholders in the reduction process in order to enhance the company's commitment and transparency.

All GGEs and all scopes and categories are taken into account at FCC Construcción.

Greenhouse-Gas Emissions (GGEs)²

FCC Construcción calculates the carbon footprint of its work-sites and fixed centres, applying an operational approach within the company's organisational limits, taking into account all direct and indirect emissions.

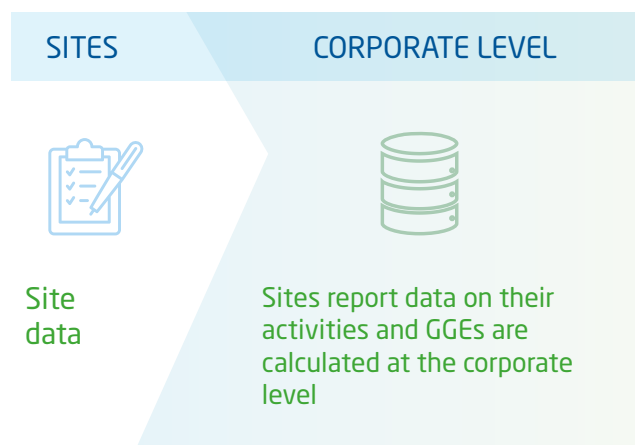
The carbon footprint is currently calculated and verified in all the countries where the company operates: Spain, Portugal, Bulgaria, Romania, United Kingdom, Ireland, Belgium, Norway, Netherlands, Nicaragua, Costa Rica, Panama, El Salvador, Mexico, Colombia, Chile, Peru, United States, Canada, Australia, Qatar, and Saudi Arabia. This represents 100% of FCC Construcción's business certificated (excluding FCC Industrial and Áridos de Melo) in December 2021.

FCC Construcción has a corporate software tool that calculates GGEs, by processing the real activity data on each production centre and uploading it to a centralised database.

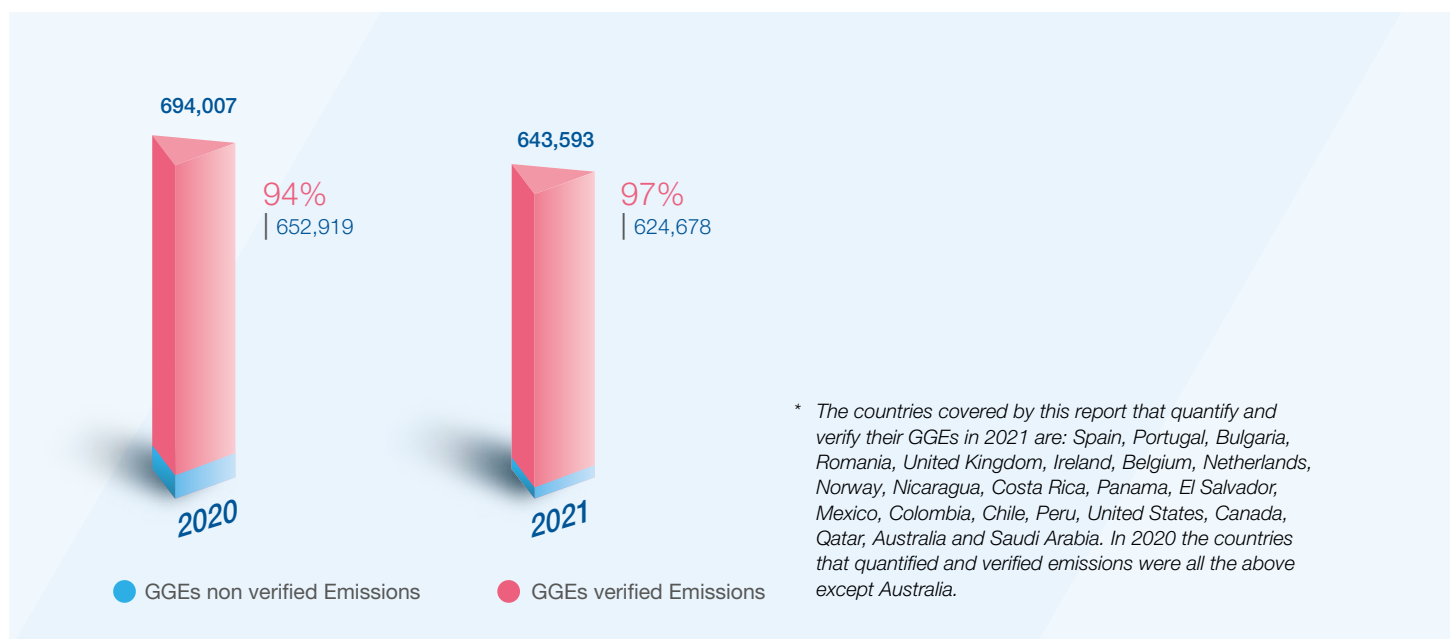
In 2021, the **construction division** emitted a total of 643,593 t CO₂e, from which 97.06% of the company's emissions has been verified (those corresponding to FCC Construcción only). This figure is 2.99% higher than the emissions verified in 2020.

FCC Construcción strives to progress in the calculation of its carbon footprint through actions such as extending its scope 3 and seeking for emission factors that incorporate the life cycle

of materials from their production. In spite of this change compared with the previous year, FCC Construcción has reduced its carbon footprint, as a demonstration of the company's performance. The next target for the construction division is to verify the carbon footprint of the subsidiary companies.



Total GGEs (t CO₂e)



² For further information, please see the [Greenhouse Gas Emissions Report 2021](#)

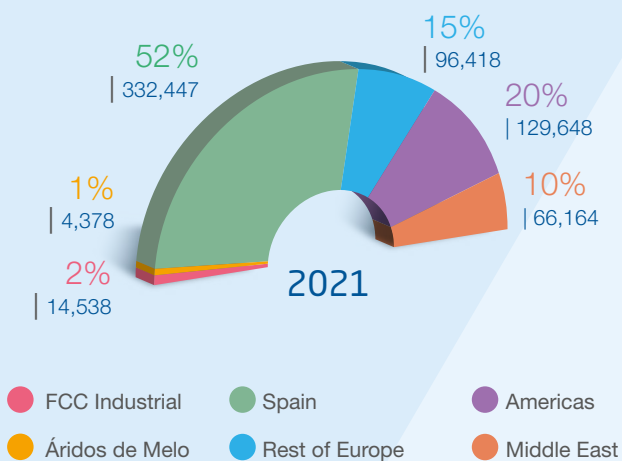
Total GGEs in 2021 (t CO₂e)

Geographical area	Total 2021	Scope 1	Scope 2	Scope 3
FCC Industrial*	14,538	10,121	921	3,495
Áridos de Melo**	4,378	3,266	533	579
Spain	332,447	7,385	1,040	324,023
Rest of Europe	96,418	7,034	862	88,522
Americas	129,648	2,474	1,493	125,682
Middle East	66,164	25,202	98	40,864
TOTAL	643,593	55,483	4,945	583,165

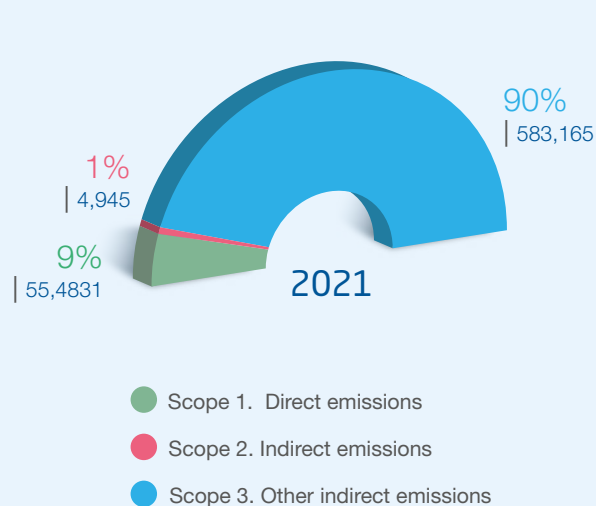
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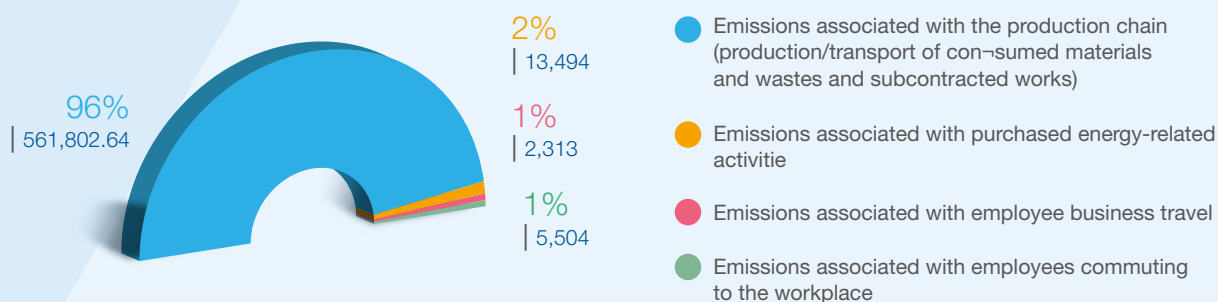
GGEs by geographical area (tCO₂e)



GGEs by scope (tCO₂e)



Scope-3 (tCO₂e)



In 2021, the **avoided emissions** reached 14,360 t CO₂e, which is twice the avoided emissions in 2020. This increase in avoided emissions was due to the application of measures such as controlling the speed of site vehicles, appropriate maintenance of machinery and using CO₂ to neutralise pH.

In 2021, decarbonisation became one of the key factors for sustainable economic development. In this respect FCC Construcción decided to move forward by creating a new cli-

mate-change strategy, that complies with the management targets set for the 2021-2024 period and achieving carbon neutrality by 2050.

With this new climate-change strategy, FCC Construcción has laid the groundwork to face future environmental challenges, strengthening the company's commitment to fight global warming, based on responsibility principles.

Case study

Strengthening the commitment to mitigate and adapt to climate change by promoting partnerships and cooperation with other organisations.



► FCC Construcción takes part in sessions on climate change organised by the European Commission

WORKSHOP // MARCH 17TH AND 18TH 2021

Climate resilience and design codes - factoring in climate projections

Aligning infrastructure standards with information about the future climate

The climate is changing rapidly, and effects are already being experienced in the built environment. Are you interested in how future climate information will be dealt with in standards?

This workshop is part of the EC Mandate 526 on CEN/CENELEC which deals with the incorporation of future climate information in standards, and is a step towards producing an outline for a CEN Technical Report in this area.

[REGISTER HERE](#)

CLIMATE SENSE | NEN | SIRMA | Interreg Atlantic Area

FCC Construcción was present at the “*Climate Resilience and Design Codes*” sessions organised by the European Commission on Climate Change.

On this occasion, the Quality, CSR and RDI Director, Antonio Burqueño, represented FCC Construcción at a workshop involving experts in three different areas: data analysis and climate science, infrastructure standards and infrastructure users.

The objective of this workshop was to work on developing a proposal to adapt the Eurocodes and Annexes to future climate conditions. The sessions heard reports on the new European Climate Adaptation Strategy and initiatives on climate standards and strength:

SIRMA project
CEN TC250 work with JRC
Development of Copernicus and AEMA for the supply of climate data

2.3. Circular economy and FCC Construcción



FCC Construcción seeks to close the circle in all its processes as a key factor in developing sustainable management of resources and minimising environmental impact.



FCC Construcción is involved in encouraging an economic-development model based on circularity, promoting initiatives to implement the five key factors in a circular economy -design and production, consumption of products and resources, waste management, and the use of resources that waste contains- in the management of all the company's projects.

FCC Construcción's circular-economy commitment was highlighted by its adhesion to the Compact for a Circular Economy proposed by the Spanish Ministries of Agriculture and Fisheries, the Environment, and Finance, Industry and Competitiveness.



Achievements

- | Dissemination of the knowledge pill "Companies and the Circular Economy" among FCCCO employees via the FCC Campus platform.
- | Driving the BIM methodology as key for optimising the consumption of resources during the initial stages of projects.



Future challenges

- | Strengthening waste management on sites and seeking to implement Zero Waste certification on more than two worksites.
- | Driving on-site waste-management training to facilitate compliance with certification requirements for sustainability.
- | Applying circular-economy best practices on sites to reduce waste generation.
- | Building employees' awareness of circular-economy issues through training and in-house communications.



FCC Construcción's circular strategy is based on the six action areas defined by the *Ellen MacArthur Foundation* through the *ReSOLVE* programme, a world benchmark that enables circular-economy principles to be integrated. The benefit of implementing this system is how easy it is to check a company's progress and identify new development and business opportunities associated with sustainable development based on a circular production model.



Regenerate

Recovering the environment, valorizing materials and energy transition

FCC Construcción is committed to biodiversity and to the restoration of the environment, always carrying out action to protect and restore protected and sensitive areas.

The company is also developing a fair energy transition by incorporating renewable sources of energy.



Optimise

Achieving maximum productivity in the use of resources

FCC Construcción is applying innovative techniques oriented towards achieving sustainable consumption.

These include deconstruction and demolition techniques, new forms of packaging and the use of precast concrete whenever possible.

Megaplas has implemented the LEAN system at its plant.



Close the circle

Strengthening the use of recycled materials and minimising raw materials

All projects developed by FCC Construcción are based on the circular-economy philosophy, where every "circle" is built considering the treatment of products and materials, recycling, valorising and reusing resources. Internal platforms are used to carry out comprehensive control of the classification and treatment of waste.

FCC Industrial, achieved **"Zero Waste" certification in 2019.**



Share

Optimising resources via the use stage

FCC Construcción has a strategically located machinery fleet to be able to manage site equipment sustainably, without needing to acquire or hire any. Thereby, enabling such an essential resource for the company's business to be optimised.



Digitise

Using the latest technology for more efficient use of resources, time and costs

FCC Construcción is implementing the BIM system on its worksites to plan projects remotely and improve their management and progress, while also developing the Alejandria project, based on document management.

This technology is also fully compatible with the company's drones or other digital platforms.



Replace

Taking advantage of scientific progress to use new materials and technology

FCC Construcción's values include considering a latest-generation material made with the very latest technology to assure excellence of service and the durability of materials. In every respect, this is a sign of innovation and sustainability.

Valorization of resources

FCC Construcción increased the amount of materials reused on its own worksites in 2021. More than twice as much surplus earth and rock was reused compared with last year. It was obtained both from the same projects or from others. The reuse of rubble was reduced by 15% in 2021.

FCC Construcción thereby avoids using borrow or quarried materials, as approximately 60% of raw materials and 4% of semi-prepared products are reused.

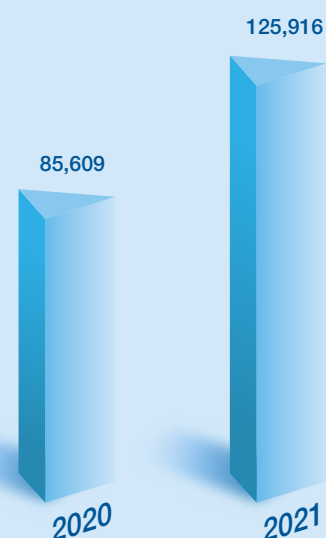
Recycled/reused materials (m³)

Recycled/reused materials	2020	2021
Surplus soil and stones	2,055,730	4,344,229
Used on the same project (compensation-excavation-fill) (m ³)	1,720,005	4,266,519
Used sourced from other projects (m ³)	335,725	77,710
Surplus clean rubble	71,723	60,782
Used on the same project (compensation-excavation-fill) (m ³)	71,155	60,782
Used sourced from other project (m ³)	568	—
Recycled/reused materials	2,127,454	4,405,011

* Data for FCC Construcción (excluding FCC Industrial and Áridos de Melo).

In terms of reused water, FCC Construcción reused 47% more water than in 2020.

Water recycled or reused by the site (m³)



Case study



Applying the best available techniques in construction and demolition processes and waste management to achieve a reduction in the company's environmental footprint, in line with circular-economy principles.

► Classification of waste generated during the refurbishment and extension of the faculty of philology and literature at the University of Zaragoza

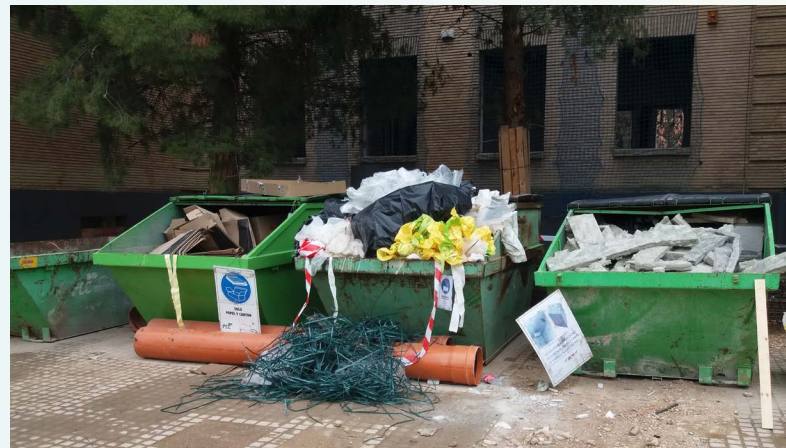
Project description

The purpose of the project is the refurbishment and extension of the Faculty of Philology and Literature at the University of Zaragoza.

The planned action includes demolishing the philology building and replacing it with a new building for the department. The central faculty building (designed by the architect Regino Borobio and catalogued under protection level B for its architectural interest in the Zaragoza urban-development plan) is also being fully refurbished, maintaining the building's volume and floor slabs while carrying out a large amount of quasi-manual demolition work inside the building.

Identification of the issue

- | The BREEAM certification, in the "Waste" category, assigns one point at the final classification if more than 80% of the building waste is recovered, achieving "exemplary level" if 95% is recovered.
- | Another requirement for BREEAM certification is to elaborate the pre-building audit, that is intended to "provide precise information on the destination of the waste generated on site". The conclusion for this project was that the project had the potential to reuse and recycle approximately 97% of its building and demolition waste (considering that no reuse or recycling operations are planned for any hazardous or household waste).
- | The waste-management plan considered the possibility of applying reuse and recycling operations for practically all BDW.



Solution

Initially, the demolition of the philology building and the partial demolition of the central faculty building, as well as the earthworks, followed these criteria. From the beginning waste had to be completely segregated by type, with the possibility of valorizing it in the future. Waste management valorization was subsequently included.

All the non-hazardous demolition waste was handed over to various waste managers (depending on the type of waste), who certified its valorization.

The company responsible for the digging work certified the use of the resulting earth as backfill.

In parallel, sufficient containers were made available on site so that the resulting waste was segregated in project operations for which management was contracted to assure its valorization.

Case study



Encourage the reuse of materials during the course of all projects.

► Reuse of water from washing concrete-mixer chutes on the A-33 Murcia-Valencia region motorway



Project description

This project is part of the works for the A-33 Jumilla (Murcia)-Fuente de la Higuera (Valencia Region) motorway. The section crosses the towns of Yecla (Murcia province) and Caudete (Albacete province in the Castile-La Mancha Region).

The total length of the section is 16,000 m².

A 3-metre safety ditch was built. No berms were included between the ditch and the embankment so as not to increase the amount of land clearance required.

Identification of the issue

The A-33 motorway between Yecla (Murcia) and Caudete (Castile-La Mancha) is on average 30 minutes away from the concrete plant, so the chutes of the concrete mixers had to be washed on the site itself. This could cause concrete or water containing cement and additives to contaminate the soil and any aquifers in the area, giving rise to a public-health issue.

Solution

It was decided to create decanting ponds for the water resulting from washing concrete-mixer chutes. These ponds will contain sufficient water for the concreting of the adjacent areas, and the bottom and sides of the ponds will be protected with waterproof plastic material.

Subsequently the concrete is excavated, separating the plastic. The concrete will be crushed for reuse as inert material for the reconditioning of site tracks.

The plastic will be deposited in a container for subsequent processing by a licensed waste manager.

Letter from
the CEO

FCC Construcción
at a glance

1
Who
we are

2
Our environmental
commitment

3
Creating value
in society

4
Governance, ethics
and transparency

5
Building
the future

6
Materiality and reaching
out to stakeholders

7
Annexes

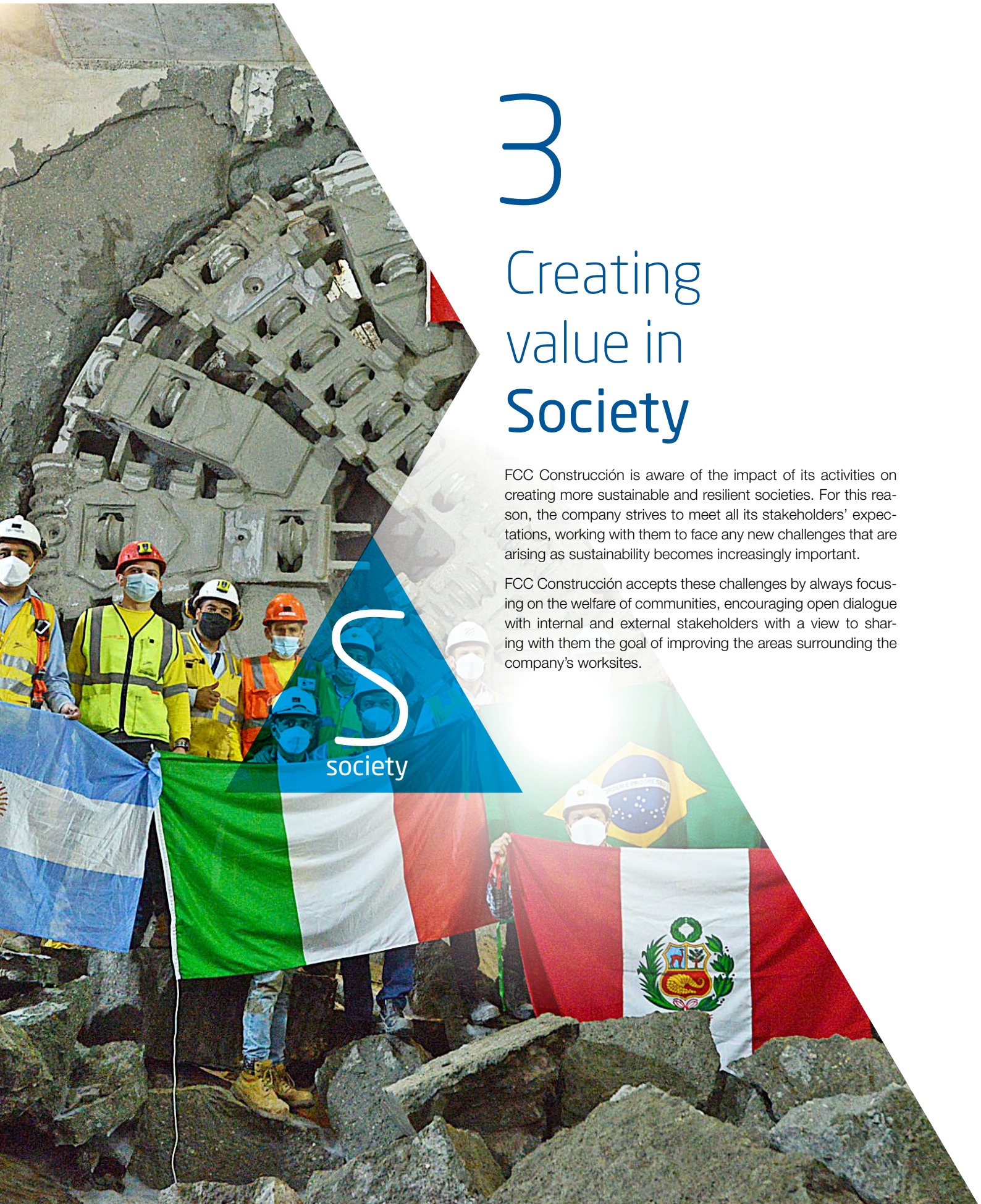
3

Creating value in Society

FCC Construcción is aware of the impact of its activities on creating more sustainable and resilient societies. For this reason, the company strives to meet all its stakeholders' expectations, working with them to face any new challenges that are arising as sustainability becomes increasingly important.

FCC Construcción accepts these challenges by always focusing on the welfare of communities, encouraging open dialogue with internal and external stakeholders with a view to sharing with them the goal of improving the areas surrounding the company's worksites.

S
society



3.1. Our professionals



FCC Construction's most valuable assets are the professionals who work for the company.

FCC Construcción's employees are its most important assets, and their welfare is a key premise for the company. FCC Construcción pursues to create a **stable, inclusive** working environment, based on the principles of equality, diversity, work-life balance and encouraging talent, and also to implement the necessary measures to assure **healthy, safe** workplaces.





Achievements

- | Overcoming the difficulties caused by the COVID pandemic.
- | Dissemination of the annual report on best OHS practices at the various workplaces.
- | Report on lessons learned about potentially hazardous incidents.
- | Report on *Safety Moments* at non-specific meetings of the OHS department.
- | FCC Construcción's presence at specific OHS forums and business organisations (e.g., FIEC, Seopan, AEC and INSTT).
- | Technological development of OHS-related RDI projects, specifically the Safety 4D project on the application of BIM in OHS contexts.
- | Information *talks on safety* given by managers before critical tasks begin, focusing on OHS.
- | Extension of USO 45001 certification to FCC Canada, the United States and Australia.
- | Arranging regular medical check-ups at head office and branch offices.
- | Consolidating online training, while continuing with the task of digitising the existing presence-based courses.
- | Increasing online technical and QA training as technical courses are gradually updated.
- | Including the *on-boarding* programme for new recruits.

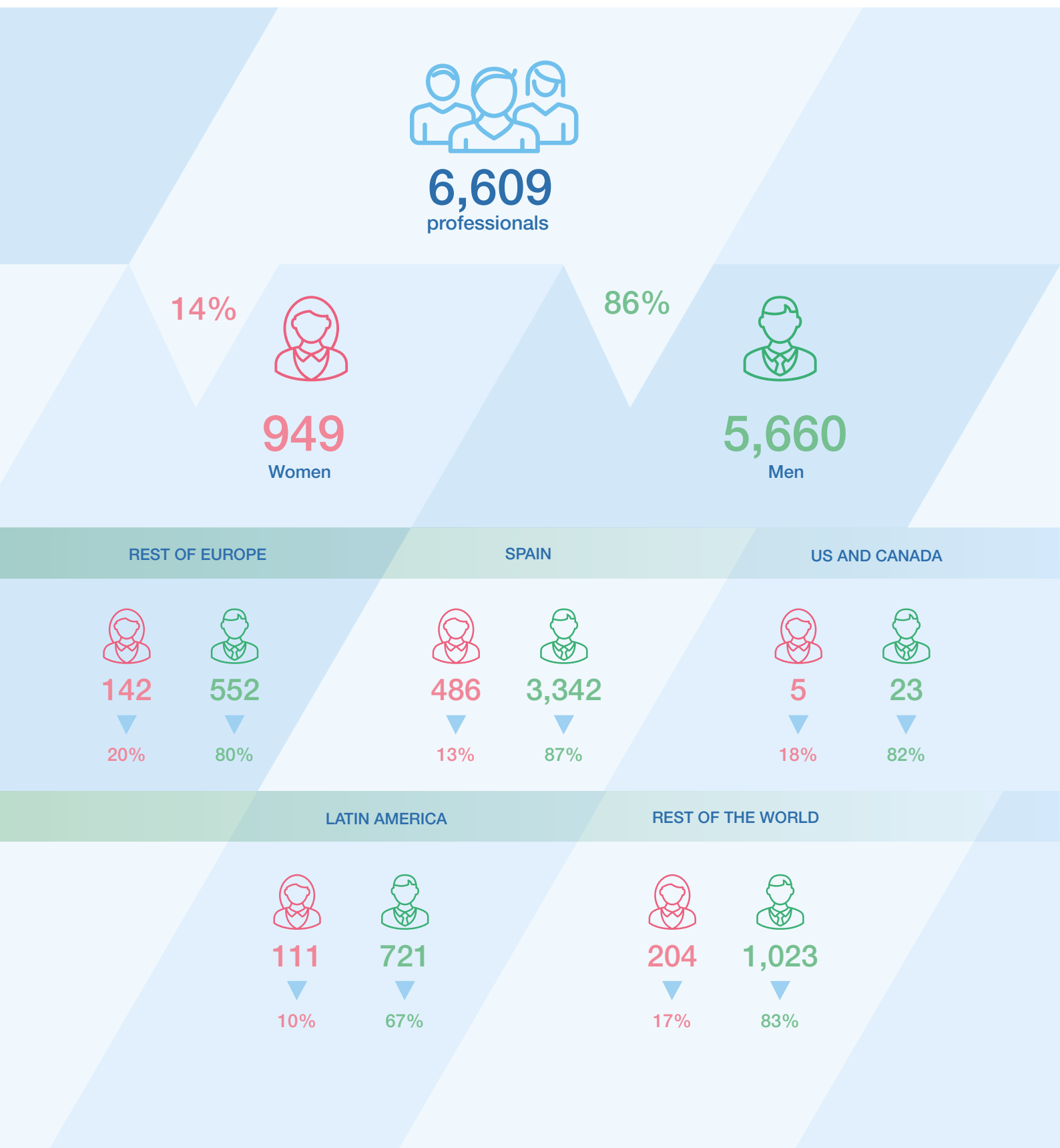


Future challenges

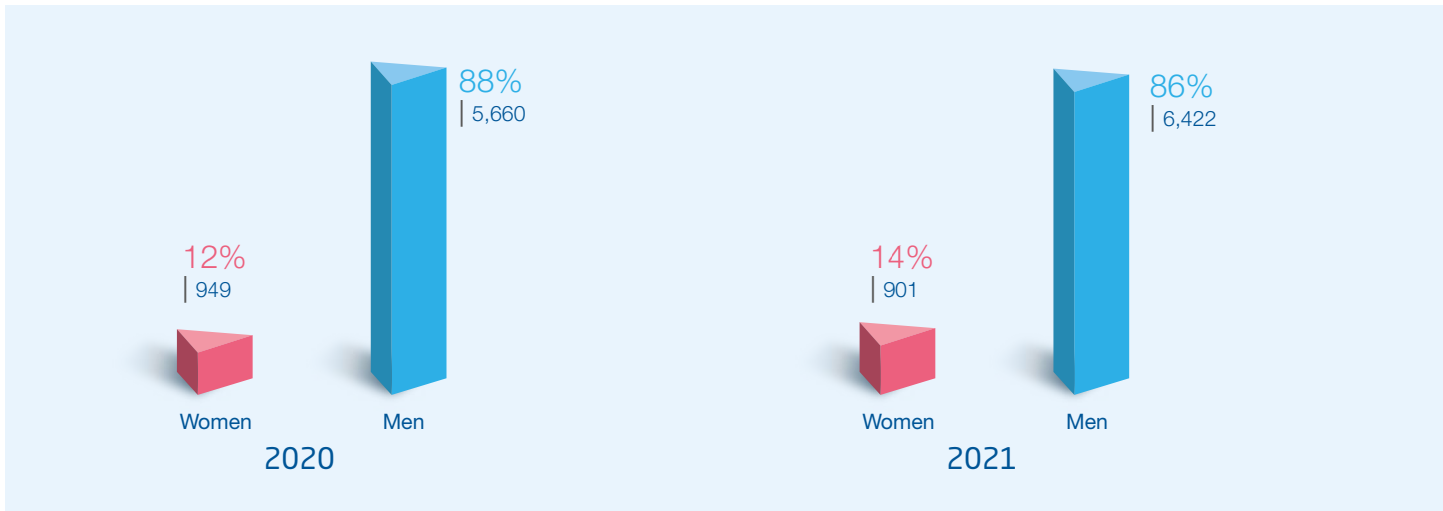
- | Progressing with the development of the project to review jobs and roles.
- | Adapting all equality plans in the department and signing up any that do not yet have any.
- | Implementing the "*Crystalline Breathable Silicon*" Guide and monitoring actions at workplaces.
- | Continuing to compile and publish good practices, lessons learned and *Safety Moments*.
- | Strengthening communication with OHS officers in countries where new projects are being launched.
- | Developing new OHS-related RDI projects.
- | Achieving certification by the *Office of the Federal Safety Commissioner* (OFSC) for FCC Australia Pty Ltd.
- | Giving more specific OHS training, working with the OHS department.
- | Continuing to implement and roll out training via the FCC Campus.
- | Achieving an increase in online training.
- | Providing training in BIM methodology to the relevant personnel assigned by departments.
- | Providing specific training on the Code of Ethics and Conduct to all new recruits.
- | Identifying and training in-house trainers.
- | Continuing to contract external suppliers with a high degree of technical skill, subject to prior studies and approval by the departments.

FCC Construcción's workforce

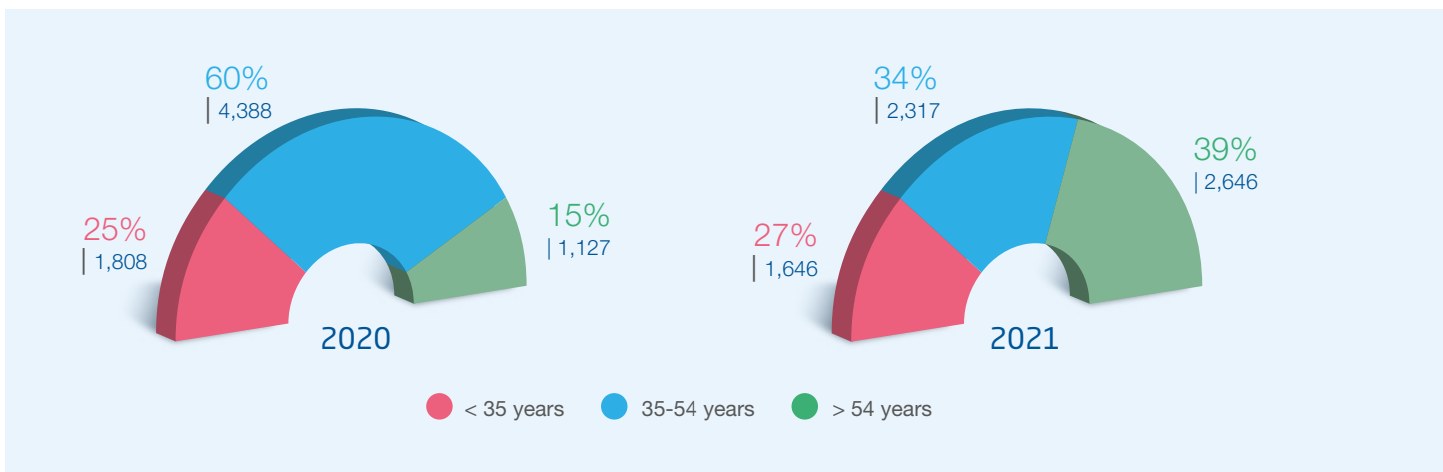
In 2021 the FCC Construcción total workforce comprised 6,609 employees, distributed as follows:



Distribution of employees by gender



Distribution of employees by age group



Total number and distribution of employees by gender, age and professional category

Professional category	Total 2020	Total 2021	Distribution by gender		Distribution by age		
			Women	Men	< 35 years	35-54 years	> 54 years
Total	7,323	6,609	949	5,660	1,646	2,318	2,646
Directors and executives	73	82	9	73	1	47	34
Middle-level managers	789	763	81	682	43	455	265
Technicians	1,667	1,600	328	1,272	347	925	328
Administration personnel	669	710	403	307	303	285	121
Other occupations	4,125	3,454	127	3,327	951	605	1,898

Activities relate to the construction industry are traditionally male-dominated, and this affects directly the number of women in the workforce. However, as we can see in the figures, the upward trend for women employees continues, demonstrating FCC Construcción's commitment to increasing women's representation within the company.

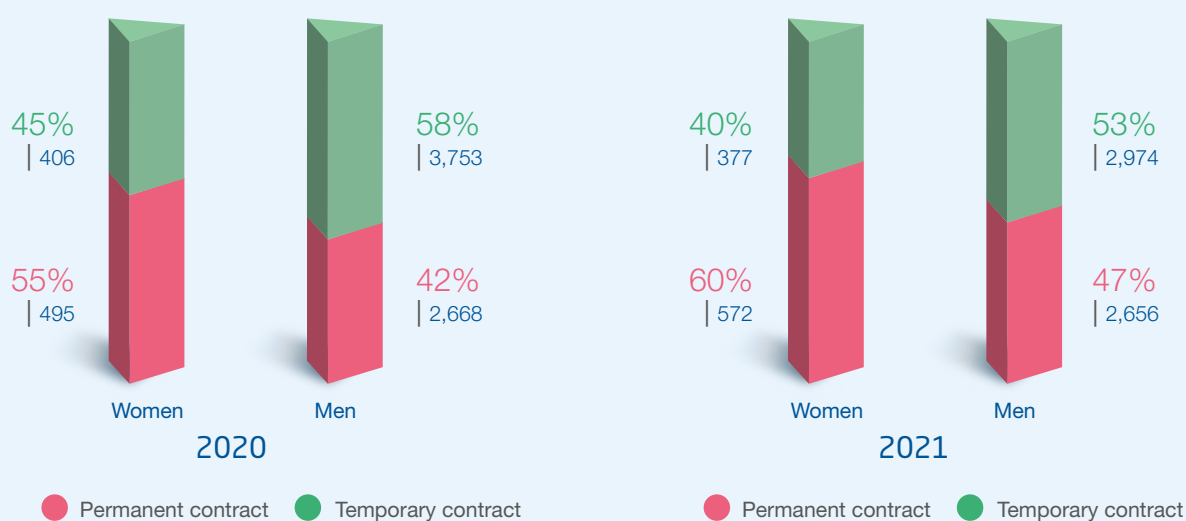
The difference between the number of employees in 2020 and 2021 is also a consequence of the nature of the construction business, with certain services being provided on only a temporary basis during the course of works. This can be appreciated

in the number of employees on temporary contracts, which was more than 50% in both 2020 and 2021, although the trend over the two years has been descending.

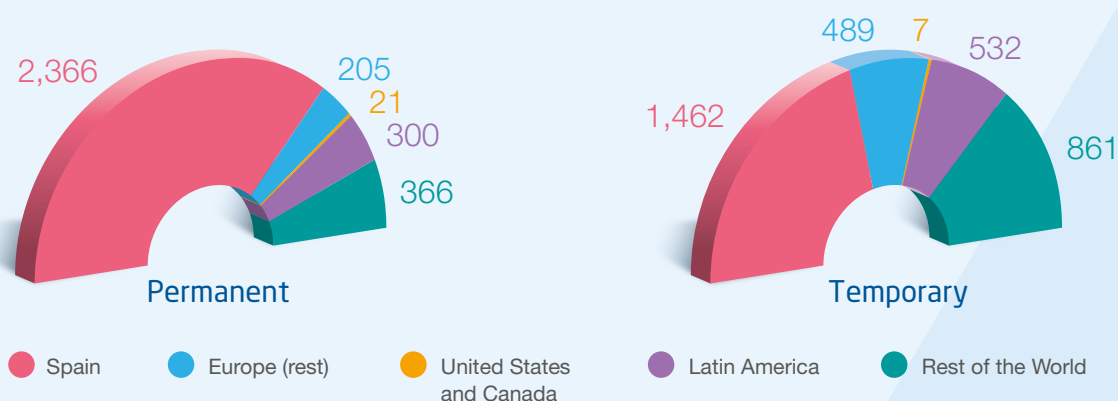
Many of these temporary contracts are extremely stable, with many people recruited in sectors with a subrogation contractual obligation.

In the distribution of contract types by gender, less than 50% of female employees are on temporary contracts, and follow also a negative trend.

Distribution by gender and contract type in number of employees and percentage

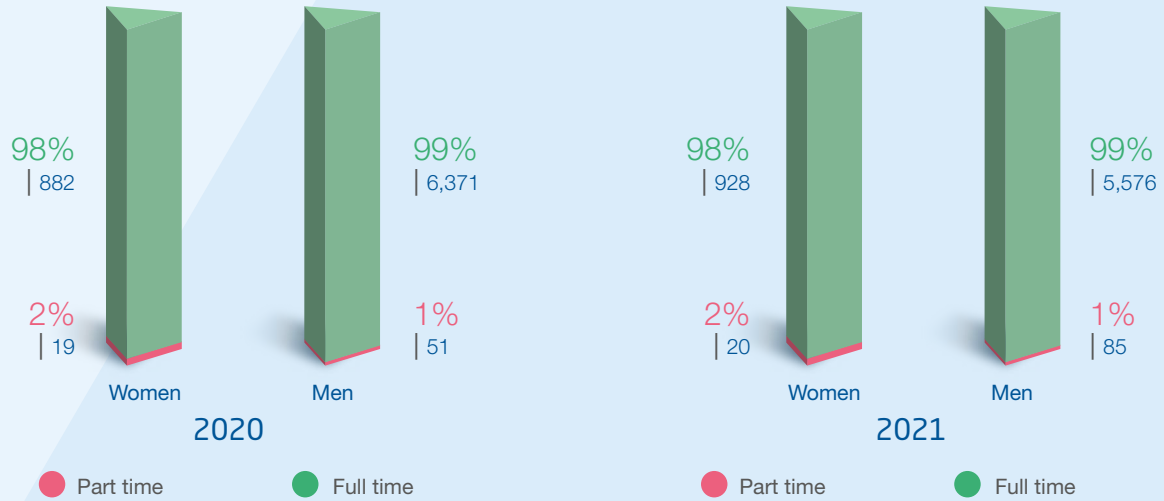


Distribution by contract type and geographical area



* In the presentation of the data in this table the employees in the United Kingdom and Norway have been included within Rest of the World.

Distribution by type of working hours and gender in number of employees and percentage



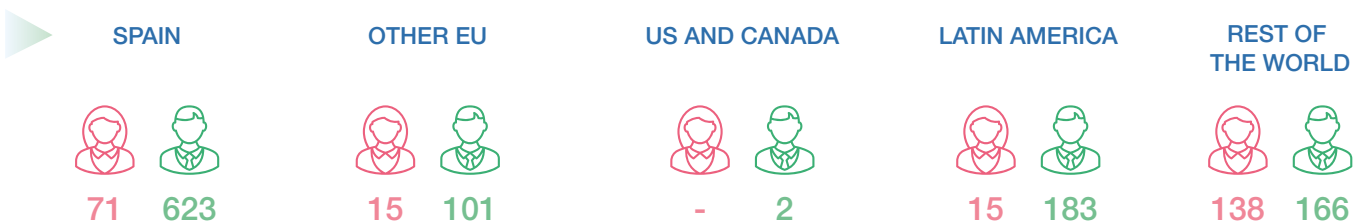
In terms of employability, FCC Construcción recruits personnel every year in all its geographical locations, depending on the awarded projects.

In 2021 the number of recruitments rose, mainly in Spain, where the company's presence is most significant. FCC Construcción's has made great efforts to attract and retain young talent, as a result of which the under-35s was the age group accounting for the most recruitment in 2021.

1,313
recruitments

239
Women

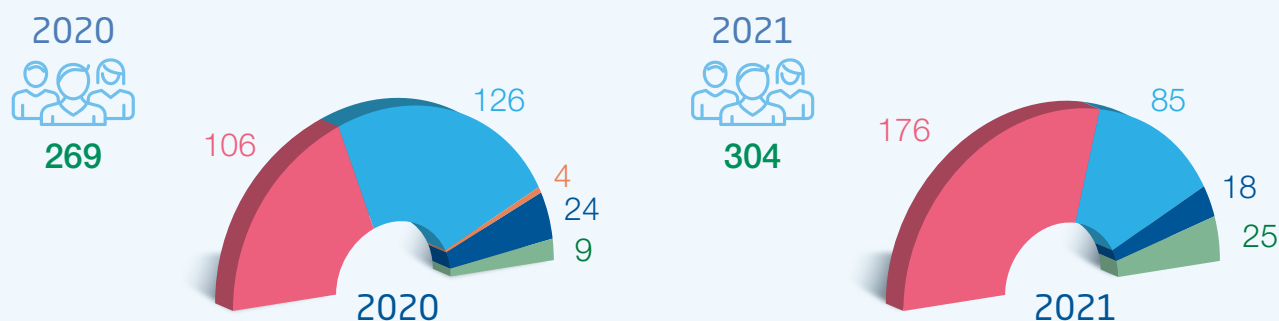
1,074
Men



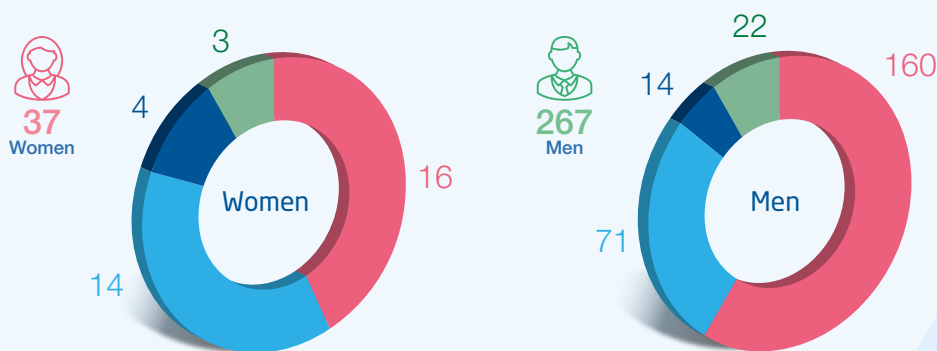
The voluntary employee turnover rate in 2021 was **4.6%**, compared with 2020, when it was **3.7%**. Staff turnover rose in Spain but fell in the rest of Europe. The reactivation of the economy after the COVID pandemic has favoured an increase in the turnover rate of employees in most sectors, not only construction.

One of the company's main goals is to retain talent. The great complexity of the projects that FCC Construcción undertakes calls for highly qualified, specialist professionals. Many of these skills are acquired in the company via training plans and, above all, via the experience gained, so, retaining talent and not losing the knowledge acquired is a top priority for the company.

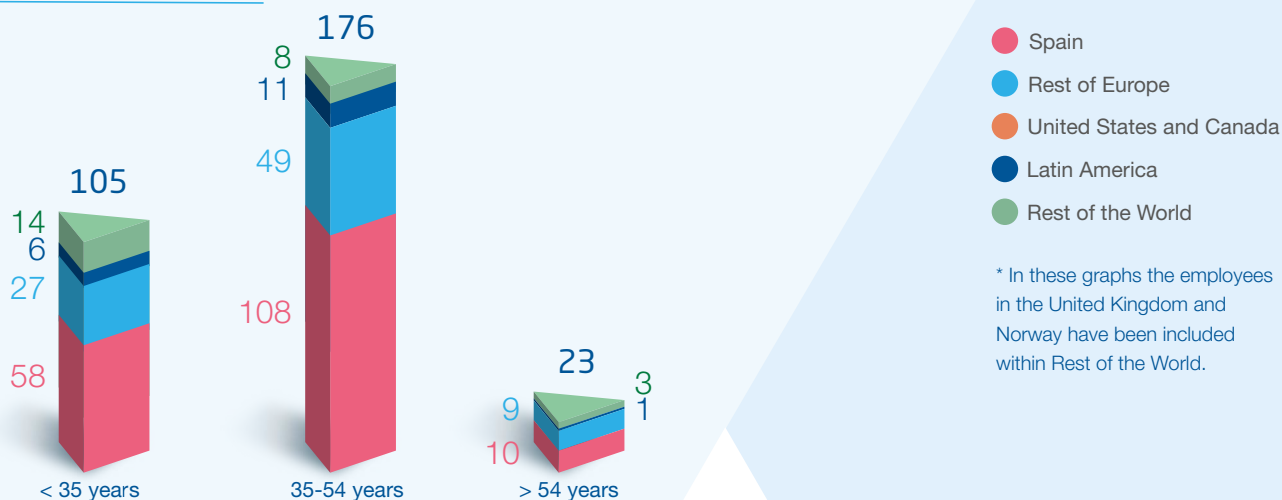
Distribution of personnel turnover by geographical area



Distribution by gender 2021



Distribution by age 2021



- Spain
- Rest of Europe
- United States and Canada
- Latin America
- Rest of the World

* In these graphs the employees in the United Kingdom and Norway have been included within Rest of the World.



Remodelation of Plaza España (Spain)

Training and career development

Part of the company's philosophy hinges on valuing and retaining talent, in such way that generates a corporate culture and creates workspaces that are driving forces for innovation, hard work and commitment, always applying the highest standards of professionalism. Ethics, attention to detail, and pleasure in a job well done are qualities that FCC Construcción expects of its employees.

FCC Construcción strives for excellence, as a value-creating company that undertakes all kinds of activities on a day-to-day basis that require highly complex teams to be put together. Training and specialisation are therefore the two keys to providing high-quality services to make the company stand out from its competitors in the sector.

The company provides all its employees with the means and resources they need to strengthen their career development and help them to achieve their goals.

FCC Construcción has a very comprehensive **Annual Training Plan**, which all employees can access, providing a wide variety

FCC Construcción has a
Annual Training Plan, providing a
wide variety of training
actions covering many different
areas of knowledge

of training actions covering many different areas of knowledge. This plan covers such topics as technical, legal, economic and financial training, as well as IT, quality, OHS, environmental, innovative technology (e.g., BIM), anti-corruption and the Code of Ethics, and developing personal and professional skills.



79,634
hours

13,882 h **65,752 h**

In 2021, a total of **79,634 hours** of training was provided to 6,609 participants (80,240 hours in 2020), equivalent to an average of **12 hours' training per employee**



In 2021, FCC's investment in training increased by nearly **22%**.

Environment

Risk prevention

Quality

Technical training

Other training areas

2020	54 h	15,979 h	188 h	41,434 h	22,585 h
2021	1,558 h	20,921 h	471 h	35,973 h	20,711 h

Euros invested in training

2020	2021
1,071,569	1,302,572

The FCC Group has provided a training platform for its employees, **FCC Campus**, where all sessions, courses and workshops are available. This platform enables content to be homogenised to facilitates all employees to take part whether they are based in Spain or abroad.

FCC Campus was launched in 2019, and, since then, the FCC Group, together with each business division, has been working on digitising and improving existing training actions and adding new ones. In 2020 the company made considerable progress in digitising its training processes, largely spurred by

the impossibility of holding them on a presence basis because of the COVID pandemic.

This effort continued into in 2021, consolidating online training via virtual classrooms and digitising most of the existing presence courses, including technical ones.

Thanks to the digitisation of courses, online training in technical and quality-related topics has been increased, with online courses now accounting for many more hours of training than other modalities. In 2021 the total number of hours of online training was higher than in 2020, as a result of the pandemic.

Distribution of the number of hours of training and average training hours per employee, by gender and employee category

2021 year	2020	2021	2021 Distribution by gender		Average hours 2021	2021 Distribution by gender	
	Total hours	Total hours	Women	Men		Women	Men
Total	80,240	79,634	13,882	65,752	12	15	12
Directors and executives	1,953	1,985	205	1,780	24	23	24
Middle managers	11,409	11,718	2,272	9,446	15	28	14
Technicians	36,084	32,031	9,118	22,913	20	28	18
Administration personnel	4,168	3,773	1,863	1,910	5	5	6
Other occupations	26,626	30,126	424	29,703	9	3	9

Case study

Achieving access to decent jobs for all women and men, including young and disabled people and other vulnerable groups.



FCC Industrial leads a pioneering employment project for vocational-training students

In 2021 FCC Industrial led a pioneering project to provide jobs in its Electrical Grids division for vocational-training students from various schools in Madrid and Toledo. The initiative is based on developing a work-placement training programme after which students can join FCC Industrial as new employees.

As part of the scheme, the students received the practical training they would subsequently need for their new jobs (training in legal requirements, clients' rules and other specific practical aspects of their work).



The vocational-training schools that benefited from this scheme were IES Satafi (Getafe, Madrid), IES Las Canteras (Villalba, Madrid) and IES Universidad Laboral (Toledo).

This launch edition will be followed up by actions intended to attract specialist talent to the company, prioritising training and safety to leverage the growth of FCC Industrial's business and its development with the highest standards of quality and professionalism.

To foster the growth of its professionals FCC Construcción also makes ad hoc training actions available to employees, according to their specific needs. These actions are reviewed and approved by department heads and must be considered necessary in order for the trainees to be able to do their jobs correctly.

FCC Construcción is currently developing a dynamic jobs map to identify employees' roles and skills and adapt their training needs accordingly. The FCC Group is also working on the design and implementation of the development function through a skills model, which encompasses a performance review, career plans and succession plans. The Group is also implementing a streamlined global system to support performance-review and recruitment processes.

In 2021 the Group has launched an **on-boarding programme**, with a training for new recruits, towards supporting their rapid integration into their new jobs and the company.

FCC Construcción also seeks to attract and retain young talent. In 2017, the **International Young Talent Programme** was launched, in partnership with universities in the construction sector. Its fourth edition was held in 2021. This programme offers recently qualified young people with good language skills and certain technical skills to begin their careers abroad.

	2020	2021
 Online training	48,353 h	35,124 h
 Presence training	26,186 h	36,764 h
 Other modalities	5,701 h	7,746 h

Another major challenge for FCC Construcción is the increase in the role of talented women within the company. The company takes part in various initiatives in this regard, such as the Industrial Organisation School's **Management Development Programme: Women with High Potential**. The aim of this programme is to prepare women to take on management roles, facilitating the acquisition and development of management skills.



Working Women Annual Campaign

Fostering equality and diversity

Promoting equality

For many years now, FCC Construcción has been working hard to create an inclusive, egalitarian working environment where there is room for everyone, regardless of their circumstances, ethnicity or physical ability. The company is working on implementing programmes, internal procedures and actions oriented towards assuring a fair, diverse working environment that encourages professional and personal development.

These are values that are set out in the FCC Group's Code of Ethics and constitute a basic action for FCC Construcción. The FCC Group also has a compulsory **Equality and Diversity Policy** in place in all its business divisions. The FCC Group has underlined these policies and values by renewing its commitment to the Spanish Diversity Charter for the 2021-2023 period.

FCC Construcción is a pioneering firm in the development of equality actions, having been working for more than 12 years now in building awareness of workers' individual rights. As a result, the company launched its first Equality Plan in 2008. The second plan was ratified in 2015 and the third was launched in 2020.

This **Third FCC Construcción Equality Plan (2020-2024)** consists of a set of measures to assure equal treatment and uphold and effectively apply the principle of equality between women and men, while also contributing towards eradicating and preventing discrimination. The plan is applicable not only to the company's own employees and also to those at

any subsidiaries and joint ventures in which the company is involved that do not have their own equality plan.

FCC Industrial and Matinsa have their own equality plans and Prefabricados Delta is currently developing one, having already set up the negotiating committee for the company's equality plan.

In this regard, FCC has also been working hard to build awareness of equal opportunities between men and women. These efforts have included numerous campaigns and communications that are run on an annual basis.

On the occasion of the International Day for Women, FCC Construcción presented the campaign "[Conversations that Make History](#)", recording conversations between new and long-standing employees, during which they discussed the role of women in society and within the company, and the evolution of technical careers where the gender gap was most acute.

For many years now the company has also celebrated the International Day for the Elimination of Violence Against Women, publicising the campaign "**More Than Just Figures**" to build awareness of the continuing problem of domestic violence in today's society.

Finally, the FCC Group has a **Protocol for the Prevention of Mobbing and Sexual Harassment** that is applicable to all business divisions, reaffirming the Group's position of zero tol-

erance for harassment or abuse of any kind, whether physical, psychological or moral, and any other conduct that could create an intimidatory, offensive or hostile working environment for any employees.

This purpose of this protocol, in accordance with the principles set out in the FCC Group's Code of Ethics and Conduct, is to eradicate situations of discrimination and build awareness of the importance of complying with the applicable standards.

It describes the action mechanisms that are available to deal with any complaints or reports received via the Ethics Channel or other media, and the procedure defines guidelines, tools and mechanisms for managing investigations.

Integrating diversity

FCC Construcción has always promoted actions and programmes to foster equality, diversity and labour-market integration proactively, with a view to contributing towards the welfare of the people who are part of the company.

Our actions to foster social inclusion for disabled people aim to integrate them within the company, organising campaigns and events to make this group more visible. In 2021 the company developed the in-house campaign "*International Day of Disabled People*". The **Inserta Agreement** was also renewed, having been entered into for the first time by the FCC Group in 2009. The current aim is to hire 125 disabled people over the next three years, in order to bring the total number recruited since the partnership began to 895.

The organisation continues to partner with Inserta Empleo, the ONCE Foundation's training and employment entity, to cover vacancies at the company, preselect the people who most closely match the job profiles required, and provide training

to enable them to perform the tasks assigned to them. This agreement is part of the Youth Employment and Social Economy (and Social Inclusion and Social Economy operational programmes, with co-financing from the European Social Fund.

Another goal is to strengthen equal opportunities in recruitment processes, procedures and manuals, disseminating FCC Construcción's commitment to upholding equal opportunities between women and men.

With regard to the company's employees who belong to minority or vulnerable groups, in 2021 the number of women in the administrative category experimented an increase in 2021 compared with 2020. There were also increases of 25% and 50% of male employees in technical and middle-management positions, respectively.

Distribution of percentage of women in workforce

	2020	2021
FCC Construcción workforce	12%	14%
Executive positions	12%	11%
Board of Directors	29%	29%

Distribution of employees from minority or vulnerable groups by gender, age and professional category

Distribution by category 2021	Total 2020	Total 2021	Distribution by gender (minority and vulnerable groups)		Distribution by age (minority and vulnerable groups)		
			Women	Men	< 35	35-54	> 54
Total	59	65	18	47	6	40	19
Directors and executives	–	–	–	–	–	–	–
Middle managers	4	6	–	6	–	1	5
Technicians	10	10	–	10	1	6	3
Administration personnel	24	30	17	13	4	21	5
Other Occupations	21	19	1	18	1	12	6

Case study

Assuring equal access for all men and women to high-quality technical, professional and further training, including university courses.



FCC Construcción wins the EJE&CON distinction as a committed business

In 2021 FCC Construcción won the EJE&CON distinction as a business committed to talent and competitiveness. During the session the Spain-Chile Employment and Gender Flexibility report was presented, an initiative promoted by the Spanish Company Executives and Directors Association (EJE&CON), REDMAD, *Esade Women's Initiative* and CEOE, with a view to determining the current status of employment flexibility both internationally and in Chile, and identifying opportunities for women's development and advancement in senior-management positions within organisations.

Case study

Assuring women's full, effective participation and equal leadership opportunities at all decision-making levels in politics, economics and public life.

FCC Construcción takes part in the closing event of the sixteenth edition (2021) of the EOI master's degree for Management Development: Women with High Potential

The purpose of the EOI programme is to provide structured, full training to prepare women with high potential to take on management responsibilities of all kinds at companies of all sizes, with a multidisciplinary training approach, strengthening the concepts of commitment, effort and responsibility. The programme facilitates the acquisition and development of management skills that are applicable in practice, so as to allow an organisation's specific needs to be identified and come up with accurate diagnoses and valid solutions.



During this edition the FCC Group's construction division was represented by Sonia Santamaría (Megaplas) and Ana Camps (FCC Construcción).

Safeguarding people's health and safety

As a company that is committed to people, FCC Construcción includes among its priorities assuring the health, safety and welfare of all employees at its workplaces, as one of the basic principles of its business strategy and responsibility as an actor in society.

This commitment is set out in FCC Construcción's **health and safety policy**, which establishes the governing principles for maintaining the maximum safety levels in everything that the company does,

Going beyond simple compliance with the applicable legal requirements in every country where the company operates is a goal that is sought year after year. The company has implemented its **OHS Management System** under the international standard ISO 45001, which involves all hierarchical levels, including senior management, and is applicable both in Spain and abroad.

This system was certified for the first time in 2019, making FCC Construcción one of the first Spanish firms to achieve this new international accreditation. The company's operations worldwide were already certified previously under OSHAS 18001, since it has always been one step ahead when it comes to health and safety.

In countries where the relevant legislation is more demanding or restrictive, the company adapts its processes to those local requirements. By having implemented an OHS Management System, the company assures the integration of good OHS practices throughout its organisational structure.

Identification and control of workplace risks

The integration of the OHS Management System optimise the control and monitoring of the OHS targets set, enabling indicators to be identified, corrected and improved in order to obtain the best results.



Special operations temporary front Filomena in Salero Villarrobledo (Spain)

It is also important to mention the efforts made to follow up on accident and incident investigation reports so that monthly OHS indicators can be monitored. This monitoring is an essential part of one of FCC Construcción's priority objectives: reducing accident rates.

In 2021, no fatal accidents were recorded among FCC Construcción's workers. Improving the detection and prevention of accidents has made a considerable contribution to reducing the incident rate.

Applying a prevention approach is key when it comes to reducing workplace risks. This approach is an important part of the company's philosophy and a key component of the system for developing OHS training actions and campaigns for employees.

	Lost-time incident rate (LTIR) ¹	Seriousness rate (SR) ²	Incidence rate (IR) ³	Absenteeism index ⁴
Spain	2.96	0.14	524	6.37
International	1.06	0.03	167	1.95

(*) The breakdown of accidents by gender is not relevant in the construction sector, as practically all site workers are male.

1 Lost-time incident rate (LTIR): number of incidents with sick leave per 1,000,000 hours worked.

2 Seriousness rate (SR): number of days lost per accident recorded with sick leave per 1,000 hours worked.

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

4 Absenteeism index: m measurement of actual days lost by an absent worker, expressed as a percentage of the total working days scheduled for workers over the same period.



Áridos de Melo Plant (Spain)

Good OHS practices

Every year FCC Construcción prepares a **Good Practices Report**, which is made available to all employees and disseminated to all the organisation's departments via in-house communication campaigns. This report drives the identification and application of best practices in the workplace, based on the premise of continuously improving OHS procedures and management.

In 2021 a total of 26 good practices were implemented in Spain and a further 24 abroad. The Good Practices Report features the most significant 14 that were developed in 2021.

Other significant OHS actions developed include **"safety moments"**, which consist of spending a few minutes at the start of all meetings on building awareness of specific OHS-related issues.

FCC Construcción also strives to involve workers in OHS matters and thereby increase the scope of the identification of potential risks. On some worksites, **suggestion boxes** have been made available for workers to report any potentially risky situations and make their own suggestions.

New technology plays an increasingly important role in OHS. The use of drones as a tool for inspecting infrastructure of all kinds is an example of this. Another is the **Safety4D RDI** project.

This project, financed by the Industrial Technology Development Centre (CDTI) and organised in partnership with INGE-CID, integrates OHS into the BIM methodology aiming to apply the best preventive measures and ensuring that the necessary protection equipment is always available.

Safety4D also designs the management of OHS system during execution stages of works, thanks to risk control and the coordination of the on-site technical, OHS and BIM teams.

Case study

Encouraging a safe, risk-free working environment for all employees.

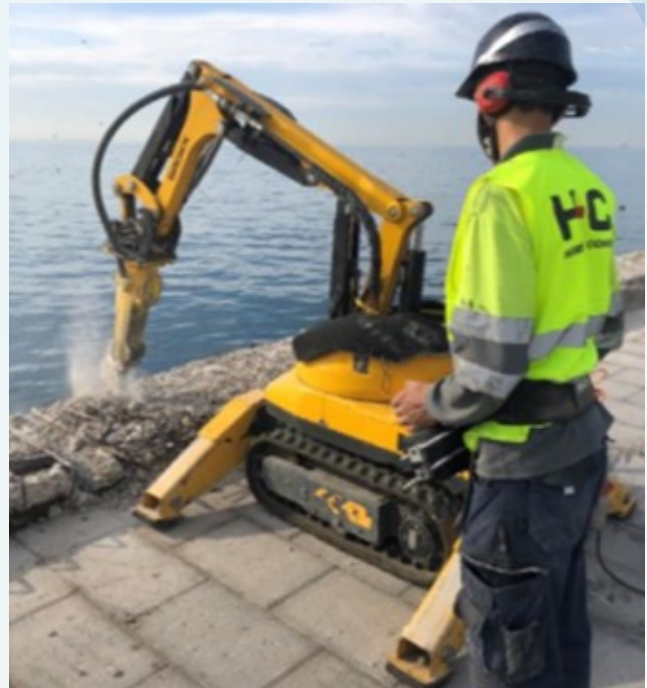


► Demolition of concrete by mechanical means

Technological progress in OHS has enabled accident rates on the company's sites to be reduced considerably. It is a priority objective for FCC Construcción to identify the technological tools available and encourage their application in order to create safe, risk-free working environments for all workers.

An example of how important this is can be found in the Good Practice applied on the worksite for the refurbishment of the breakwater at the Olympic Marina in Barcelona. During the building of the structure, a risk of falls onto lower levels was identified. For the workers' safety it was decided to use a remote-controlled robot to perform the hazardous tasks. At the same time, this good practice also enables to control the risks of flying particles and exposure to silica.

This innovative practice has reduced the risk significantly, safeguarding the workers' physical safety.



Partnerships to improve OHS

A key factor in strengthening knowledge of OHS matters and building awareness of the latest technology available is the exchange of information with other firms, associations and organisations in the sector.

FCC Construcción collaborates with various OHS institutions, both in Spain and abroad, including:

Spain	International
• AEC. Spanish Quality Association (AEC) FCC Construcción is the deputy chair of the AEC's OHS Committee. This association leads various OHS-related work groups, including the "OHS Organisation and Management" group. • SEOPAN. Construction Firms and Infrastructure Concessionaires Associations • National OHS Commission • National OHS Institute	• FIEC. European Construction Sector Federation FCC Construcción is actively involved in the European Construction Sector Federation (FIEC), representing the Spanish National Construction Federation (CNC). The company chairs the FIEC's OHS committee on the social sub-committee, acting as a driving force for discussions in the European ambit on health and safety in the construction sector.

Supporting the health and safety of our workforce

FCC Construcción is actively involved in various campaigns developed at the FCC Group level to foster people's welfare and encourage healthy lifestyle habits.

In 2019 the FCC Group launched the **Healthy Living** project as a corporate initiative to build awareness of the importance of having healthy lifestyle habits. Every year, the HR division and in-house medical services prepare an action plan to be carried out under this project over the course of the year.

In 2021, actions focusing on employees' psychosocial welfare came to the fore. These included:

- Building awareness of the importance of digital disconnection.
- Online emotional-welfare workshops on energy and happiness, assertiveness and stress management.
- Measurement, incidence and impact of pandemic fatigue on different groups.

The workshop **"Everyone for the Heart"**, organised in partnership with the MAPFRE Foundation and the Spanish Heart Foundation, with the aim of preventing, recognising and understanding cardiovascular diseases and encouraging healthy lifestyle habits.

Once again, the OHS department organised the **"Running with the Heart"** this year, in partnership with the Spanish Heart Foundation, holding the twelfth People's Heart Run.

Also, much has been done to combat the impact of the coronavirus pandemic. In 2021 the OHS services of all the business divisions worked with FCC's Medical Service to develop strategies to detect and monitor COVID-19 cases. Awareness-building campaigns have also been run for employees to reduce the number of infections.

The campaigns organised include **"The Wish to Take Care of Ourselves: Our Greatest Gift"** to build awareness in order to reduce the number of infections over the Christmas holidays.

The FCC Group promotes voluntary health services and programmes for employees regarding certain non-work-related health risks, running in-house campaigns on such issues as stopping smoking, dietary habits, sport, building awareness of the reasonable use of technological tools, and encouraging digital disconnection.



3.2. Responsible supply chain



FCC Construcción is committed to sustainability across its entire value chain.

FCC Construcción, as an international benchmark in undertaking large-scale projects, must assure a responsible supply chain within its sphere of influence, always based on the legal framework in each country where the company operates. The company strives to establish an increasing number of sustainability criteria in its procurement process with a view to minimising any associated negative impact.

Under the FCC Construcción Group's compliance model, which is applicable to all its business divisions, all dealings between the company and its suppliers and subcontractors must be governed by the Group's Code of Ethics and Conduct. The requirements include upholding basic principles with regard to caring for the environment, human and employment rights, health and safety, corruption, bribery and fraud across all the Group's activities.



Achievements

- | Recovering UNE 15896 certification on the management of value-added purchases.
- | Driving supplier approvals.
- | Launching advice on digitisation for procurement.
- | Making progress with procurement information for European Construction.



Future challenges

- | Making progress in the process of digitising procurement.
- | Obtaining certification for sustainable procurement under ISO 20400.
- | Continuing to improve the service provided to internal customers.
- | Improving the knowledge of the Group's procurement department.
- | Furthering the supplier-approval process.
- | Extending the geographical scope of procurement.

Responsible procurement

FCC Construcción has two types of procurement processes: the **first** is a centralised model developed at the FCC Group level, under the standard UNE 15896, in which the different business divisions leverage existing synergies to facilitate the management and control of compliance by suppliers and sub-contractors.



The **second** procedure, which takes place at the worksite level under the internal procedure PR-FCC 310 *Procurement and Subcontracting*, sets out the steps to be followed for procurements delegated to worksites by FCC Construcción's procurement department, in order to assure compliance with the requirements for each purchase or rental of materials, machinery or equipment and the necessary services.

Both processes refer to added-value purchases, giving priority to local suppliers whenever possible.

With regard to this last point, FCC Construcción's management targets for 2021-2024 include "*Promoting Responsible Contracting*", setting the target for 90% of contracting at cost to be assigned to local suppliers.

Percentage of local suppliers:*

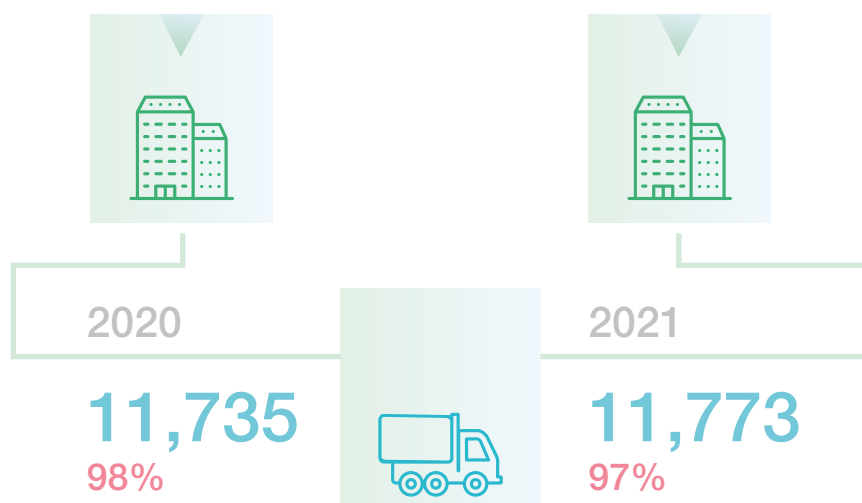
Distribution by geographical location with significant operations**

	2020				2021			
	Total No. of suppliers	No. of local suppliers	Cost of total suppliers (EUR M)	Cost of local suppliers (EUR M)	Total No. of suppliers	No. of local suppliers	Cost of total suppliers (EUR M)	Cost of local suppliers (EUR M)
Total	12,029	11,735	1,096	1,051	12,164	11,773	1,510	1,448
Spain	9,093	9,046	725	707	8,802	8,634	787	770
Rest of Europe	2,006	1,827	299	275	2,021	1,864	315	292
United States and Canada	18	5	0,3	0,02	13	2	1	–
Latin America	653	634	28	25	608	558	65	60
Rest of the World	259	223	45	45	900	715	343	326

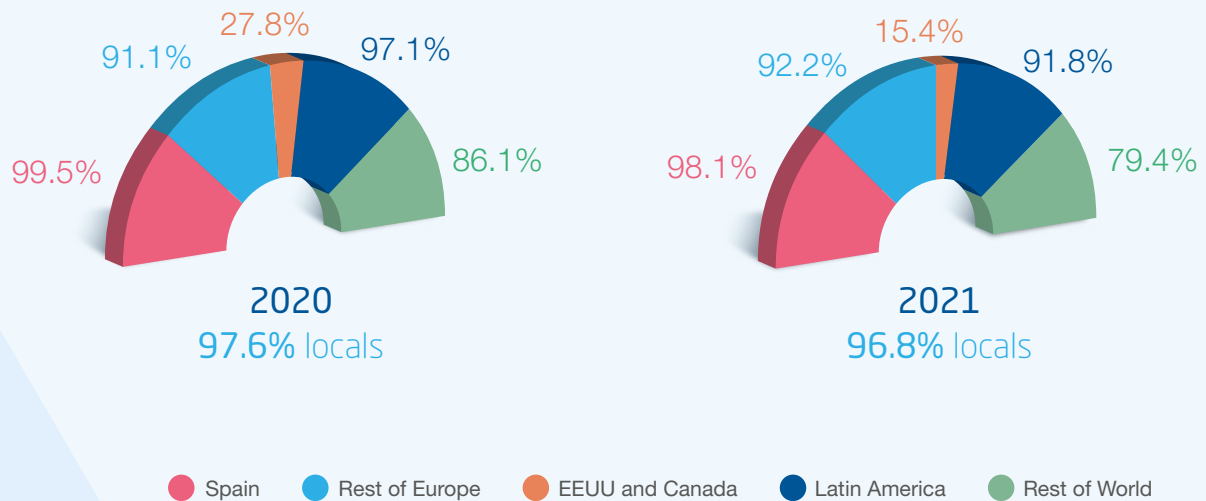
* "Local" suppliers are those where the provider/supplier's country matches the country where the company is registered. Any others are considered to be global.

** "Locations with significant operations" are those where FCC Construcción has a stable or ongoing presence.

Local suppliers compared with total (No. of suppliers)



Suppliers by geographical area (No. of suppliers)



As part of the FCC, the construction division has put in place a number of mechanisms and tools to review the performance of suppliers and subcontractors, in order to make the supply chain ever more sustainable.

All contracts with suppliers and subcontractors, as those with partners and collaborators, include ethics clauses and contractual terms and conditions that require compliance with certain basic principles established by the FCC Group, which also has mechanisms in place to enforce compliance.

Basic principles that suppliers and subcontractors must comply

► Corruption, bribery and fraud

Ethical behaviour in your business dealings



► Human and labour rights

Protecting the Universal Declaration of Human Rights and the International Labour Organization



► Commitment, occupational health and safety

Commitment to occupational health and safety standards



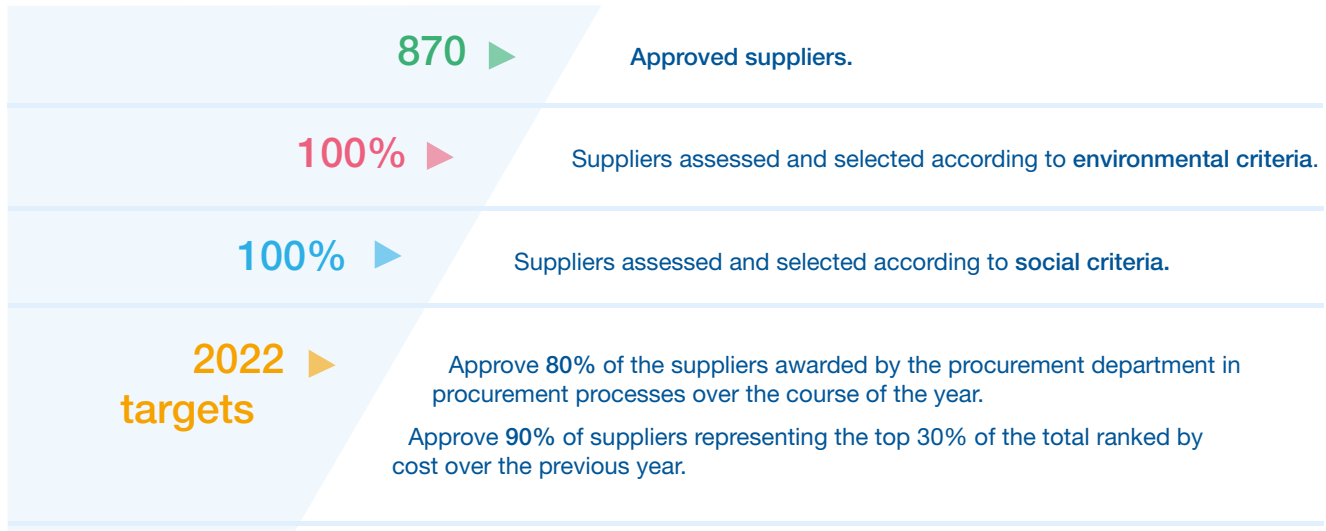
► Sustainable environmental management

Respect for and prevention of environmental degradation



In 2021 the performance of a total of 870 suppliers has been assessed, only four of which, having been identified as high-risk (see below), underwent the due-diligence process. All four were eventually formally approved.

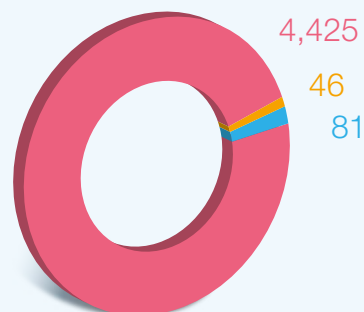
Supplier-approvals process



Finally, in order to comply with the various certifications held by FCC Construcción, Matinsa, FCC Industrial, Delta, Megaplas and Áridos de Melo, the performance of all the suppliers involved in the various projects is assessed when works are completed.

Supplier reviews 2021

132,705
suppliers in
the database



● Irregular ● Problematic ● Banned

Case study

Encouraging firms to adopt sustainable practices across their entire value chain and incorporate information on sustainability.



► Supplier-approval process

Through the procurement department, the FCC Group is working to establish a single methodology for the assess and approval of suppliers to include criteria related to sustainability.

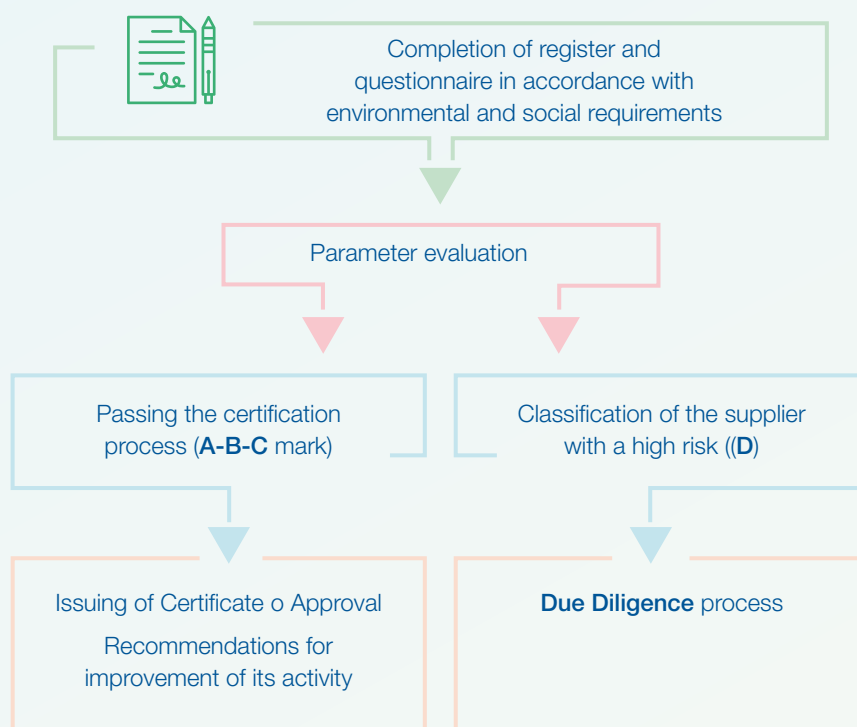
In order for suppliers to be considered as potentially “approvable”, they must duly complete their registration on the FCC Group’s platform and sign a responsible declaration on anti-corruption, acceptance and delivery of gifts, and conflicts of interest.

Suppliers must also fill in a set of questionnaires to enable their performance to be assessed in terms of **ASG: Environmental, Social and Governance** criteria: **Environmen-**

tal (QAE systems, GGEs, waste management, etc.), **Social** (equality, human-rights declaration, anti-discrimination, adhesion to the Global Compact, etc.) and **Governance** (existence of a code of conduct, reporting channel, policies for the prevention of money-laundering and financing of terrorism or sanctions and convictions for corruption, bribery or influence-peddling, data-protection policy, etc.).

In circumstances in which a supplier is listed as being high-risk (D), a due-diligence process is launched, and any suppliers who fail to meet the established requirements for approval will not be validated for providing services at FCC Construcción.

Graph of supplier reviews



3.3. Our customers: the heart of our business



One of FCC Construcción's key objectives is to be excellent in how we go about our business and ensure that customers are "very satisfied" with our work.

For FCC Construcción excellent performance consists of providing personalised customer service, maintaining continuous dialogue and listening and responding to clients' needs and expectations. These premises are the key factors in establishing lasting, trusting relationships with existing clients and attracting new ones to drive the company's growth.

To achieve this, the instruments FCC uses include the figure of the **client liaison**, who is responsible for dealing with any

suggestions received, manage the partnership, process the information under consideration and provide a specialised response, tailor-made to the clients' needs throughout the whole process of executing projects.

Other key instruments are those related to measuring clients' satisfaction, works-completion surveys and the system for handling complaints and claims.



Airbus corporate headquarters (Spain)



Achievements

- Monitoring customer satisfaction via works-completion surveys and increasing the percentage of “very good” scores compared with 2020
- Lower percentage of actions rated “sufficient”.
- 100% of customers stated that they would contract Prefabricados Delta again.



Future challenges

- Higher percentage of responses with the top rating.
- Increasing the number of partnerships in accordance with the partnerships system under ISO 44001.

Customer satisfaction

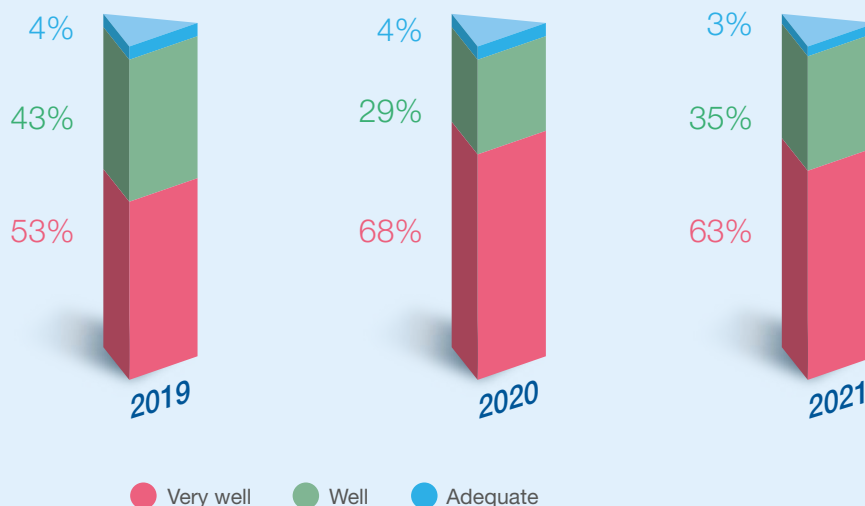
In order to determine how satisfied the company's clients are, surveys are carried out once the services provided have been completed. These surveys serve as the basis for assessing FCC Construcción's performance in the execution of projects, complying with the various certifications that the company holds.

Over the course of 2021 a total of **30 surveys** were carried out, showing that the most highly valued aspects of FCC Construcción's work were:

- Professional ability of the work team.
- Ability to respond to problems and unforeseen events.
- Addressing and responding to clients' instructions.
- Compliance with undertakings made by the company.

As a result of analysing stakeholders' needs and expectations, FCC Construcción has achieved a continuous improvement, from the gradual reduction in the percentage of actions rated as being only “sufficient”.

Survey results 2019-2021 (%)



The results at the company's subsidiaries were also highly positive.

Based on information provided by clients via these surveys, the company prepares decision-making charts to establish short- and medium-term opportunities and any business leverage factors.

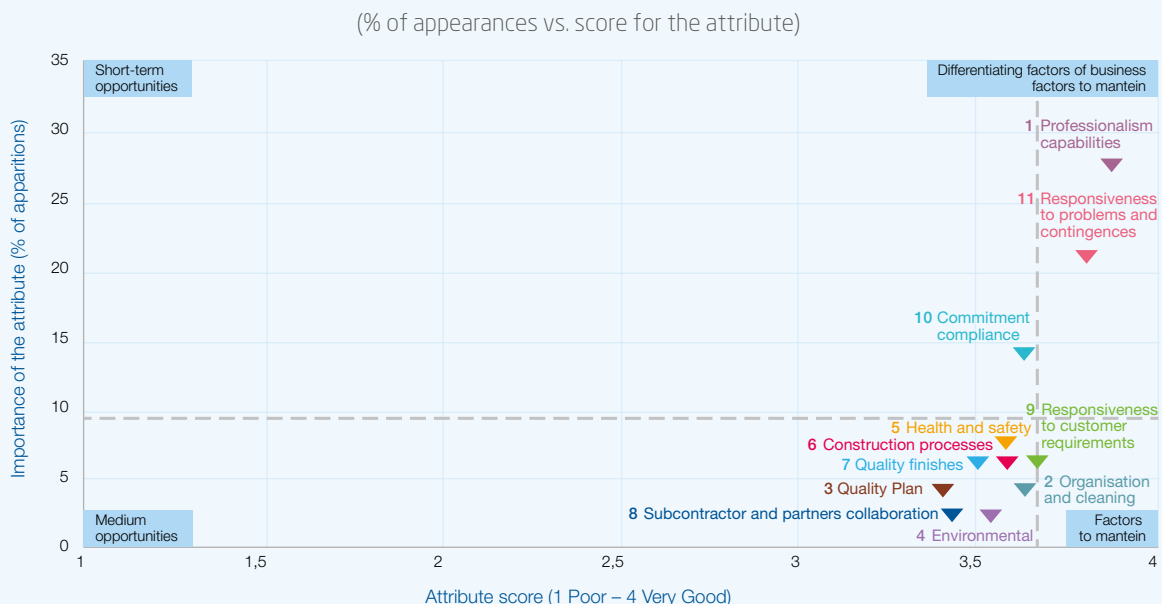


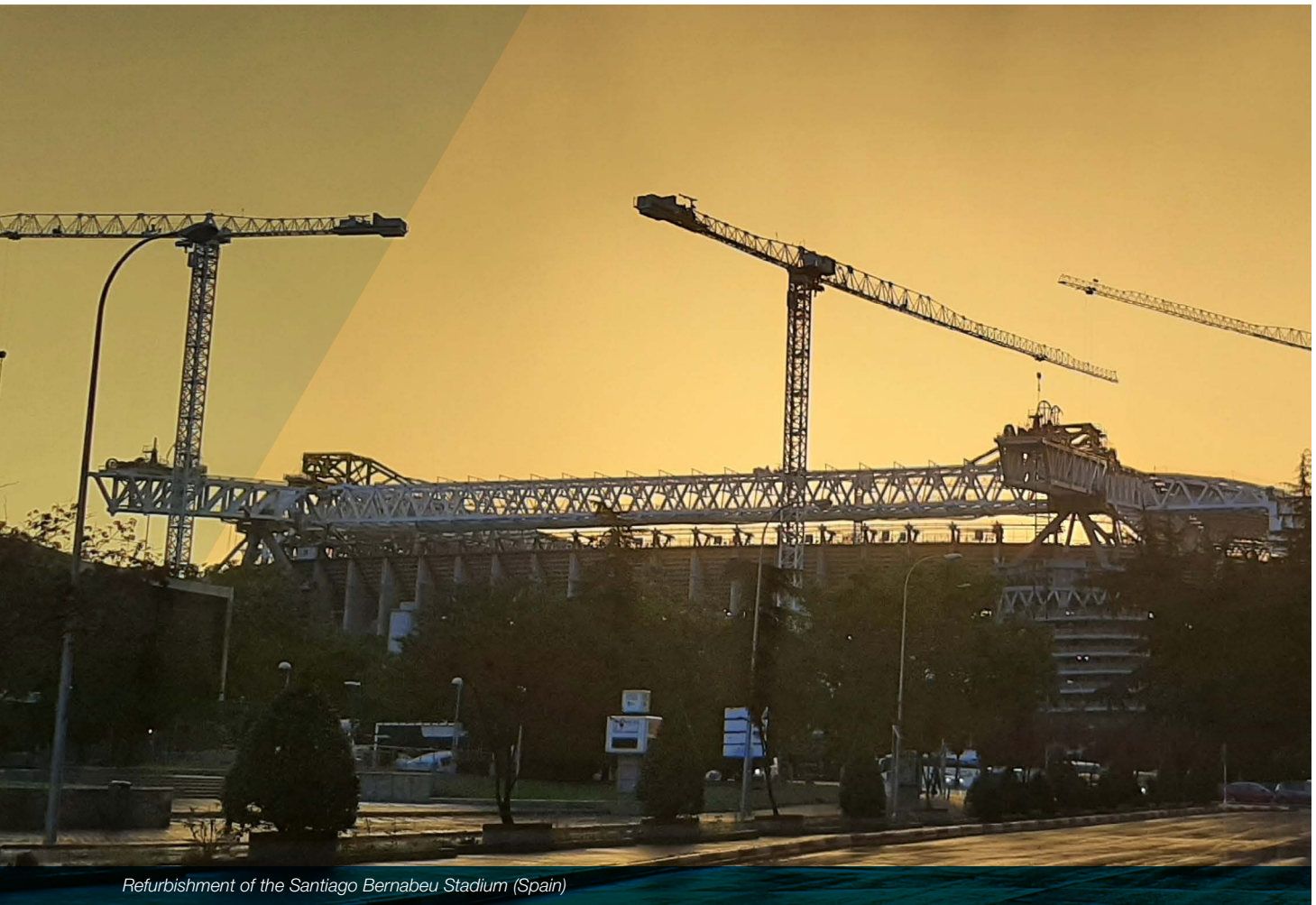
Besides, the company has a **robust system for handling complaints and claims**, which is used as a basis for continuous improvement and decision-making.

In 2021, a total of 177 complaints were received. It is important to add that although the average time taken to settle com-

plaints and claims is 22 days, for FCC Construcción (excluding subsidiaries), this period is much longer, given the nature of the company's business, and some complaints received in 2021 will be closed in 2022, when they will be reported.

Decision-making dashboard based on attributes surveyed





Refurbishment of the Santiago Bernabeu Stadium (Spain)

Collaborative Business Relationship

The importance of forging fruitful alliances with stakeholders has led FCC Construcción to take the decision to standardise its partnership processes with a view to maximising their effectiveness.

FCC Construcción is the first company in Spain to have developed, implemented and achieved certification for a **Collaborative Business Relationship Management System** under the standard ISO 44001. This system is applicable to our high-impact strategic relationships with customers, suppliers, in-house and external partners, and stakeholders, identified and managed within the partnerships programme.

By achieving this, FCC Construcción continues to promote and encourage the setting-up of effective alliances in the public and public-private spheres and in civil society.



The Collaborative Business Relationship system

The Collaborative Business Relationship system involves, among other benefits:

- | The ability to consolidate relationships with suppliers, clients, partners and other stakeholders, based on a win-win philosophy.
- | Control of the transfer of knowledge between parties.
- | Optimising costs.
- | Creating value for all members of the partnership.
- | Strengthening competitiveness and strategies for gaining access to international markets.



Anillo Insular in Tenerife (Spain)

Case study



Establishing collaborative business relationships makes it possible to make optimal use of and share both parties' knowledge to achieve common goals.

► Collaborative business relationship between FCC Construcción and TPF Ingeniería to prepare the tender project for the Copero WWTP (Andalusia)

Objectives of the relationship:

- | Enhance the partnership culture between partners.
- | Enhanced mutual trust between partners as a result of applying collaborative methodologies and a policy of transparency and sharing aligned objectives.
- | Mutual learning and transfer of knowledge as a result of lessons learned and the fruit of collaboration in the value-creation process.

Performance review:

- | This relationship developed as planned, by the scheduled deadlines, with satisfactory performance.
- | Four issues/conflicts were identified and then solved to the parties' satisfaction.
- | The risk-management process was effective and good use was made of the opportunities for improvement approved.
- | During the relationship no limits were exceeded, with no need to define any corrective actions to address them.
- | The communication process was fluid and transparent, with no conflicts during the process.
- | The value-creation process developed appropriately with a large number of new ideas being proposed.

The **results** of the indicator used to assess partner's confidence levels (degree of the respective RERs' satisfaction with the partnership) were as follows:



TPF's degree of satisfaction

100%



FCC CONSTRUCCIÓN's degree of satisfaction

73%

Information Security

FCC Construcción has implemented an **Information-Security Management System** under the standard ISO 27001. This system defines the requirements for establishing, implementing, operating, monitoring, reviewing, maintaining and improving data security at the company with the ultimate goal of preserving the security and integrity of its information.

When effectively managed, this system can assure:

- **Confidentiality**, by ensuring that only authorised personnel can access to information.
- **Integrity**, by safeguarding information with precise, comprehensive processing methods.
- **Availability**, by ensuring that authorised users have access to information and associated assets as required.

Today, companies are exposed to an increasing number of risks that could endanger their information: **physical risks**, e.g., fires, floods, sabotage, vandalism, unauthorised access, and **logical risks**, e.g., computer fraud, damage caused by computer viruses, cyberattacks or denial of service. This system contributes towards assuming, reducing, eliminating and transferring these risks within FCC Construcción to assure the three principles listed above.

Having implemented this system has contributed towards strengthening the company's data-protection efforts, enhancing the corporate image and building confidence among our stakeholders.

Case study

Protecting information appropriately to prevent crime and assure the transparency and accuracy of information at all levels.



► TOPFAS ERRS (Enhanced Readiness Reporting System) project

The work of FCC Industrial's systems division includes undertaking military projects. These include the TOPFAS ERRS (Enhanced Readiness Reporting System) project, developed by the company for the NCIA (NATO Communications and Information Agency). This project is a good example of how clients' information is protected by FCC Industrial in all its projects.

The project, given the nature of the client (NATO), has several special characteristics, because the information being handled is highly sensitive and sometimes even classified or secret. That is why, especially for this project, it is necessary to take steps and put technical and process controls in place to assure effective information security at all times.

Implementing the ISO 27001 system has made sure that FCC Industrial applies the necessary measures to ensure that all project information is handled appropriately and not compromised, while maintaining its availability and confidentiality.

This project is a clear example of the importance of maintaining information security with regard not only to the company's processes but also to clients' information, documents and processes.

In 2021 the first steps were taken to arrange the implementation of ENS (National Security System) certification for activities in the systems divisions to provide greater guarantees of the security of systems and project processes with special security requirements, such as TOFAS ERRS.

3.4. Our added value for society



For FCC Construcción it is very important to create added value in the communities where the projects are located, thereby contributing towards creating more sustainable towns and cities.

FCC Construcción's business contributes towards creating value in the communities where the company undertakes the projects, by improving access to basic services, building civil infrastructure and buildings, conserving and operating roads and maintaining facilities, and improving their energy efficiency.

FCC Construcción, going beyond the creation of added value as an inherent part of pursuing its own business, launches a set of initiatives to contribute towards the economic and social development of the communities where the company operates.

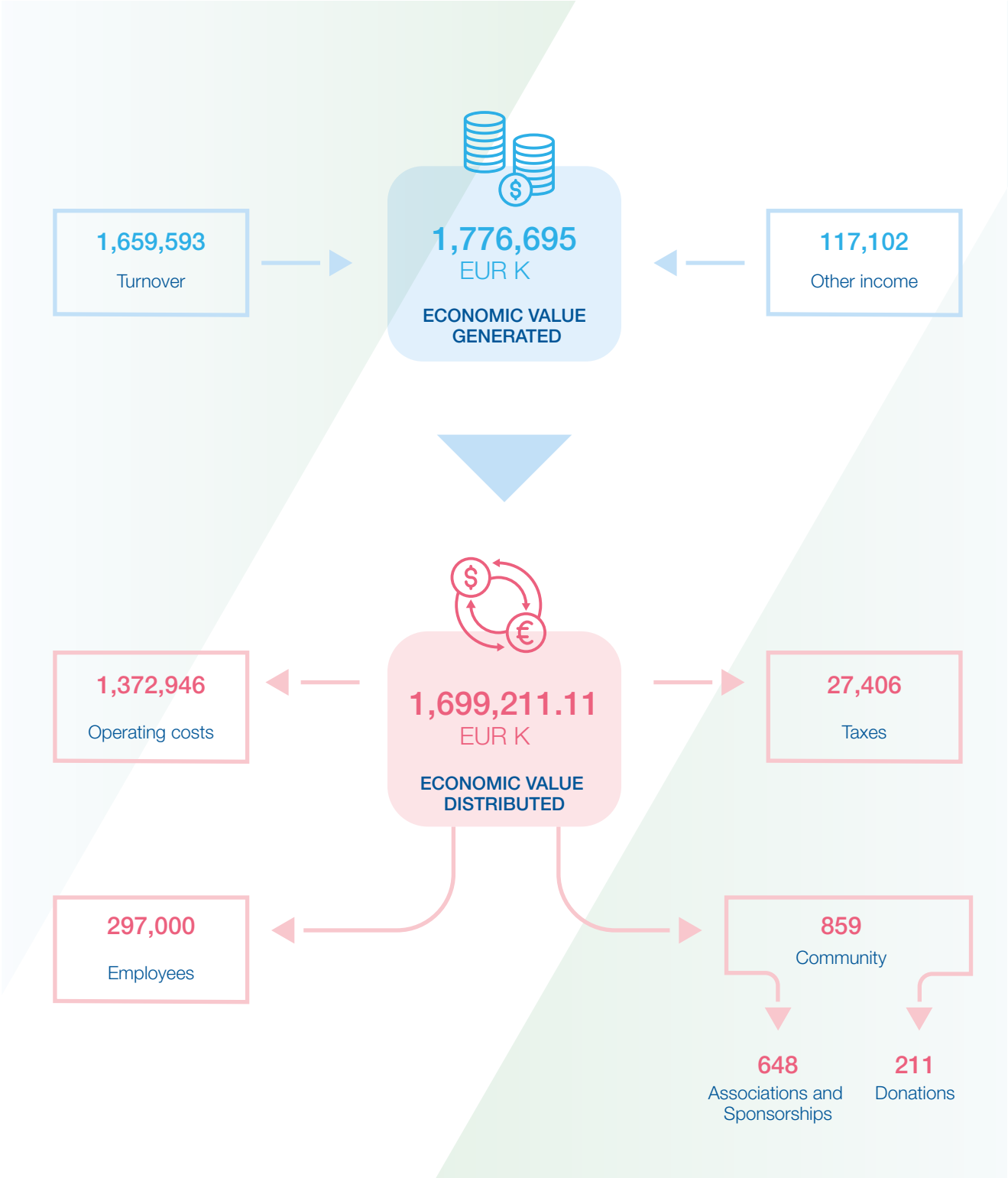
Investing in the community

Economic growth, sustainability and caring for citizens are key values for FCC Construcción. The company's economic value can be expressed as a flow between economic value generated and distributed, with the latter standing as a contribution towards the societies where it operates, and one that can be quantified.



Haren Prison (Belgium)

Flow of investment in the community (EUR K)



Training, dissemination and citizen participation plans

Inspiring Future

- ▶ Arose to promote diverse talent within the company, sharing videos of the progress of various works, such as those being carried out on Paseo de la Castellana and Calle Padre Damián in Madrid.

Mapocho Rio park

- ▶ Mapocho Río is a space where native vegetation or vegetation of Mediterranean origin coexists, with low water consumption, enabling the residents of Cerro Navia and Quinta Normal to interact responsibly with nature.

Transplanting trees

- ▶ Three hundred olive trees were transplanted in the Mediterranean corridor.

Storm Philomena

- ▶ Partnership to recover the city's walkability after Storm Philomena.

Agreements with universities

Community Social Monitoring Plan (Peru)

- ▶ Quarterly workshops with the local population in the project area, where results of environmental noise, water, air, vibration and electromagnetic-field monitoring are presented.

Environmental Health Preventive Plan (Peru)

- ▶ Vaccination campaigns.
- ▶ Information campaigns on respiratory diseases that could be caused by particle emissions.

Social and environmental improvements in the community

FCC Construcción undertakes various actions to improve social conditions for people and encourage protection of the environment in the local communities where the company operates. To achieve this, the specific characteristics of each construction project and geographical area are taken into account, launching different training, dissemination and citizen participation plans.

It is also important for FCC Construcción to involve society and work with the community. Involving stakeholders is a key factor in achieving the company's sustainability goals. FCC Construcción's own Management and Sustainability System determines how sites are to identify the applicable environmental issues for all projects, assessing their significance and

drawing up action plans containing measures derived from the relevant legal and contractual requirements and even from consulting with the communities affected.

FCC Construcción makes several communication channels available for local communities. Stakeholders in projects are thus able to report and complaints or claims and stay informed about the progress of the works.

Thanks to this information-exchange processes, FCC Construcción is able to define and implement measures and initiatives to minimise the impact on local residents and the local environment, while contributing as much as possible towards creating a more sustainable society.

Case study

2 ZERO HUNGER



Ending hunger and assuring access to a healthy diet for all, particularly those suffering from poverty and in vulnerable situations.

► "COVID-19 STARS" AWARD

FCC Construcción, together with all its divisions, has been awarded the "COVID-19 Stars" distinction by the Spanish Food Banks Federation (FESBA) in recognition of the solidarity campaign "No home without food". This campaign was launched by the La Caixa Foundation and CaixaBank to help vulnerable families whose situation worsened further during the COVID pandemic.

The FCC Group has always maintained a firm social commitment and based on its sense of social and business responsibility has shown its support for FESBAL's efforts through this award-winning campaign.

The "Star Awards" were created as a way of thanking the media and firms supporting FESBAL and the 54 food banks associated with the organisation.



"COVID-19 Stars" awarded to all divisions of the FCC Group.

Case study

3 GOOD HEALTH AND WELL-BEING



Promoting research into rare diseases and their prevention and treatment, and fostering mental health and welfare

► Solidarity call

Since 2013, led by MATINSA in partnership with all the organisation's workplaces, unused mobile phones are collected for recovery and/or recycling and donated to various different organisations. This initiative is currently being carried out with the **Solidarity Call Foundation**, a driving force for research into rare diseases.

Since collecting began, more than 300 old phones have been collected in partnership with other institutions, such as the "Mobilise for the Jungle", which by building public awareness and collecting unused mobile phones free of charge aims to reuse them, reducing the non-sustainable demand for components, recycling any usable parts and appropriately disposing of any toxic materials, reducing pollution of the environment and raising funds for sustainable-development programmes, education and conservation of the Congo basin.



"Donate Your Old Mobile - Give Hope" Solidarity Call Foundation)

Case study

Training and building awareness of the importance of environmental conservation



► Visit by students to the river Manzanares re-naturalisation site

For several years now, MATINSA, as the holder of the contract for the maintenance of the river Manzanares, has prepared the visit by students from the School of Landscape, Forestry and Environmental Engineers to the site of Matinsa's river Manzanares re-naturalisation project between the Franceses and Reina Victoria bridges.

During the visit, the students are told about everything that is being done to maintain the river, such as cleaning its banks and the watercourse, pruning and vegetation clearance, as well as woodland conservation treatments, controlling non-native species of animals and plants, monitoring and control of native species, control of water quality, new planting and renovation and recovery of degraded areas, contributing towards building awareness among the engineers of the future of how important it is to conserve the natural environment and giving them technical knowledge that will be able to apply over the course of their professional lives.



Image of one of the visits by ETSI students to the river Manzanares re-naturalisation site.

Case study

Forging alliances with institutions and other organisations to achieve common goals, such as recovering mobility and accessibility in the Madrid region after Storm Philomena



► FCC Construcción fully involved in carrying out cleaning tasks and recovering mobility in the city of Madrid

FCC Construcción has been actively involved with Madrid City Council in carrying out cleaning tasks and recovering mobility in the city of Madrid and surrounding region, together with major distributors and food retailers such as El Corte Inglés, Carrefour and Alcampo.

Real Madrid, together with FCC Construcción, lent machinery from the site of the Santiago Bernabéu Stadium renovation project to serve the various districts and neighbourhoods of the city affected by Storm Philomena, making every possible material and human resource the work available to assist the public.

Also, Áridos de Melo made all the aggregate stockpiled at its plants available to FCC Medio Ambiente, for them to build pedestrian accesses in places where it was difficult to eliminate the sheets of ice. More than 150 workers contributed towards improving walkability and accessibility in the city's neighbourhoods and on its streets.



4

Governance, ethics and transparency

FCC Construcción's governance, ethics and transparency practices aim to assure integrity in the company's management and the reliable creation of value for stakeholders.

G
governance

4.1. Robust governance



For FCC Construcción it is essential to maintain their stakeholders' confidence. The company has the necessary good-governance instruments in place for them to assure transparency and avoid any criminal actions, such as fraud or corruption, that might harm the company's image and credibility.

FCC Construcción operates with robust corporate-governance architecture to forge trusting, lasting relationships with clients and other stakeholders. The FCC Group's corporate structure includes the business divisions, which apply its good-governance policies.

This model facilitates the management of the entire FCC Group as a whole, strengthening its values and sustainability, and working on a common project by striving for the resilience and continuous improvement of good-governance practices.



Achievements

- | Amendment of the articles of association.
- | Amendment of the Rules for General Meetings of Shareholders.
- | Amendment of the Rules for the Board of Directors.
- | Approval of the directors' remuneration policy.
- | Approval of the tendering policy by the FCC Group's Board of Directors.



Future challenges

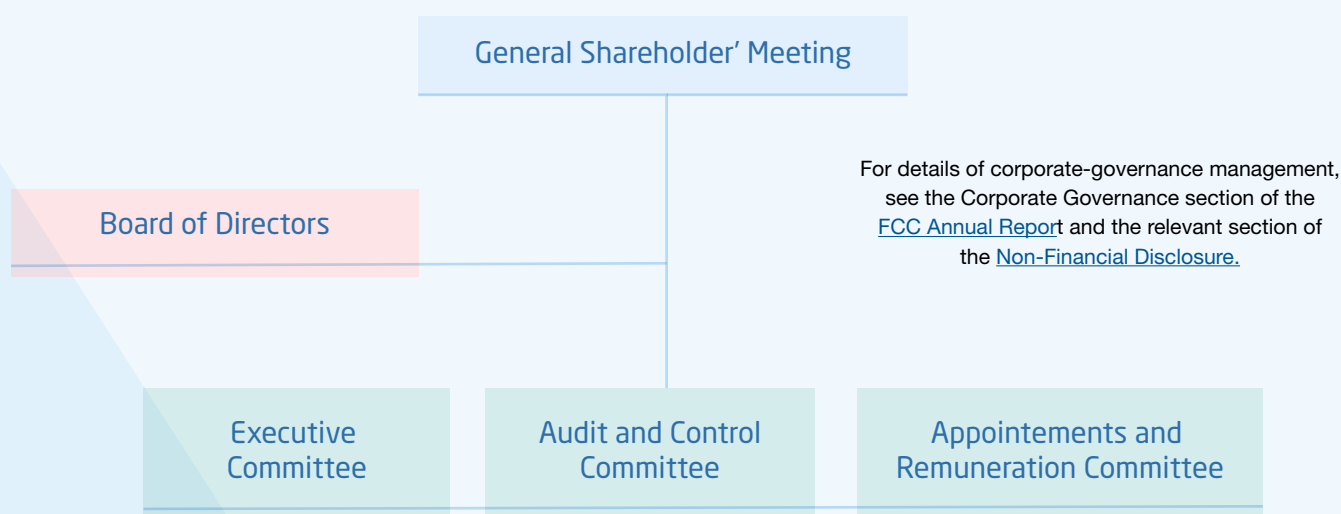
- | Strengthening and demonstrating the company's commitment to combat climate change by preparing FCC Construcción's climate-change strategy.
- | Strengthening and demonstrating the company's commitment to sustainable development by preparing FCC Construcción's Sustainability Strategy.
- | Giving training on cybersecurity to all personnel in the construction division.
- | Improving the availability and dissemination of non-financial reporting on the business.

Corporate-governance model

The FCC Group has five governing bodies with different roles and responsibilities.

Since the coming into force of the CNMV Code of Good Governance for Quoted Companies, the FCC Group has incorporated into its corporate governance and implemented most of the recommendations established under the Code.

The FCC Group's commitment toward transparency can be seen in various policies and reports, such as its [Corporate Governance Report](#) or its [Remuneration Report](#), approved by the board of directors and updated every year. This assures the transparency and accuracy of reporting and enhances trust among stakeholders.



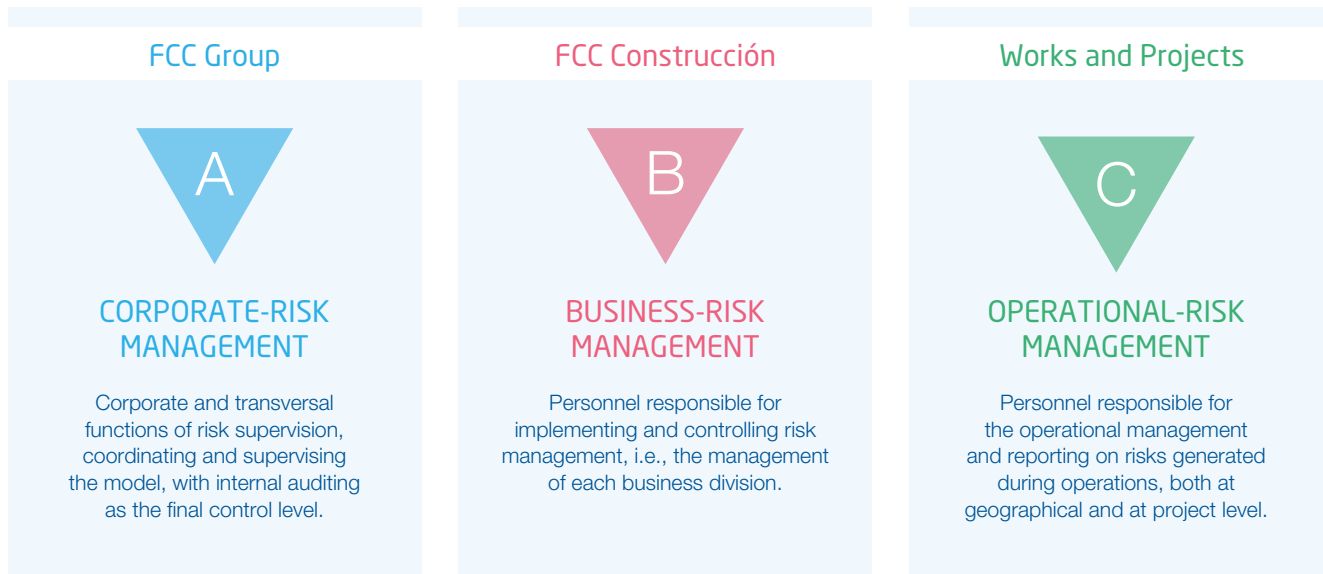
Risk management

The FCC Group operates in many different countries, conditions and environments and at all stages of the value chain, so it is essential to identify any risks and opportunities (strategic, operational, financial, environmental, social, legal, etc.) that might affect the company's optimal performance.

The FCC Group has therefore implemented a **risk-management system** and a **risks policy**, both of which have been approved by the board of directors and are applicable to all business divisions.

Due to the organisational structure of the FCC Group and its construction division, risk management at FCC Construcción is carried out via three hierarchical levels: corporate, business risk management, and operational (on site).

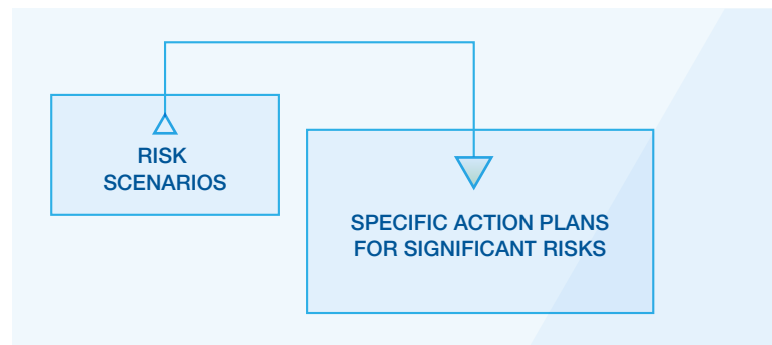




Risk management at FCC Construcción

FCC Construcción analyses risks by considering every internal and external issues affecting the company. The following are taken into account in the course of this regular analysis to detect risks and opportunities:

- The characteristics of the context in which the company is operating.
- Stakeholders' needs and expectations.
- The products supplied, works, overall projects and services.
- The special characteristics of the company itself.



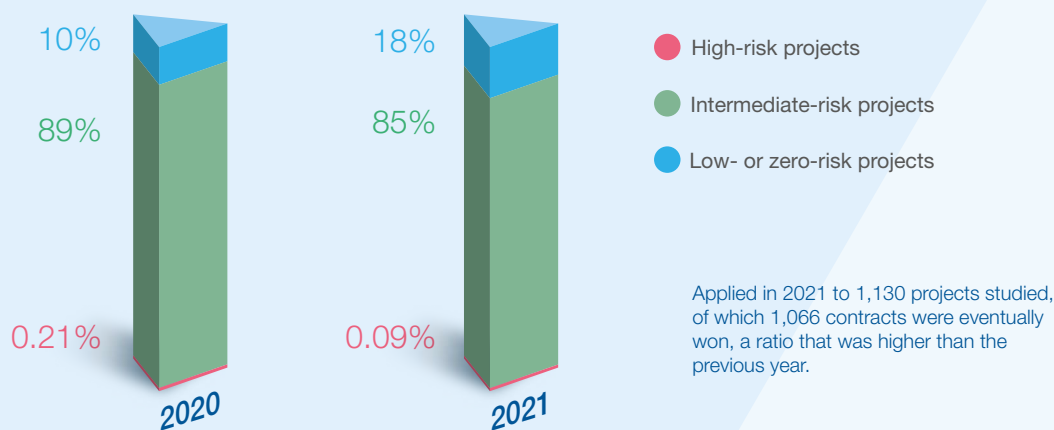
To carry out this assessment, a **SWOT** (Strengths, Weaknesses, Opportunities and Threats) analysis is used, in order to facilitate decision-making on the organisation's development from as broad a viewpoint as possible.

When it comes to determining any risks and opportunities that may have an impact on the organisation's Management and Sustainability System, the following are considered:

As a result of this analysis, which is carried out annually, the report *"Actions to Address Risks and Opportunities"* is prepared, setting out the risks and opportunities detected as well as the actions undertaken in order to address them.

Risks and opportunities	
For the entire organisation:	For each site and fixed workplace:
• Associated with the context of the organisation • Associated with stakeholders • Associated with legal requirements	• Significant environmental issues • Associated with significant health and safety issues

Socio-environmental risk level during tender stages (as % of total projects)



Operational-risk management

It consists of a qualitative risk assessment, including any social and environmental risks, besides, a dynamic matrix is prepared, including quantitative legal, contractual, financial and tax, technical and economic risks.

This assessment is applied to sites accounting for 85% of the company's turnover.

The Estimating and Tender Department identifies the opportunities and threats involved in a project at the start and during the tender process, subsequently updating and monitoring them during the construction and commissioning stages.

During tendering, the risk involved in each specific task is identified, taking into account different criteria such as price, deadlines, the technical difficulty of building processes, team's experience of the construction teams with similar works, environmental factors, issues related to subcontractors and suppliers, etc. This analysis will later be extended during the construction stage, once the contract has been awarded.

For projects already awarded, checks are made to confirm the adequacy of the completion deadlines and that continuity can be given to the risks matrix during the course of the works through work schedules. This analysis is supplemented by the **technical-action forecast (APAT)**, which classifies the works according to its risk scenario over the whole execution stage.

At the operational level, works are categorised according to their need for risks to be controlled and monitored. Any cases involving a serious risk of accidents, the on-site risk management is supplemented by the PETRA programme. For certain projects abroad, risk management is based on the well-known Montecarlo method, according to which a simulation of different variables is run in order to quantitatively analyse and measure any risks that may appear during the project.

Also, under the environmental-management standard ISO 14001, the company requires any environmental and social issues to be identified on all sites and at all fixed operational worksites. In 2021, data referring to environmental risks and opportunities were gleaned from 85 sites and 36 fixed worksites.

Socio-environmental risk level	2020	2021
Number of risks/opportunities identified	4,802	5,717
Average risks/opportunities identified	37	47,25
Number of actions identified	8,915	10,356
Average actions identified	69	85,59
Total projects with data on environmental risks	130	121

4.2. Values that guide our strategy



The FCC Group's values must guide all process and activities in all the Group's business divisions and support the company's commitment towards sustainable development.

FCC Construcción's mission and vision are based on values that guide the commitment of the entire FCC Group to contributing towards sustainable development and the social transformation of the areas where the company provides its services.

FCC Construcción's VISION:

Being an **international benchmark** in the construction of major infrastructure works, providing global and innovative solutions for the management of resources and improvement of infrastructure, thereby contributing towards society's sustainable progress.

FCC Construcción's MISSION:

Efficiently and sustainably design and execute and executing infrastructure-building projects to **improve the public's standard of living**.

FCC Construcción's mission and vision are based on values that guide the commitment of the entire FCC Group

VALUES

FCC Construcción shares and supports the values of the Group, which has undertaken to build *"one FCC, with consolidated values."*

- Honesty and respect:

Behaving honestly and with integrity to earn the trust of partners, clients and suppliers as key long-term partners.

- Oriented towards results

Striving to improve and achieve targets in order to become a benchmark for profitability and competitiveness.

- Attention to detail and professionalism

Leading by example with a vocation for service, developing skills to find efficient and innovative solutions.

- Loyalty and commitment

Fostering diversity, supporting career development and recognising merit and creativity to stimulate productivity and progress.

- Community well-being and development

Aware of the value of the services FCC Construcción provides for society, the company is committed to protecting the natural environment and the development and well-being of communities.

4.3. Responsible management and strategy



FCC Construcción is aware of the importance of building transparent, robust, enduring relationships with all their stakeholders through responsible management to meet all their expectations.

Responsible management and strategy is a differentiating factor at FCC Construcción, enabling the company since its beginnings to build lasting relationships based on trust and mutual benefit with clients and stakeholders.



Data Processing Center TIER IV (Spain)



Achievements

- | Over the 2020-2021 period significant efforts have been made in the area of dissemination, training and adhesion to the approved compliance model, both in Spain and abroad.
- | Approval and dissemination of the Third-Party Due Diligence Procedure on compliance and the Sponsorships, Partnerships and Donations Procedure for the infrastructure division.
- | Approval of the tendering policy by the FCC Group's Board of Directors.
- | Training on tendering: "Six Key Factors for a Smooth Tender Process".
- | Training "Against Mobbing and Sexual Harassment", launched in 2020.
- | Anti-corruption training.
- | Online training to build awareness of the Code of Ethics and Conduct for all employees in the construction division.
- | Re-assessment of criminal risks in order to comply with external regulations and the organisation's internal rules.
- | Updating the websites of the main subsidiaries in the construction division (Matinsa, Prefabricados Delta, FCC Industrial, Megaplas, Convensa and Áridos de Melo).



Future Challenges

- | Approving, disseminating and giving training in the competition policy.
- | Launching new compulsory online training on the Code of Ethics and Conduct and new adhesion to the Code.
- | Re-assessing risks of the criminal-compliance model for the FCC Group's construction division and updating the matrix of crimes, risks and controls.



Codes and policies

► Codes of Ethics and Conduct



► Human-rights policy



► Anticorruption policy



► Crime prevention manual



► Protocol for the prevention and eradication of harassment



► Other policies: relations with partners, gifts and entertaining, tender processes, competition, etc.



Compliance, ethics and integrity

FCC Construcción shares the corporate culture, ethics and full content of the FCC Group's compliance model, which includes [codes and policies](#) such as:

In all its activities and management, FCC Construcción implements the FCC Group's compliance model, the purpose of which is to prevent and detect risks of non-compliance, focusing particularly on any behaviours that could have criminal consequences. The FCC Group continuously promotes training and dissemination programmes regarding its Code of Ethics and Conduct, such as the *"FCC Compliance Coffee"* information pills.

Also, with a view to ensuring that the compliance model is appropriately implemented, a robust structure has been defined.

Compliance Committee

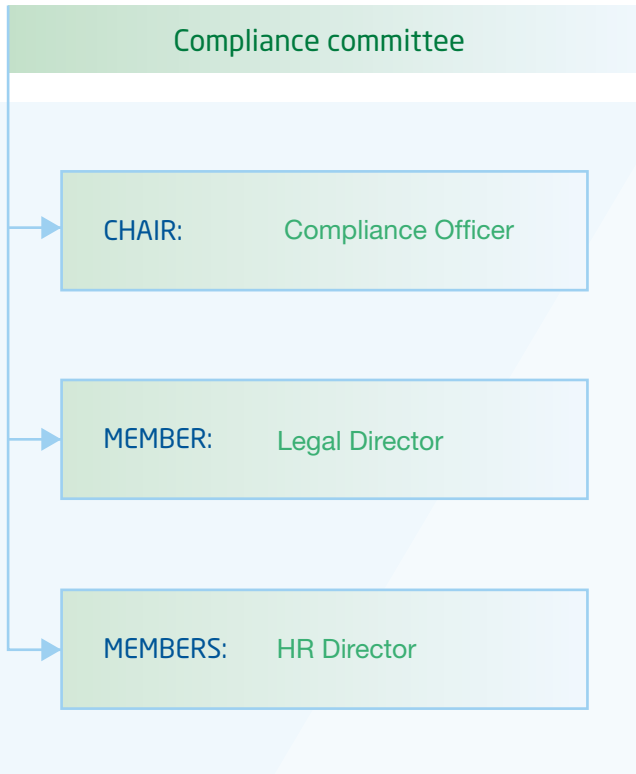
The FCC Group has set up a Compliance Committee, replicated in each of the business divisions, the duties of which include reinforcing the ethics culture throughout the organisation and enforcing compliance with external and internal regulations, rules and standards.

Within the Compliance Committee, FCC Construcción has a Compliance Officer position with the role of assuring integrity, efficiency and performance. The objective is to apply these controls over the course of the year, with six-monthly self-assessment and certification of their correct functioning.

FCC Construcción's *Compliance Officer* took part in all the meetings held by the committee in 2021.

The personnel responsible for the controls designed to prevent criminal risks carry out a self-assessment every six months. In 2021, the construction division carried out two certifications of the crime-prevention model through use of the compliance tool. In each certification 583 and 590 controls were assessed and 100% of both certifications were answered.

Also, both FCC Construcción and the main companies in the infrastructure division in Spain and abroad have adhered through their boards of directors to the Code of Ethics and Conduct and the compliance model.



Ethical Channel

FCC Group employees have the right and duty to report any infringements of the Code of Ethics and Conduct over the Ethical Channel, which can be accessed in three ways: by post, by email or via a form on the corporate intranet. The Ethical Channel is governed by the provisions of the Group's Ethics Channel Procedure and assures the confidentiality, with no fear of reprisals, of all reports received.

In 2021 FCC Construcción received a total of 13 reports were received via the Group's Ethical Channel (1 was not relevant). Of the relevant 12, 69% were employment related. By year end, 92% of the relevant reports had been resolved.

Due diligence to ensure Human Rights are upheld

The FCC Group considers due diligence to be a cornerstone for ensuring that its ethics-related undertakings and those of FCC Construcción are upheld and shared across the entire value chain. One of the most relevant aspects of FCC Construcción's due-diligence efforts is ensuring that human rights are respected.

For FCC Construcción the implementation of the FCC Group's **hHuman Rights Policy**, as approved by its Board of Directors is a key issue, in line with the Guiding Principles for Companies and Human Rights. The FCC Group also adheres to various international instruments for human rights.

- UN Global Compact.
- Universal Human Rights Framework Declaration.
- Children's Rights Declaration.
- Various ILO conventions.
- Other agreements with the International Construction and Wood Workers Federation (BWINT).

Owing to the business sector in which FCC Construcción operates, upholding human rights is a key issue for the company, and it is a risk that the FCC Group has included within the category of strategic risks, because of its potential significant impact on the organisation.

Another key aspect of FCC Construcción's due-diligence efforts is its suppliers chain. In this regard, the company has approved a new supplier-management procedures, defining approval processes and responsible declarations (compulsory and prior to the contracting of products and services), including matters related to safeguarding human rights (*for further details of responsible-procurement procedures, see section 3.2 of this report*).

Strategic framework for social responsibility

FCC Construcción works within a solid strategic framework of social responsibility, defined by governance, policy and a set of significant measures established by the FCC Group.

Sustainability/CSR policy

Through the undertakings set out in this policy, FCC Construcción incorporates sustainability into its strategy, operations and processes through action plans and appropriate monitoring.

This tool is a distinguishing feature of the company, enabling the expectations of all our stakeholders, whether internal or external, to be met.

Sustainable governance

FCC Construcción is a member of a Group that is committed to a robust governance structure in terms of sustainability, led by:

Ambition and ESG framework

The FCC Group is working on a new framework that will continue to position sustainability at the heart of its business model, having successfully applied the CSR Master Plan for the 2018-2020 period.

This framework (the “FCC ESG Framework”) is the starting point for orienting the future of the FCC Group’s CSR-related activities, in line with benchmark Spanish and international frameworks, such as Agenda 2030, the European Green Compact, the Paris Accord, EU climate legislation, the Action Plan for Companies and Human Rights, and the recommendations of the Code of Good Governance. FCC Construction is also working on the preparation and implementation of what will be its future sustainability strategy for 2050.

Board of Directors



Supervises compliance with the FCC Group's Sustainability Policy.

Sustainability and Business Areas Committee



Liaises with the business divisions on different sustainability-related actions, assuming responsibility for developing, implementing and enforcing compliance with the CSR policy.

Compliance and Sustainability Department integrated into the Company Secretary's office



Supports the Sustainability Committee in the performance of its duties, establishing systems for monitoring the results of the FCC Group's sustainability practices.

5

Building the future

Using innovative technology and developing new ideas are the driving force for change in society if we are to progress towards a more technological, digital and sustainable future. FCC Construcción is aware that incorporating innovation into construction processes is vital in order to meet current and future strategic challenges and constantly drive RDI actions on sites, both in Spain and abroad, and develop RDI projects in partnership with benchmark entities in the sector.



5.1. Innovation and continuous improvement



Innovation can be the differentiating factor for achieving a competitive edge, as well as contributing towards creating value, it is very important for the company.



Achievements

- | EUR 2.9 M invested in RDI.
- | Preparing RDI proposals related to strategic areas associated with technological vigilance.
- | Applying for patents or models of use in strategic construction processes for the company.
- | Participating in organisations and work groups related to innovation and sustainability.
- | Certifying the RDI management system under the standard UNE 166002:2014 at Matinsa and FCC Industrial.
- | Internally disseminating projects to certify new actions on sites.



Future challenges

- | Encouraging involvement and participation by the various organisations in certifying projects.
- | Fostering participation in RDI projects related to digital transformation with a view to improving different processes within the company.
- | Continuing to participate in projects related to the strategic technological-vigilance topics.
- | Achieving certification of the RDI management system under the standard UNE 166002:2021 for FCC Construcción, Matinsa and FCC Industrial.
- | Disseminating externally and within the organisation the results achieved in RDI projects by means of on-line conferences.
- | Digitising production processes at Prefabricados Delta's plants through RDI projects.
- | Obtaining AENOR certification of the Partnerships Management System under the standard UNE-ISO 44001 for the RDI departments at FCC Construcción, MATINSA and FCC Industrial.



A465 Wales (United Kingdom)

FCC Construcción certifies its **RDI Management System** under UNE 166002, and in 2021 FCC Industrial and Matinsa were certified separately under the same standard. These certifications, together with the RDI strategies and policies, are reviewed regularly and serve as a guide for aligning efforts to address the challenges that the market currently faces.

Each of the companies developing RDI certification identifies its priority areas by taking into account analysis of the context, vision, strategy, policy, stakeholders' needs and expectations, vigilance and strategic intelligence.

Strategic areas for RDI



- ▶ Digitising the construction sector
- ▶ Knowledge management
- ▶ Railway infrastructure
- ▶ Sustainable construction



- ▶ Smartcities – Data-integration and operation platforms
- ▶ Virtual and augmented reality for use in simulators and training
- ▶ Cybersecurity and permission networks for monitoring and control platforms



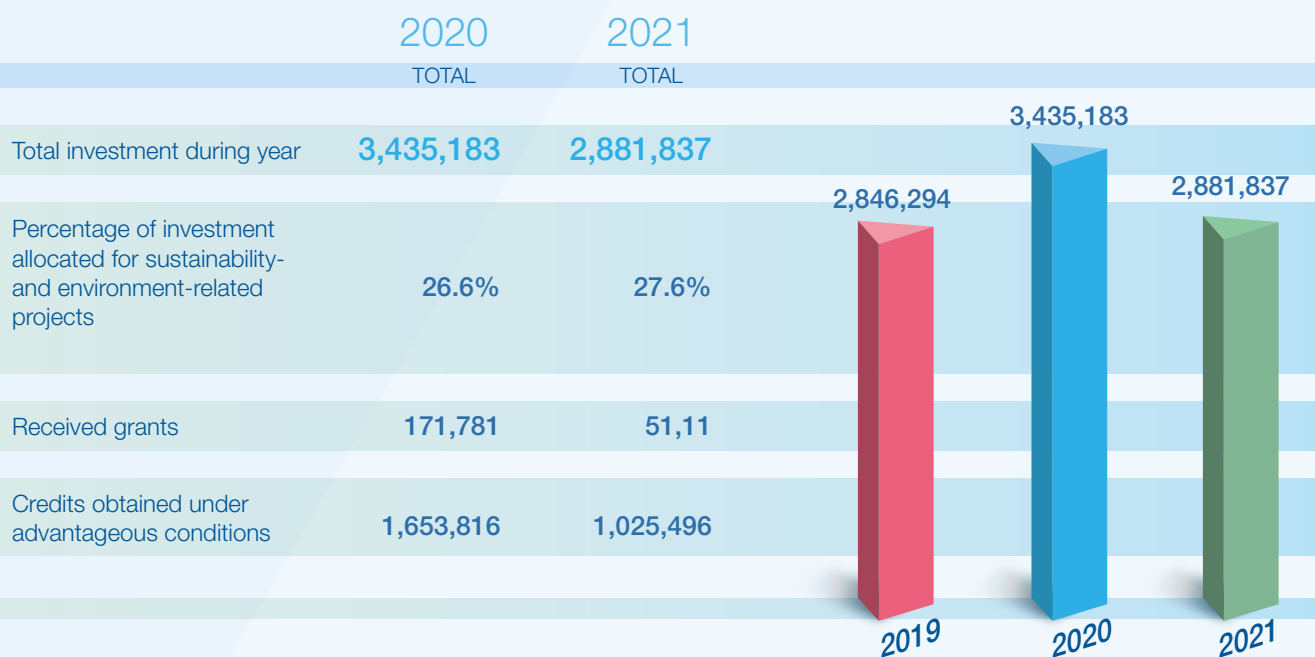
- ▶ Sustainable conservation, maintenance and operation of infrastructure
- ▶ Wildfire detection, prevention and extinguishing services in the natural environment, critical infrastructure and urban-wood-land interface
- ▶ Sustainable management of natural resources and protection of ecosystems
- ▶ Applying new technologies and digitisation of processes to everyday management as well as emergencies
- ▶ Operational and infrastructure security

In 2021, the total investment in RDI was EUR 2.88 M. The projects that benefited from this investment included BICISENDAS, DESIRE, CYBERSEC and POLDER.

Investment in RDI (€)

Investment in RDI (€)

RDI investment evolution (€)



Using robots in construction: a landmark for FCC Construcción

Robotics are slowly but surely finding their place in the construction. The current legislation, limited technological talent and the prevailing business challenges are some of the obstacles that such systems must overcome.

Automating building process is part of the future, in a social context of optimising natural resources and protecting workers' safety and welfare. FCC Construcción has dedicated some of its innovation in recent years to such **projects** as ROBIM, PWDRON and ROBUST:

ROBIM consists of a self-contained robot system for inspecting buildings during façade-refurbishment works, minimising the risks to workers, in line with the framework of the Energy Efficiency Directive 2012/27/EC, focusing particularly on refurbishing buildings to reduce CO₂ emissions by 2050.

PWDRON is a project that consists of developing a centralised system for automated monitoring of the building of linear civil-works infrastructure (motorways, dual-carriageways, roads, links, railway lines and stations, large-volume earthworks, stabilising embankments and channelling networks) based on drones that use the latest technology and have been specially developed in the framework of the project, as well as a new technological platform for the exchange, processing and distribution of data.

ROBUST focuses on creating a georeferenced mapping system with automated monitoring for confined spaces (mostly tunnels and trenches). The system uses new monitoring technology that calls for the development and deployment of drones and the design of control systems and algorithms for communicating with them.

Plus **innovations**, such as those carried out under the **PRA-CAN** project, arising out of the construction sector's need to safeguard the health and safety of personnel working in environments contaminated by crystalline silica and asbestos, which are both present in many building materials, by developing two active robot platforms (aerial and land-based) that are able to identify, control and monitor carcinogens.

Both ROBIM and PWDRON manage the data captured by the drones, which can be viewed via BIM platforms, which are another of FCC's innovation areas.

FCC Construcción innovates with the dual objective of offering improvements for society, beginning with the company's own personnel, its key business asset, as well as the environment and the community, while improving its processes, efficiency, quality and profitability. This is why the company has opted for robotics as an business asset.



Expansion of the San Juan de Dios hospital (Spain)

Value proposal

The value proposal in relation to innovation for FCC Construcción is based not only on internal improvement but with the aim of digitising processes, achieving sustainable development and improving society, supported by the wealth of technical know-how of the company's personnel in order for these actions to be implemented successfully.

Innovation projects with social and environmental impact

Projects

Description

CYBERSEC

Its objective is to research various types of technology, techniques, tools, methodologies and knowledge with a view to developing technological solutions for protection against cyberattacks in highly critical connected environments, such as Industry 4.0, smart cities or critical infrastructure.

BICISENDAS

A project under the CDTI's CIEN 2018 programme with the objective of developing a sustainable, energetically self-sufficient, smart, non-pollutant, integrated, safe cycling lanes.

ONLYBIM

Developing a streamlined, versatile system, also integrated into the ISTRAM®/ISPOL® package, for the design of non-linear projects (e.g., concourses, treatment plants, etc.). This tool will also allow for connection to the project and to BIM tools. FCC's aim to create a processes system by means of a versatile, streamlined tool to allow linear and non-linear works to be connected, based on the BIM methodology (5D).

SAIM

Approved by the CDTI, with the objective of developing a new technological solution to assist the environmental management of coastal areas, facilitating automatic ecological characterisation in real time, based on information from a new data-capture sensor system, a new algorithm for processing satellite information and a new computer simulation model.

Case study



Supporting technological development, research and innovation within the company.

► DESIRE - Multipurpose Mixed and Augmented Reality System Demonstrator. Application to RPAS simulator

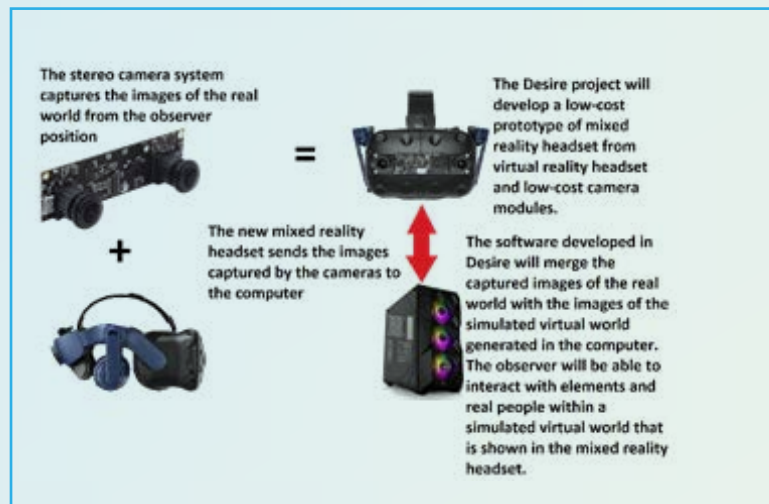
The DESIRE project has been developed by the systems division at FCC Industrial. Its objective is to develop a feasible, cheaper alternative to current visual systems based on traditional simulators. This is being achieved by exploring various types of technology, VR goggles and stereo micro camera systems.

The use of VR goggles may be an alternative to current visual systems but they hinder interaction with real objects inside the vehicle or similar space or with items in the room where the simulation is taking place.

FCC Industrial proposes the development of coupling a stereo micro camera system to VR goggles and developing software to make it possible to merge the real and virtual worlds and display the result via VR goggles.

Software and hardware components will also be developed to monitor individuals or other moving objects, so that the location of the people wearing VR goggles can be determined precisely as they move around large rooms or if the training exercise requires movement.

To demonstrate the technology developed a remotely piloted aircraft system (RPAS) will be used. This simulator will be developed in partnership with the Crewless Aircraft Systems School of the Matacán Schools Group (GRUEMA) at Matacán-Salamanca air base.



Completed by



Confunded by



With colaboration from



Case study

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE

Talent management and streamlined knowledge transfer will allow FCC Construcción to undertake novel, efficient projects.

► GAUDÍ - A new knowledge-management platform based on AI algorithms and content-curation techniques

The GAUDÍ project was launched in order to create an advanced knowledge platform for the appropriate acquisition, storage, processing and dissemination of **information and know-how** at construction firms, supported by content-curation processes, thanks to the development of new **artificial intelligence (AI), machine learning and deep learning** algorithms, to enable latent knowledge to be extracted from data stored previously and workers' know-how.

A new model for **knowledge-management** in the construction sector will be prepared after studying the business processes defined in the management systems that major firms have implemented, considering the classic knowledge processes; (1) knowledge creation, (2) storage and recovery, (3) transfer, and (4) application.

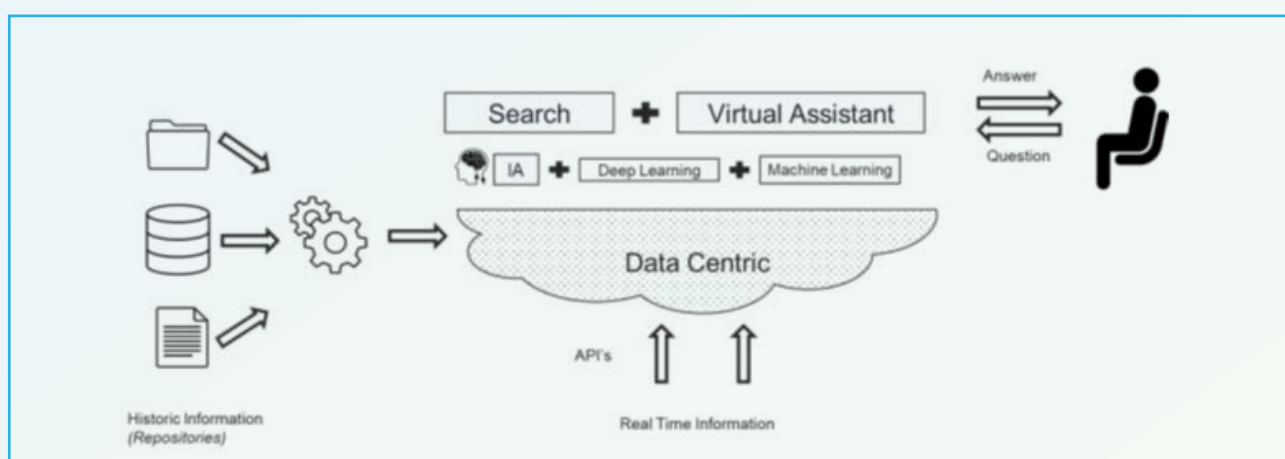
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Funded by



UNIÓN EUROPEA
Fondo Europeo de
Desarrollo Regional (FEDER)
Una manera de hacer Europa



RDI partnerships

FCC Construcción and its subsidiaries, in the framework of partnerships between institutions, enters into agreements and projects with universities, technology centres and other firms to develop RDI initiatives.

FCC Construcción also partners with technology-based SMEs to undertake innovation projects that encourage participation in the value and horizontal-partnership chain.

Presence in key RDI organisations

 www.railwayinnovationhub.com Association that promotes technology and knowledge of the railway sector at an international level through collaborative R & D projects, the commercialization of technology, promotion of entrepreneurship and the provision of services.	 www.ectp.org The ECTP acts as a channel for innovation in the European construction sector, with a presence before the bodies of the European Union and the Sectoral Platforms with which it shares innovation fields.	 www.buildingsmart.es Nonprofit association whose main objective is to promote efficiency in the construction sector through the use of open interoperability standards on BIM.	 www.esbim.es Promotes the implementation of BIM in the Spanish construction sector, sensitize public administrations in the establishment of BIM requirements in infrastructure tenders, etc.
 www.cen.eu Private nonprofit organization whose mission is to foster the European economy in the global business, the welfare of European citizens and the environment by providing an efficient infrastructure to stakeholders for the development, maintenance and distribution of coherent standard specifications and systems. 29 national members represented 25 EU member states, 3 countries of the European Free Trade Association (EFTA) and the candidate countries to the EU and EFTA, and work together to develop European standards (EN) in various sectors. The aim is to improve the European single market environment for goods and services and to place Europe in the global economy.	 www.seopan.es Its objective is to actively promote investment in infrastructure and the promotion of public-private collaboration projects as decisive elements for competitiveness and economic growth in Spain, FCC Construcción participates in the R + D + i, Quality and Environment Commissions, Machinery Training, Purchases,...	 www.adif.es/CTF CENTRO DE TECNOLOGÍAS FERROVIARIAS (CGT) It is an multidisciplinary innovation center with a stable presence in research groups. With this center the position of the Spanish railway system will be reinforced as a benchmark for the European and global technological vanguard.	
 www.encord.org European network of construction companies for the promotion and promotion of Research and Development activities. Its main objective is to present the interests of construction companies in Europe, in relation to R & D + i. FCC Construcción is a member of the Board and participates in the Working Groups on protocol for CO₂, Safety and Health measurements, etc	 www.iso.org The International Organization for Standardization is an organization for the creation of international standards composed of various national standardization organizations. Through its members, it brings together experts to share knowledge and develop voluntarily, based on consensus, international standards that support innovation and provide solutions to global market challenges.	 www.atc-piarc.com The Association develops an intense work in the transfer of road technology and its dissemination. It has Technical Committees, the RUTAS magazine and specific training activities aimed at all professionals working on the road; for this it collaborates with universities, research centers, sectoral and academic associations and professionals of recognized prestige.	 www.aec.es Private and multidisciplinary entity, whose mission is to defend and promote Quality as an engine for the development of people, the competitiveness of organizations and the improvement of society. They have extended to areas such as the environment, innovation, safety and social responsibility. Participation of FCC Construcción in the Construction, CSR and Environment Committees.
 www.ceoe.es Nonprofit private entity, whose primary purpose is the defense and representation of business interests before the public authorities and society in general. FCC Construcción participates in various committees such as R & D, Internationalization, Digital Society, Sustainable Development and the Environment.	 www.plataformaptec.com It contributes to the improvement of the construction sector through public-private cooperation in R + D + i, carried out between companies, business associations, universities, technology centers, etc. FCC Construcción is a member of the PTEC Foundation, of the Permanent Commission and participates in several Working Groups.	 www.ptferroviaria.e The Spanish Railway Technology Platform (PDFE) is a tool at the service of the railway sector, led by the industry, to define the "long-term vision" and the "Strategic Research Agenda", with the aim of achieving scientific and technological advances that ensure the competitiveness, sustainability and growth of the Spanish railway. Its main mission is to align the strategies of the different agents, concentrate the R + D + i efforts and reduce the fragmentation in the research space.	

5.2. Sustainable finance



FCC Construcción is aware of the importance of sustainable finance as an instrument for building more sustainable communities.

Sustainable finance plays a very important role in the success of Agenda 2030.

By incorporating ESG criteria as well as strictly financial ones when assessing projects enables financing to be oriented towards the most sustainable projects and therefore those that contribute most towards reaching the SDGs under Agenda 2030.



In recent years the regulatory control and requirements in sustainable financing have increased considerably, giving rise to one of the biggest transformational challenges that companies now face.

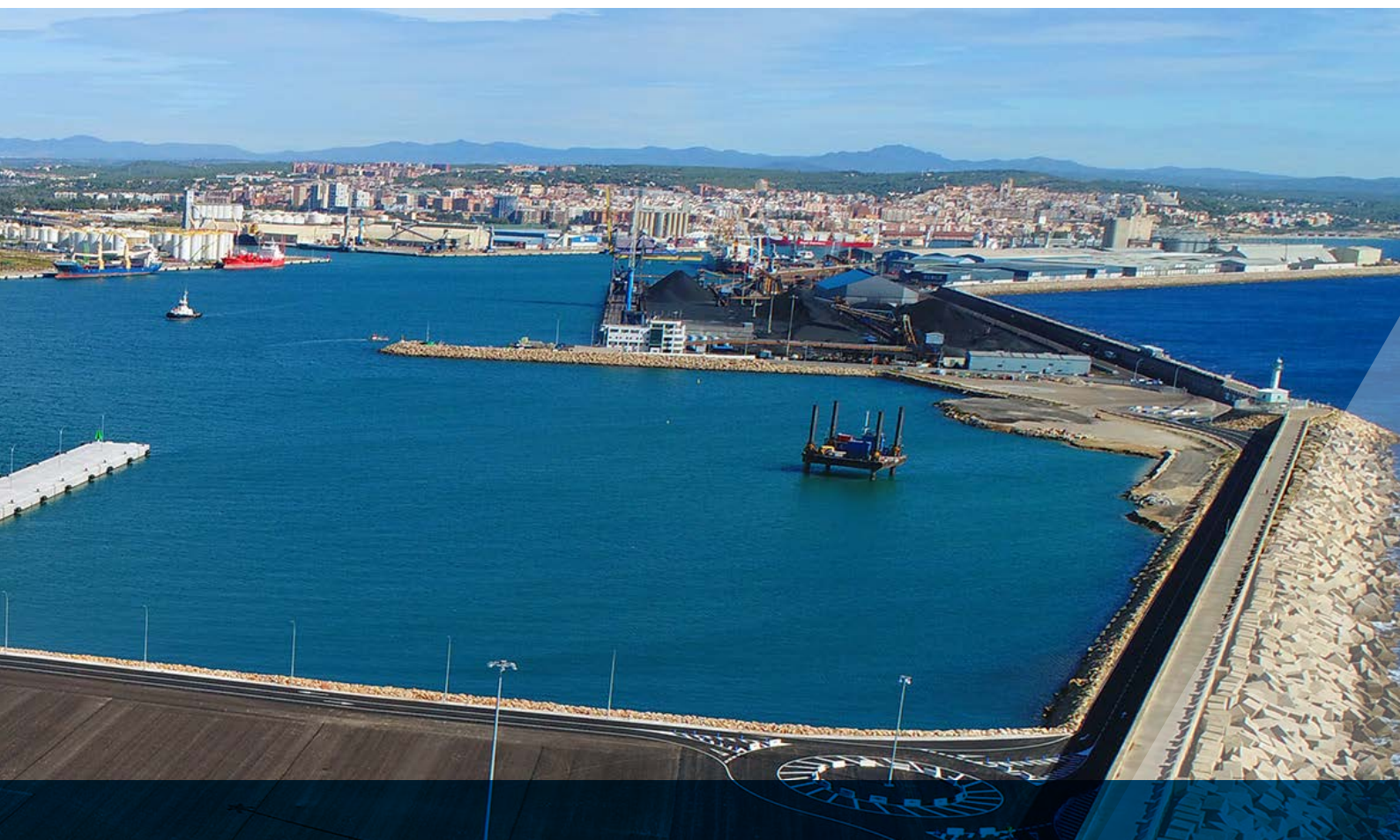
One of the main requirements in the EU framework is the EU Taxonomy and its development regulations, which provide that certain firms, based on certain characteristics, are obliged to include non-financial information in their annual reporting.

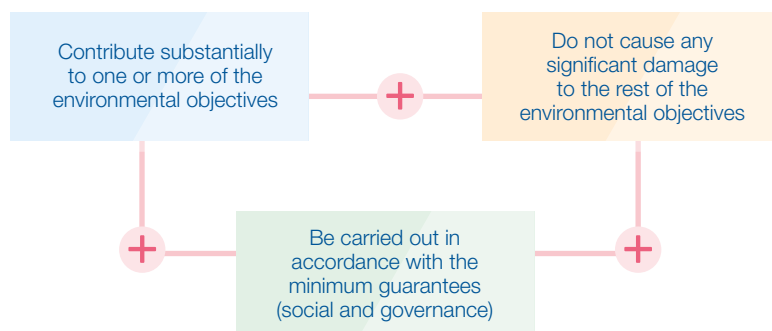
The FCC Group has reported the proportion of eligible and non-eligible economic activities for the taxonomy for 2021, expressed as total turnover and CapEx, including all its business divisions. FCC Construcción's data has been included via the infrastructure-activity within groups 4-7 defined by the FCC Group.

Elegibility percentage of each of the consolidated financial KPIs and their distribution by FCC Group taxonomic groups 2021 Data*.

Classification of FCC's activities by taxonomy	Total turnover	CapEX
A Eligible activities	71.9%	91.8%
3 - Manufacturing	6.4%	0.5%
4 - Energy	1.3%	0.1%
5 - Water supply; sanitation waste management and decontamination	39.3%	11.6%
6 - Transport	15.0%	0.8%
7 - Construction of buildings and property development	9.9%	78.8%
B Not eligible activities	28.1%	8.2%
TOTAL (A+B)	100%	100%

* For further details, see the [FCC Sustainability Report 2021](#).





- 1 ► Climate change mitigation
- 2 ► Climate change adaptation
- 3 ► The sustainable use and protection of water and marine resources
- 4 ► The transition to a circular economy
- 5 ► Pollution prevention and control
- 6 ► The protection and restoration of biodiversity and ecosystems

What is taxonomy?

EU taxonomy, in overall terms, is a common language for determining what sustainable economic activity is, at present, taxonomy has only been developed for the environmental point of view, and within that, only two of the six climate goals have been detailed, although the other four are expected to be published soon.

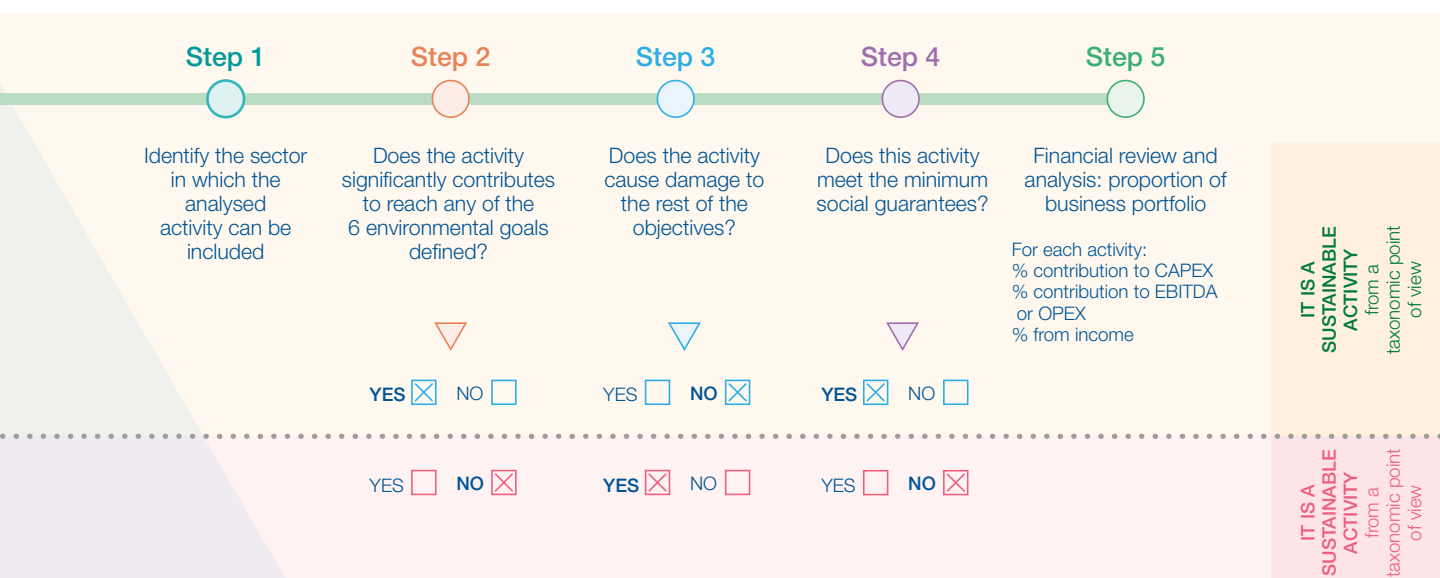
Environmental taxonomy establishes that an activity is to be considered as environmentally sustainable if it contributes to one or more of the six environmental objectives defined: *climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, the protection and restoration of biodiversity and ecosystems.*

Also, in order to be sustainable, the activity must cause no significant harm by achieving any of these objectives and it must comply with certain minimum social guarantees.

Top date, taxonomy specifically applies only technical criteria to determine whether a given activity meets the first two environmental goals (mitigating and adapting to climate change), but the other four are apparently close to being defined.

Besides, under Regulation (EU) 2021/2178, in 2022 companies are required to report only the Eligible percentage of their activities in 2021. However, from 2023 onwards (with regard to data for 2022), the percentage of activity that is aligned with the taxonomy must also be included, going one step beyond.

An activity is deemed to be **eligible** if it is included in the description of taxonomic activities listed in the Taxonomy Regulation and can contribute to one or more of the environmental objectives mentioned. However, an activity is **aligned** if it meets the technical criteria for one or more of the objectives, causes no significant risk for the other objectives and is carried out in accordance with the principles and rights established in the fundamental agreements referred to in the Declaration of the International Labour Organisation on fundamental employment principles and rights.



The future of sustainable finance

The FCC Group and FCC Construcción are working to assess how activities align with mitigating and adapting to climate change, thereby improving stakeholders' understanding of the business model based on sustainable solutions.

FCC Construcción's activities (civil works, building and industrial) have a direct impact on the community and are, therefore, of considerable relevance for mitigating and adapting to climate change.

The transition to activities aligned with the technical criteria listed by EU Taxonomy is directly related to a competitive advantages at the functional level of companies. Thus, FCC Construcción is working on a sustainability-based transformation in the following areas:

Relations with investors

Composition of a sustainability-based equity story that drives the brand's positioning and value and favours access to financing.

Data

Availability and use of value information for decision-making to enable the percentage of taxonomy-aligned activities.

Finance

Integrating ESG criteria into the company's investment strategy and driving sustainable finance, in line with EU taxonomy and integrated into the company's overall strategy and business plan.

Risks

Managing and mitigating ESG risks related to the company's activities and operations, to include the development of frameworks, policies, models and tools that support sustainability.

Technology

Orienting the development of digital solutions towards the integration of ESG factors in the company's value chain, driving the reorientation of capital flows towards taxonomy-aligned activities.

Procurement

Supporting the definition of sustainable supply chains, oriented towards long-term value creation and composed by suppliers that meet the technical criteria of EU Taxonomy.

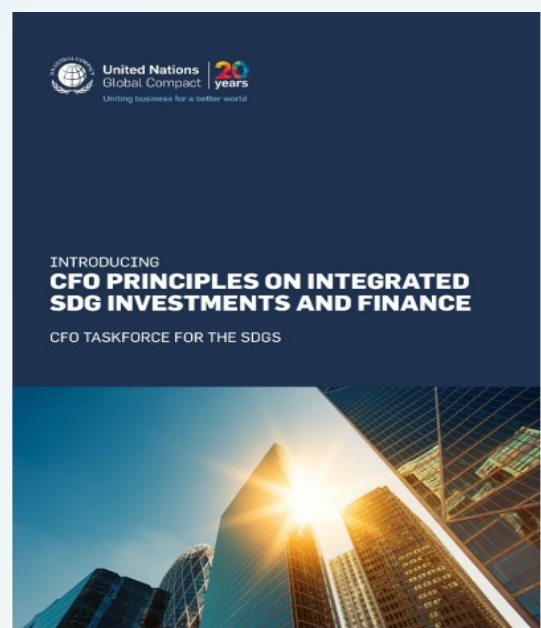
Case study



Breaking the links between environmental degradation and economic growth and striving to achieve added value for society.

FCC Construcción was involved in the drafting of "CFO Principles on Integrated SDG Investments and Finance"

FCC Construcción, as a member of the UN's "Sustainable Finance" work group, was involved in the drafting of the document "CFO Principles on Integrated SDG Investments and Finance". These principles are designed to supplement the Ten Principles of the UN Global Compact. They are derived from the common vision and ambition to support firms as they transition towards sustainable development and make use of corporate finance and investments to develop the SDGs. FCC Construcción has been the first construction company in the world to join the "Sustainable Finance" work group, as well as the first Spanish firm to take part in the project.



Case study



Promoting actions to enable new, sustainable, inclusive and transparent business models.

► FCC Construcción took part in “The Role of Finance in a Sustainable Economy”

FCC Construcción took part in the information breakfast organised by “La Información” under the title **“The Role of Finance in a Sustainable Economy”**. Also taking part were the finance director of Aedas Homes, the Vice-president of DIRSE, the Sustainable-finance director of Ibercaja, and, on behalf of FCC Construcción, the QA, RSC and RDI Director, Antonio Burgueño. On the global stage, and particularly in Europe, regulatory initiatives are meeting the challenge of sustainable development through various policies to promote changes in the current business models with a long-term outlook.

In order to achieve this transformation and meet the Agenda 2030 targets, it is necessary to promote various measures, focusing on those that facilitate the financing of new business models and the transformation of the current ones.

The political initiative for sustainable finance has a key actor -the financial sector- and three areas of action:

1. *Reorienting the capital flows of the financial system through sustainable investment to encourage sustainable and inclusive growth.*
2. *Working on the development of a to manage for the financial risks resulting from climate change, depleted resources, environmental degradation and social problems.*
3. *Driving corporate measurement and reporting models to foster transparency and long-term financial and economic targets.*



Letter from
the CEO

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Materiality and relationship with stakeholder



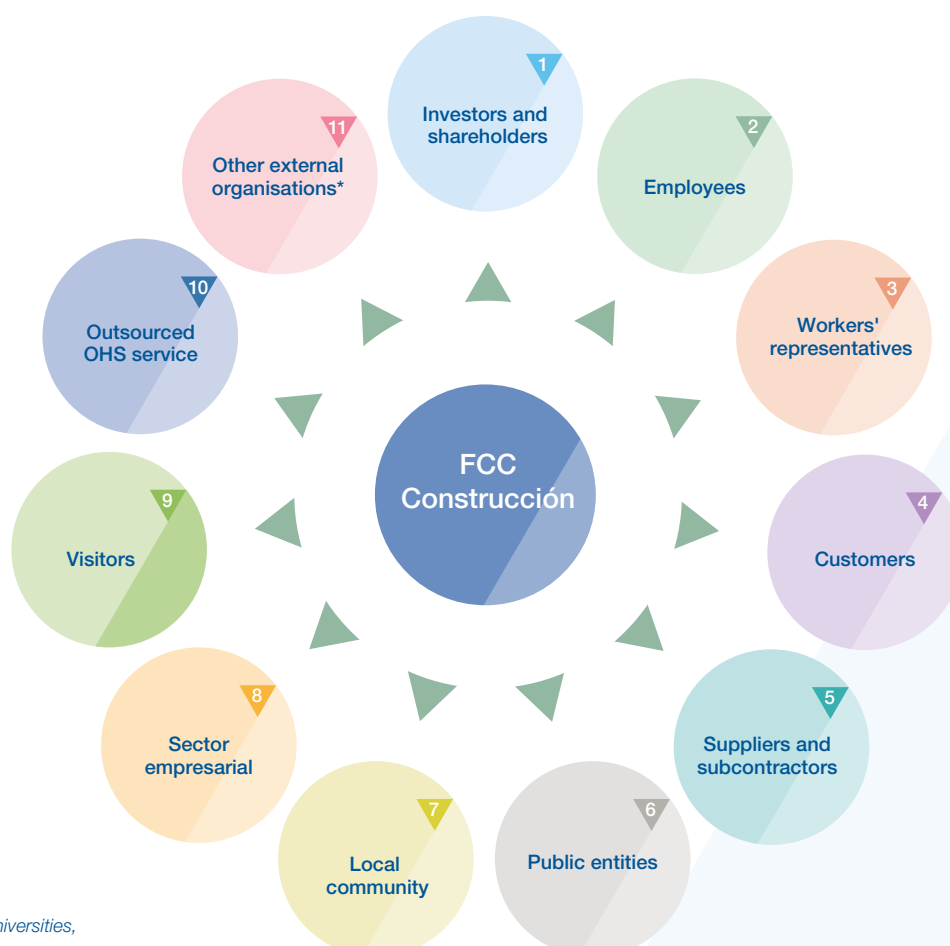
6.1. Responsibility with our stakeholders



The best way for FCC Construcción to create value is by providing infrastructure and services that contribute towards people's welfare.

Our stakeholders

Identifying FCC's stakeholders enables the needs and expectations of each to be determined in their relationship with the company, in order to provide an appropriate response and generate added value for all the actors involved in the company's value chain.



* Foundations, NGOs, universities, technology centres.

Active dialogue

FCC Construcción maintains a strategy of effective and transparent communication with its different stakeholders. Via various communication channels, the company maintains constant dialogue with its stakeholders, increasing its opportunities for improvement.

The **company's values** guide its relationships with stakeholders, salient in the **excellence of services**, **quality of its professional team** and, especially, **transparency** in management and activities.

FCC Construcción provides its stakeholders with a **personalised service**, ensuring that its needs and expectations are met.

FCC One Construcción

The main channel for communication between the company's employees, including news, announcements, organisations' procedures, publications, videos and technical documents.

2

Corporate communications

The main channel for in-house communication between the company's employees, including company news, announcements, different organisations' procedures, publications, videos and technical documents.

2

FCC City

Online channel with two types of browsing available: a virtual city and a world map, showing more than 120 special works undertaken by FCC Construcción, organised by continents and countries.

1 3 8

Sustainability Report and Environmental Communication

Publications for internal and external communications with all stakeholders, presenting our organisation's annual economic, environmental and social performance.

1 2 3 4 5 7 8 10

Customer-satisfaction surveys

Customer satisfaction is measured by works-completion surveys, where our customers review a number of different aspects of the work done by FCC Construcción, giving them a score from 1 to 4 and grading their importance.

3

Websites and social media

The websites of FCC Construcción and FCC Industrial in different countries and those of the company's other subsidiaries. FCCCo Live (videoblog for external communication), FCCCo YouTube channel, FCC Construcción LinkedIn and FCC Construcción's Instagram account.

2 4 5 7 9 10

Customer liaison

Person assigned to explore areas for cooperation, address any suggestions received, process the information compiled at meetings with customers and subsequently communicate any actions undertaken as a result of their suggestions.

4

Shows, conferences, courses and congresses

Presence at many forums, conferences, courses, talks, public presentations and other events, to share knowledge and disseminate the information and experience acquired in our day-to-work and research activities.

2 7 9

Associations

FCC Construcción is a proactive member of numerous sector associations and organisations, including AENOR, Global Compact Spanish Network and SEOPAN.

6 7 8 10 11

6.2. Materiality assessment



FCC Construcción demonstrates its commitment towards transparency and developing sustainable management through knowledge of the most relevant material issues resulting from its activities and environment.

The FCC Group carries out an in-depth annual update of its materiality assessment in order to identify the most relevant non-financial issues for each business division, including FCC Construcción. This analysis meets the requirement for comparability, maintaining the same assessment structure as that developed in 2020.

In order to define material issues, the FCC Group considers the issues identified as relevant by GRI, SASB, Dow Jones Sustainability Index, the Non-Financial Reporting Act 2018 (11/2018), and the priority issues for a sample of competitors.. As a result, a total of **23 non-financial issues were defined:**

► Business



- | Ethics, integrity, compliance and good governance
- | Risk-management and control systems
- | Quality of service and customer satisfaction
- | Innovation and digital transformation
- | Cybersecurity and data protection
- | Fiscal transparency and paying tax

► Environmental



- | Preventing pollution
- | Circular economy and waste
- | Management of water resources
- | Consumption of materials
- | Energy consumption and efficiency
- | Climate change
- | Biodiversity
- | Food waste

► Social



- | Social contribution and commitment
- | Promotion and respect for human rights
- | Relations with local communities
- | Responsibility with contractors
- | Sustainable supply chain

► Employment



- | Attracting and retaining talent
- | Training and career development
- | Diversity, equality and inclusion
- | Safety, health and welfare

The relevance of these material issues has been studied both *internally and externally* with a view to achieving a transversal view of the business.

- **Externally**, assessing the importance assigned by external stakeholders to the material issues identified during the first phase. The external stakeholders have been defined for each of the FCC Group's business divisions: clients, employees, suppliers and contractors, shareholders, investors and rating agencies, communities and partners.

- **Internally**, assessing the importance of material issues from an internal viewpoint, i.e., through interviews and questionnaires with key managers within the Group.

The result of the materiality assessment is shown on the resulting **materiality matrix** for each business division.

Process for determining relevant issues

- 1 ► **Identification of relevant issues:** Identifying the non-financial issues to be assessed.
- 2 ► **External analysis:** Determining the external relevance of issues by analysing the results of direct consultations and analysing the relevant documentation.
- 3 ► **Internal analysis:** Determining the internal relevance of issues by holding interviews and launching questionnaires for executives.
- 4 ► **Materiality matrix:** Once the results of the external and internal analyses have been obtained, priority is given to ESG issues, generating a materiality matrix for each business division.

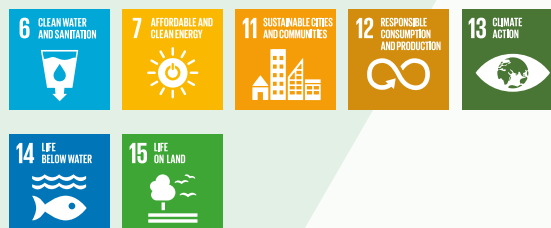
2021 FCC Construcción Materiality Matrix



SDG-related material topics

ENVIRONMENTAL

- ▶ Climate change
(GRI 302,305)
- ▶ Circular economy and waste
(GRI 301, 303, 306)



SOCIAL

- ▶ Service quality and customer satisfaction
(GRI 302, 303, 306)
- ▶ Safety, health and well-being
(GRI 403, 416)
- ▶ Training and career development
(GRI 404)
- ▶ Promotion and respect human rights
(GRI 406, 407, 408, 409, 410, 411, 412)
- ▶ Talent attraction and retention
(GRI 102-8, 401, 402, 405)



GOVERNANCE

- ▶ Ethics, integrity, compliance and good governance
(GRI del 102-6 al 102-39, 205, 206)
- ▶ Risk-management and control systems
(GRI 102-14, 102-15, 103)



6.3. Other data of interest

This Sustainability Report is also an FCC Construcción Progress Report on the 10 Principles of the United Nations Global Compact.

Please contact the QA, CSR and RDI Director by email to address any aspect of this report (calidad_rsc_construc@fcc.es).

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7 Annexes

About this report

Reporting principles and scope

Every two years since 2003, FCC Construcción has published a sustainability report in order to maintain its commitment to transparency and reporting to its stakeholders.

This report presents the data corresponding to the 2021 financial year. However, during years in which no Sustainability Report is prepared, the company publishes an executive summary (*Sustainability Report Update*), updating the indicators and reporting on the most significant events over the period.

This report has been prepared in accordance with the “comprehensive” option of the GRI Standards and verified by an independent third party (AENOR).

Over these years, FCC Construcción has prepared its reports in accordance with the different GRI reporting frameworks, updating the GRI standards to the versions published in 2019, 2021 and 2022.

FCC Construcción has prepared this report in accordance with the principles under the standards to ensure that all results are measurable, comparable and accurate.

- **Materiality and stakeholder engagement:** The result of the materiality assessment conducted by the FCC Group in accordance with standard AA 1000 was considered when drawing up this report.
- **Sustainability context:** The present report analyses the results of the company, establishing the links between sustainability and strategy of the organisation.
- **Comprehensiveness:** All the results shown in this report make it possible to assess the company's economic, ethical, social and environmental performance. Also, for additional information, we consult references from reputed high-quality sources.
- **Reliability:** The information shown and described in this report comes from reliable sources that have been verified and validated by entities not related to the company. All the primary data has been obtained from such documents as delivery advice notes, invoices and measurements that can be checked to verify the quality of the information used and reported. Also, whenever estimates are made, this is mentioned in order to facilitate understanding and demonstrate the reliability of the data in question.

Boundaries

All the information included in this Sustainability Report refers to all the business activities of FCC Construcción and its subsidiaries and other participating interests, unless stated otherwise. Information on aspects of the supply chain, if available, is clarified in the corresponding sections.

In the case of consortia or joint ventures (JVs), FCC Construcción reports on all the environmental figures over which it has

operational control, regardless of the percentage stake held by the company.

If any variations compared with previous years are found in the calculations or scopes of the information included in this report, this is specifically mentioned.

External verification of the Sustainability Report



VERIFICATION OF SUSTAINABILITY REPORT

VMS-2022/0033

AENOR certifies that the organization

FCC CONSTRUCCIÓN, S.A.

In accordance with GRI Standards option: Exhaustive

Title: **Memoria de Sostenibilidad 2021-2022**

Reporting period: **2021-2022**

First issued on: **2022-07-29**



Rafael GARCÍA MEIRO
Chief Executive Officer

AENOR INTERNACIONAL S.A.U.
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Tel. 91 432 60 00.- www.aenor.com

GRI content index



GRI content index

This report has been prepared in accordance with the “comprehensive” option of the *GRI Standards*.

For the *Materiality Disclosures Service*, *GRI Services* has carried out a review to confirm that the GRI contents index is presented clearly and that the references to contents 102-40 to 102-49 correspond to the sections indicated in the contents of the report. This review is discussed in the Spanish version of the report.

UNIVERSAL STANDARDS

GRI 101: 2016 Foundations

General Contents

GRI 102: General Content 2016

Content	Description	SDG Ref.	Direct response	Page	Omissions	External verification
Organisational profile (Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)						
102-1	Name of the organization		FCC Construcción	–		✓
102-2	Activities, brands, products, and services		Who we are	12		✓
102-3	Location of headquarters		Avenida Camino de Santiago, 40. 28050, Madrid (Spain).	–		✓
102-4	Location of operations		1.1 FCC Construcción worldwide	14		✓
102-5	Ownership and legal form		FCC Construcción is a member company of the FCC Group. More information at https://www.fccco.com/en/corporate-area/construction-company	–		✓
102-6	Markets served		1.1 FCC Construcción worldwide	14		✓
102-7	Scale of the organization		FCC Construcción at a glance	6		✓
102-8	Information on employees and other workers		3.1 Our professionals: Professional workforce	66	1	✓
102-9	Supply chain		3.2 Responsible supply chain The supply chain is composed of the construction materials, equipment and specialist subcontractors as needed to carry out, maintain and operate works.	81		✓

Content	Description	SDG Ref.	Direct response	Page	Omissions	External verification
102-10	Significant changes to the organisation and its supply chain		3.2 Responsible supply chain	81		✓
102-11	Precautionary principle or approach		4.1. Robust governance: Risk management (ESG) Annual Report of Group FCC 2021	100		✓
102-12	External initiatives	ODS 17	Letter from the CEO 1.3 Sustainable construction 5.1 Innovation and continuous improvement RDI partnerships 3.4 Our added value for society Social and environmental improvements in the community	4 20 116 95		✓
102-13	Membership of associations	ODS 17	Letter from the CEO 1.3. Sustainable construction 5.1 Innovation and continuous improvement RDI partnerships 3.3 Our customers: The heart of our business: Collaborative Business Relationships 3.4 Our added value for society Social and environmental improvements in the community	4 20 116 90 95		✓
Strategy (Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)						
102-14	Statement from senior decision-maker		Letter from the CEO	4		✓
102-15	Key impacts, risks and opportunities		2.2 FCC Construcción in the face of the climate emergency Risks and opportunities of climate change 3.3 Our customers: The heart of our business 4.1 Robust governance: Risk management at FCC Construcción	52 87 101		✓
Ethics and integrity (Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)						
102-16	Values, principles, standards and norms of behaviour		4.1 Robust governance: Risk management at FCC Construcción 4.2 Values that guide our strategy 4.3 Responsible management and strategy	101 103 104		✓
102-17	Mechanisms for advice and concerns about ethics		4.3 Responsible management and strategy The FCC Group's Code of Ethics and Conduct establishes guidelines to assure ethical, law-abiding conduct.	104		✓
Governance (Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)						
102-18	Governance structure		4.1 Robust governance: Corporate governance Annual Report of Group FCC 2021 (p 21)	100		✓



Content	Description	SDG Ref.	Direct response	Page	Omissions	External verification
102-19	Delegating authority		4.1 Robust governance FCC Sustainability Report 2021 - Good Governance (p. 91)	99		✓
102-20	Executive-level responsibility for economic, environmental, and social topics		4.1 Robust governance 4.3 Responsible management and strategy FCC Sustainability Report 2021 - 7.1 Good Governance (p. 97), 3.4 Sustainable Transversal Management (p. 33)	99 104 -		✓
102-21	Consulting stakeholders on economic, environmental and social topics		6.1 Responsibility towards our stakeholders	124		✓
102-22	Composition of the highest governance body and its committees		FCC Group's Annual Corporate Governance Report 2021, section C, The Company's Administrative Structure (p. 20) FCC Sustainability Report 2021 - Good Governance (p. 97)	- -		✓
102-23	Chair of the highest governance body		FCC Group's Annual Corporate Governance Report 2021, section C, The Company's Administrative Structure (p. 20) FCC Sustainability Report 2021 - Good Governance (p. 97)	- -		✓
102-24	Nominating and selecting the highest governance body		FCC Group's Annual Corporate Governance Report 2021, section C.1.10 Board Members Serving as Officers (p. 33)	-		✓
102-25	Conflicts of interest		FCC Group's Annual Corporate Governance Report 2021, section D.6 Mechanisms for Detecting and Solving Potential Conflicts of Interest (p. 80)	-		✓
102-26	Role of highest governance body in setting targets, values and strategy.		4.2 Values that guide our strategy FCC Sustainability Report 2021 - Risk-Management Model (p. 122)	103 -		✓
102-27	Collective knowledge of highest governance body		Annual Report of Group FCC 2021 (p. 23) The skills, knowledge and experience necessary for the Board are assessed by defining the necessary skills and qualifications that each vacancy should cover and assessing the time and dedication needed in order for them to discharge their duties appropriately.	-		✓
102-28	Evaluating the highest governance body's performance		Annual Report of Group FCC 2021 (pp. 40-42) FCC Group Sustainability Report 2021 - Good Governance (p. 97)	- -		✓
102-29	Identifying and managing economic, environmental, and social impacts		4.1 Robust governance: Risk management 4.3 Responsible management and strategy FCC Group Sustainability Report 2021 - 3. Strategic Responsibility (p. 23)	101 104		✓

Content	Description	SDG Ref.	Direct response	Page	Omissions	External verification
102-30	Effectiveness of risk management processes		4.1 Robust governance FCC Group's Annual Corporate Governance Report 2021, section E, Risk Control and Management Systems (p. 83)	99 –		✓
102-31	Review of economic, environmental, and social topics		All FCC Construcción's committees meet every four months as required under the company's internal procedures.	–		✓
102-32	Highest governance body's role in sustainability reporting		Letter from the CEO	4		✓
102-33	Communicating critical concerns		Ad hoc meetings between FCC Construcción's MD and FCC Group board members.	–		✓
102-34	Nature and total number of critical concerns		4.1 Robust governance: Risk management FCC Group Sustainability Report 2021 - 3. Strategic Responsibility (p. 23) They are identified by the Sustainability Committee and then conveyed to the FCC Group CEO.	101 – –		✓
102-35	Remuneration policies		FCC reports on the remuneration of its board members through the Annual Report on the Remuneration of Directors of Quoted Public Limited Companies of the FCC Group. FCC Group Annual Report on Remuneration of Directors of PLCs 2021 FCC Sustainability Report 2021 - Good Governance (p. 91) Rules of the Board of Directors of the FCC Group	– – – –		✓
102-36	Process for determining remuneration		FCC reports on the remuneration of its board members through the Annual Report on the Remuneration of Directors of Quoted Public Limited Companies of the FCC Group. FCC Group Annual Report on Remuneration of Directors of PLCs 2021 FCC Sustainability Report 2021 - Good Governance (p. 91) Rules of the Board of Directors of the FCC Group	– – – –		✓
102-37	Stakeholders' involvement in remuneration		FCC Group Annual Report on Remuneration of Directors of PLCs 2021 FCC Sustainability Report 2021 - Good Governance (p. 91) Rules of the Board of Directors of the FCC Group	– – –		✓
102-38	Annual total compensation ratio		Not available	–	2	✓
102-39	Percentage increase in annual total compensation ratio		Not available	–	2	✓



Content	Description	SDG Ref.	Direct response	Page	Omissions	External verification
Stakeholder engagement						
102-40	List of stakeholder groups		6.1 Responsibility towards our stakeholders	124		✓
102-41	Collective-bargaining agreements		FCC Construcción's entire workforce in Spain is covered by collective-bargaining agreements. FCC has also negotiated different agreements with the Building and Wood Workers' International (BWINT) in countries that have yet to ratify International Labour Organisation (ILO) agreements.			✓
102-42	Identifying and selecting stakeholders		6.1 Responsibility towards our stakeholders	124		✓
102-43	Approach to stakeholder engagement		6.1 Responsibility towards our stakeholders	124		✓
			6.2 Materiality assessment	126		
102-44	Key topics and concerns raised		6.2 Materiality assessment	126		✓
Reporting practices						
102-45	Entities included in the consolidated financial statements		FCC Group Annual Report 2021, model Appendix I (pp. 161-162)	–		
102-46	Defining report content and topic Boundaries		About this report FCC Group Sustainability Report 2021 (pp. 133-135)	130 –		✓
102-47	List of material topics		6.2 Materiality assessment	126		✓
102-48	Restatements of information		There are no restatements of information provided in previous reports.	–		✓
102-49	Changes in reporting		About this report: Boundaries	130		✓
102-50	Reporting period		About this report	130		✓
102-51	Date of most recent report		Published in 2020 (with data from 2019)	–		✓
102-52	Reporting cycle		About this report	130		✓
102-53	Contact point for questions regarding the report		Please contact the QA, CSR and RDI Director by email to address any aspect of this report (calidad_rsc_construc@fcc.es).	–		✓
102-54	Claims of reporting in accordance with GRI Standards		About this report	130		✓
102-55	GRI Content Index		GRI Content Index	132		✓
102-56	External assurance		About this report Letter of external assurance	130 131		✓

FINANCIAL STANDARDS

Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
Financial performance						
GRI 201: Economic performance 2016						
201-1	Direct economic value generated and distributed		3.4 Our added value for society	93		✓
201-2	Financial implications and other risks and opportunities due to climate change		2.2 FCC Construcción in the face of the climate emergency	50		✓
201-3	Defined benefit plan obligations and other retirement plans		There are no pension plans for employees	–		✓
201-4	Asistencia financiera recibida del gobierno		Subsidies for RD&I: 1.077.307	–		✓
Market Presence						
GRI 202: Market Presence 2016						
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		3.1 Our professionals FCC Construcción pays its employees in accordance with the applicable legislation and any specific collective-bargaining agreements for the sector in the countries where the company operates. However, a bonus is calculated according to cost-of-living and standard-of-living criteria in the case of employees assigned abroad. FCC Construcción complies with the guidelines of the International Labour Organisation.	64 –		✓
202-2	Proportion of senior management hired from the local community		If we consider “senior management” to correspond to the Country Manager level, there are no local senior-management profiles outside Spain.	–		✓
Indirect Economic Impacts						
GRI 203: Indirect economic impacts 2016						
203-1	Infrastructure investments and services supported	SDG 9	All investments made in infrastructure or services rendered are part of the business.	–		✓
203-2	Significant indirect economic impacts	SDG 9	1.2 FCC Construcción's business	17		✓
Procurement Practices						
GRI 204: Procurement Practices 2016						
204-1	Proportion of expenditure with local suppliers	SDG 12	3.2 Responsible supply chain	81		✓
Anti-corruption (Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)						
GRI 103: Management Approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 16	4.3 Sustainable management and strategy	104		✓
103-2	The management approach and its components	SDG 16	4.3 Sustainable management and strategy	104		✓
103-3	Evaluation of the management approach	SDG 16	4.3 Sustainable management and strategy	104		✓



Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
GRI 205: Anti-corruption 2016						
205-1	Operations assessed for risks related to corruption	SDG 16	100% of operations assessed.	–		✓
205-2	Communication and training about anti-corruption policies and procedures	SDG 16	4.3 Sustainable management and strategy: Compliance, ethics and integrity	106		✓
205-3	Confirmed incidents of corruption and actions taken	SDG 16	In 2021 a total of 13 reports were received via the Group's Ethics Channel (1 was not relevant). Of the relevant 12, 69% were employment-related. As at 2 June 2022, more than 90% (92%) of the relevant reports had been resolved.	–		✓
Unfair competition (Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)						
GRI 103: Management Approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 16	4.3 Sustainable management and strategy	104		✓
103-2	The management approach and its components	SDG 16	4.3 Sustainable management and strategy	104		✓
103-3	Evaluation of the management approach	SDG 16	4.3 Sustainable management and strategy	104		✓
GRI 206: Anti-competitive Behavior 2016						
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	SDG 16	No legal action was brought in this regard in 2021			✓
Tax matters (Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)						
GRI 207: Fiscalidad 2019						
207-1	Tax approach.		The FCC Group's tax strategy -and, by extension, FCC Construcción's- is currently defined in the Code of Tax Conduct, which is published on the website, and the Framework Standard for Tax Control, both of which have been approved by FCC's board of directors. FCC Group Sustainability Report 2021. Section: 13.1 A shared commitment, p. 130	–		✓
207-2	Tax governance, control and risk management		FCC Group Sustainability Report 2021. Section: 13.1 A shared commitment, p. 130	–		✓
207-3	Commitment towards stakeholders and safeguarding their interests with regard to tax.		FCC Group Sustainability Report 2021. Section: 13.1 A shared commitment, p. 130	–		✓
207-4	Country-by-country reporting.		FCC Group Sustainability Report 2021 Appendix IV: Tax Information, p. 149 The breakdown by business division of the FCC Group will not be available until the end of this year (2022).	–		✓

ENVIRONMENTAL STANDARDS

Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
Materials (Associated material issue for FCC Construcción: Circular economy and waste)						
GRI 103: Management Approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 12	2.1 Responsibility in environmental management	28		✓
103-2	The management approach and its components	SDG 12	2.1 Responsibility in environmental management: Use of materials	36		✓
103-3	Evaluation of the management approach	SDG 12	2.1 Responsibility in environmental management: Use of materials	36		✓
GRI 301: Materials 2016						
301-1	Materials used by weight or volume	SDG 12	2.3 Circular economy and FCC Construcción 2021 Environmental Report (p. 79)	36		✓
301-2	Recycled input materials used	SDG 12	2.3 Circular economy and FCC Construcción 2021 Environmental Report (p. 79)	58	3	✓
301-3	Reclaimed products and their packaging materials	SDG 12	* Not material, as only Megaplas would be considered to be a manufacturer and they handle the management of packaging.			✓
Energy (Associated material issue for FCC Construcción: Climate change)						
GRI 103: Management approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 7	2.1 Responsibility in environmental management: Energy consumption	34		✓
103-2	The management approach and its components	SDG 7	2.1 Responsibility in environmental management: Energy consumption	34		✓
103-3	Evaluation of the management approach	SDG 7	2.1 Responsibility in environmental management: Energy consumption	34		✓
GRI 302: Energy 2016						
302-1	Energy consumption within the organization	SDG 7	2.1. Responsibility in environmental management: Energy consumption 2021 Environmental Report (p. 80)	34		✓
302-2	Energy consumption outside the organisation	SDG 7	External energy consumption was 330,665 GJ. The consumption associated with electricity-transmission losses and the energy used for earthworks (subcontractors) were considered.	–		✓
302-3	Energy intensity	SDG 7	The energy intensity in 2021 was 579.86 GJ/EUR M.	–		✓
302-4	Reducing of energy consumption	SDG 7	2.1 Responsibility in environmental management: Energy consumption 2021 Environmental Report (p. 80)	34		✓
302-5	Reductions in energy requirements of products and services	SDG 7	2.1 Responsibility in environmental management: Energy resources 2021 Environmental Report (p. 80)	34		✓
CRE1	Energy intensity in properties	SDG 7	N/A	–	4	✓



Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
Water and Effluents (Associated material issue for FCC Construcción: Circular economy and waste)						
GRI 103: Management approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 6	2.1 Responsibility in environmental management	28		✓
103-2	The management approach and its components	SDG 6	2.1 Responsibility in environmental management	28		✓
103-3	Evaluation of the management approach	SDG 6	2.1 Responsibility in environmental management	28		✓
GRI 303: Water and Effluents 2018						
303-1	Interaction with water as a shared resource	SDG 6	2.1 Responsibility in environmental management: Water use 2021 Environmental Report (p. 81)	32 –		✓
			2.1. Responsibility in environmental management: Water dumping	42		
303-2	Management of water discharge-related impacts	SDG 6	2.1 Responsibility in environmental management: Water use 2021 Environmental Report (p. 61-67) With regard to water consumption, the amount of dumping by type of water is identified, distinguishing between freshwater (total dissolved solids ≤ 1000 mg/l) and other water types (total dissolved solids > 1000 mg/l). 100% of dumping was into freshwater in areas under water stress.	32 – –		✓
303-3	Water withdrawal	SDG 6	2.1 Responsibility in environmental management: Water use FCC Construcción capta agua de cauces naturales en las siguientes áreas: – FCC Construcción captures water from natural watercourses in the following areas: – Surface water from natural watercourses in protected areas or areas of very high value for local communities: 6,001 m³ in total in water-stress areas. – Surface water from natural watercourses in unprotected areas of high biodiversity value or areas that are relevant for local communities: 35.518 m³, of which 20.518 m³ corresponds to water-stress areas – Ground water from natural watercourses in protected areas or areas of very high value for local communities: 343 m³ in total in water-stress areas. – Ground water from natural watercourses in unprotected areas of high biodiversity value or areas that are relevant for local communities: 15.000 m³. The total volume of watercourses from which water is extracted is 31,056,371,994 m³, of which 28,470,419,994 m³ corresponds to areas under water stress.	32 –	3	✓

Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
303-4	Water discharge	SDG 6	2.1 Water dumping 2021 Environmental Report (p. 81)	–	3	✓
303-5	Water consumption	SDG 6	2.1 Responsibility in environmental management: Water use	32		✓
CRE2	Intensity of water use by building	SDG 6, 14	N/A	–	4	✓

Biodiversity

GRI 304: Biodiversity 2016

304-1	Operational sites owned, leased, managed in or adjacent to protected areas and areas of high biodiversity value outside protected areas	SDG 15	2.1. Responsibility in environmental management: Biodiversity 2021 Environmental Report (p. 98)	47		✓
304-2	Significant impacts of activities, products, and services on biodiversity SDG 15	SDG 15	2.1. Responsibility in environmental management: Biodiversity Environmental Report (p. 98)	47		✓
304-3	Habitats protected or restored	SDG 15	2.1. Responsibility in environmental management: Biodiversity Environmental Report (p. 98)	47		✓
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	SDG 15	This information is not currently being compiled in all countries where FCC Construcción operates. However, all production centres keep a record of endangered species. The 2021 Environmental Report contains examples related to these flora and fauna management plans. 2021 Environmental Report (p. 94-102)	–		✓

Emissions

(Associated material issue for FCC Construcción: Climate change)

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	SDG 13	2.1 Responsibility in environmental management: Atmospheric emissions 2.2 FCC Construcción in the face of the climate emergency GGEs	44 55		✓
103-2	The management approach and its components	SDG 13	2.1 Responsibility in environmental management: Atmospheric emissions 2.2 FCC Construcción in the face of the climate emergency GGEs	44 55		✓
103-3	Evaluation of the management approach	SDG 13	2.1 Responsibility in environmental management: Atmospheric emissions 2.2 FCC Construcción in the face of the climate emergency GGEs	44 55		✓



Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
GRI 305: Emissions 2016						
305-1	Direct (Scope 1) GHG emissions	SDG 13	2.2 FCC Construcción in the face of the climate emergency GGEs 2021 Environmental Report (p. 109)	55		✓
305-2	Energy indirect (Scope 2) GHG emissions	SDG 13	2.2 FCC Construcción in the face of the climate emergency GGEs 2021 Environmental Report (p. 109)	55		✓
305-3	Other indirect (Scope 3) GHG emissions	SDG 13	2.2 FCC Construcción in the face of the climate emergency GGEs 2021 Environmental Report (p. 109)	55		✓
305-4	GHG emissions intensity	SDG 13	The intensity of GGEs in 2021 was 380 t CO ₂ /EUR '000	–		✓
305-5	Reduction of GHG emissions	SDG 13	2.2 FCC Construcción in the face of the climate emergency GGEs 2021 Environmental Report (p. 110)	55		✓
305-6	Emissions of ozone-depleting substances (ODS)	SDG 13	N/A	–	5	✓
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	SDG 13	2.1 Responsibility in environmental management: Atmospheric emissions 2021 Environmental Report (p.52)	44		✓
CRE3	Intensity of GGEs from buildings	SDG13	N/A	–	4	✓
CRE4	Intensity of GGEs from new buildings and refurbishments	SDG 13	The intensity of GGEs in 2021 was 380 t sCO ₂ /EUR '000	–		✓
Waste (Associated material issue for FCC Construcción: Circular economy and waste)						
GRI 103: Management approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 12	2.1 Responsibility in environmental management: Waste management 2021 Environmental Report (p. 64 - 68)	38		✓
103-2	The management approach and its components	SDG 12	2.1 Responsibility in environmental management: Waste management 2021 Environmental Report (p. 64 - 68)	38		✓
103-3	Evaluation of the management approach	SDG 12	2.1 Responsibility in environmental management: Waste management 2021 Environmental Report (p. 64 - 68)	38		✓

Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
GRI 306: Waste 2020						
306-1	Waste generation and significant impacts related to waste	SDG 12	2021 Environmental Report (p. 84 - 89)	–		✓
306-2	Managing significant impacts related to waste	SDG 12	2021 Environmental Report (p. 64 - 68)	–		✓
306-3	Waste generated	SDG 12	2.1 Responsibility in environmental management: Waste generation 2021 Environmental Report (p. 64 - 68)	38		✓
306-4	Waste not shipped for elimination	SDG 12	2.1 Responsibility in environmental management: Waste generation 2021 Environmental Report (p. 89 - 91)	38		✓
306-5	Waste shipped for elimination	SDG 12	2.1 Responsibility in environmental management: Waste generation 2021 Environmental Report (p. 89 - 91)	38		✓
CRE5	Decontaminated soil requiring decontamination for intended or existing use on the land	SDG 6, 14	In 2021 a total of 345,850 m ² of soil was decontaminated and a further 320,417.41 m ² of soil was assigned for decontamination, which is still pending. The countries affected by this situation are Spain, Belgium and Romania.	–		✓
Environmental compliance						
GRI 307: Environmental Compliance 2016						
307-1	Non-compliance with environmental laws and regulations	SDG 6, 14	14 environmental sanctions were recorded in 2021 (four cancelled, seven pending resolution and three final sanctions).	–		✓
Environmental assessments of suppliers						
GRI 308: Supplier Environmental Assessment 2016						
308-1	New suppliers that were screened using environmental criteria	SDG 12	3.2 Responsible supply chain: Responsible procurement All FCC Construcción suppliers are screened according to environmental criteria.	81		✓
308-2	Negative environmental impacts in the supply chain and actions taken	SDG 12	3.2 Responsible supply chain	81		✓



SOCIAL STANDARDS

Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
Employment (Associated material issue for FCC Construcción: Attracting and retaining talent)						
GRI 103: Management Approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 5, 8, 10	3.1 Our professionals: FCC Construcción's workforce	66		✓
103-2	The management approach and its components	SDG 5, 8, 10	3.1 Our professionals: FCC Construcción's workforce	66		✓
103-3	Evaluation of the management approach	SDG 5, 8, 10	3.1 Our professionals: FCC Construcción's workforce	66		✓
GRI 401: Employment 2016						
401-1	New employee hires and employee turnover	SDG 5, 8, 10	3.1 Our professionals: FCC Construcción's workforce	66		✓
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SDG 5, 8, 10	All employees have the same benefits regardless of how many hours they work.	–		✓
401-3	Parental leave	SDG 5, 8, 10	All employees are able to enjoy family time. In 2021, 100% of employees returned to work after taking maternity leave (12 female employees) or paternity leave (94 male employees). In 2020, the return-to-work index was also 100% (16 employees after maternity leave and 103 after paternity leave).	–	6	✓
Labor / Management Relations (Associated material issue for FCC Construcción: Attracting and retaining talent)						
GRI 103: Management Approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 8, 10	3.1 Our professionals: FCC Construcción's workforce	66		✓
103-2	The management approach and its components	SDG 8, 10	3.1 Our professionals: FCC Construcción's workforce	66		✓
103-3	Evaluation of the management approach	SDG 8, 10	3.1 Our professionals: FCC Construcción's workforce	66		✓
GRI 402: Labor / Management Relations 2016						
402-1	Minimum notice period regarding operational changes	SDG 8, 10	The collective-bargaining agreement applied fixes the minimum number of weeks of advance notice to employees and their elected representatives. This is specified in the various collective-bargaining agreements applicable in Spain and under the applicable legislation in other countries.	–		✓

Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
Health and safety (Associated material issue for FCC Construcción: Safety, health and welfare)						
GRI 103: Management approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 3, 8, 10	3.1 Our professionals: Safeguarding people's health and safety	77		✓
103-2	The management approach and its components	SDG 3, 8, 10	3.1 Our professionals: Safeguarding people's health and safety	77		✓
103-3	Evaluation of the management approach	SDG 3, 8, 10	3.1 Our professionals: Safeguarding people's health and safety	77		✓
GRI 403: Occupational Health and Safety2018						
403-1	Occupational health and safety management system	SDG 3, 8, 10	The OHS management system is based on the specific legislation in each country and on the international standards ISO 45001 and OSHAS 18001. Health and safety committees are in place as provided under Act 31/1995 in Spain and in accordance with the corresponding legislation in each country. OHS officers are mostly employees of the organisation, with university qualifications (engineering, architecture) and specific training (master's degree in OHS).	–		✓
403-2	Hazard identification, risk assessment, and incident investigation	SDG 3, 8, 10	FCC Construcción uses the INSTT assessment methodology to identify hazards and assess risks both on a regular basis and sporadically, and also to apply the control hierarchy. If employees wish to report any hazards or hazardous situations in the workplace, they must report it to their line manager. When doing so, they are protected from any reprisals under the FCC Group's Code of Ethics. In this way, FCC Construcción assures the quality of OHS services and provides workers with access to them. An investigation report is prepared in order to determine any unsafe conditions or acts that may play a role in incidents, identifying the root causes and immediately taking reasonable measures to prevent them from reoccurring. The measures adopted are monitored and subsequently closed.	–		✓
403-3	Occupational health services	SDG 3, 8, 10	In Spain, FCC Construcción has its own medical services in Asturias, Barcelona, Madrid, Gran Canaria, Tarragona, Valencia and Zaragoza. An agreement with the Quirónsalud Hospital Group is in effect in all other areas. In other countries, however, the service is contracted with a specialist entity in accordance with local legislation.	–		✓



Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
403-4	Worker participation, consultation, and communication on occupational health and safety	SDG 3, 8, 10	FCC Construcción allows employees to participate in any matters that affect health and safety at work, consulting workers on decisions regarding: • Planning and organisation of work at the company and introducing new technology, if these decisions could have consequences for workers' health and safety. • Organising and undertaking activities to protect health and prevent workplace risks at the company. • Assigning workers to be in charge of emergency measures. Health and safety committees are in place as provided under Act 31/1995 in Spain and in accordance with the corresponding legislation in each country. In Spain these meetings are held quarterly.	–		✓
403-5	Worker training on occupational health and safety	SDG 3, 8, 10	Training is given to employees, in accordance with the courses established under the current general collective-bargaining agreement for the construction sector, local legislation and the company's own management system, to ensure that workplaces are safe and healthy.	–		✓
403-6	Promotion of worker health	SDG 3, 8, 10	The FCC Group's medical services treat any kind of complaint suffered by employees (work-related or otherwise). FCC Construcción runs its own in-house health campaigns (stop smoking, dietary habits, sport, etc.).	–		✓
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SDG 3, 8, 10	Appendix III, "Assessment of Suppliers" of the internal procedure PR-FCC-310 (Procurement and Subcontracting) takes into account OHS criteria for the initial and final assessment of suppliers.	–		✓
403-8	Workers covered by an occupational health and safety management system	SDG 3, 8, 10	Certified management systems	11		✓
403-9	Work-related injuries	SDG 3, 8, 10	3.1 Our professionals: Safeguarding people's health and safety	77	7	✓
403-10	Work-related ill health	SDG 3, 8, 10	N/A	–	8	✓
CRE6	Percentage of the organisation operating under verified compliance with an internationally recognised OHS-management system	SDG 3, 8	Certified management systems	11		✓

Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
Training and Education (Associated material issue for FCC Construcción: Training and career development)						
GRI 103: Management approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 4, 5, 8	3.1 Our professionals: Training and career development	71		✓
103-2	The management approach and its components	SDG 4, 5, 8	3.1 Our professionals: Training and career development	71		✓
103-3	Evaluation of the management approach	SDG 4, 5, 8	3.1 Our professionals: Training and career development	71		✓
GRI 404: Training and Education 2016						
404-1	Average hours of training per year per employee	SDG 4, 5, 8	3.1 Our professionals: Training and career development	71	9 y 10	✓
404-2	Programmes for upgrading employee skills and transition-assistance programs	SDG 4, 5, 8	3.1 Our professionals: Training and career development	71		✓
404-3	Percentage of employees receiving regular performance and career development reviews	SDG 4, 5, 8	N/A	–	11	✓
Diversity and Equal Opportunity						
GRI 405: Diversity and Equal Opportunity 2016						
405-1	Diversity of governance bodies and employees	SDG 5, 8, 10	3.1 Our professionals: Fostering equality and diversity	74		✓
405-2	Ratio of basic salary and remuneration of women to men	SDG 5, 8, 10	Basic wages are fixed under the various collective-bargaining agreements applicable in Spain and/or the applicable legislation in other countries. No distinctions are made between men and women.			✓
Non-discrimination (Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)						
GRI 103: Management Approach 2016						
103-1	Explanation of the material topic and its Boundary	SDG 5, 8, 10	3.1 Our professionals: Fostering equality and diversity	74		✓
103-2	The management approach and its components	SDG 5, 8, 10	3.1 Our professionals: Fostering equality and diversity	74		✓
103-3	Evaluation of the management approach	SDG 5, 8, 10	3.1 Our professionals: Fostering equality and diversity	74		✓
GRI 406: Non-discrimination 2016						
406-1	Incidents of discrimination and corrective actions taken	SDG 5, 8, 10	4.3 Responsible management and strategy: Compliance, ethics and integrity In 2021 a total of 13 reports of various kinds were received via the Group's Ethics Channel. All have been resolved. The corrective mechanisms are defined in the FCC Group Code of Ethics and Conduct	106		✓



Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
Freedom of Association and Collective Bargaining						
(Associated material issue for FCC Construcción: Developing and upholding human rights)						
GRI 407: Freedom of association and collective bargaining 2016						
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SDG 5, 8, 10	In 2021 no operations or suppliers where freedom of association or the right to enter into collective-bargaining agreements were identified. The corrective measures are defined in the FCC Group Code of Ethics and Conduct.	–		✓
Child Labor						
(Associated material issue for FCC Construcción: Developing and upholding human rights)						
GRI 408: Trabajo infantil 2016						
408-1	Operations and suppliers at significant risk for incidents of child labor	SDG 5, 8, 16	In 2021 no operations or suppliers related to forced labour were recorded. The corrective measures are defined in the FCC Group Code of Ethics and Conduct.	–		✓
Forced or Compulsory Labor						
(Associated material issue for FCC Construcción: Developing and upholding Human Rights)						
GRI 409: Forced or Compulsory labor 2016						
409-1	Operations and suppliers with a significant risk for incidents of forced or compulsory labor	SDG 5, 8, 16	In 2021 no operations or suppliers related to forced labour were recorded. The corrective measures are defined in the FCC Group Code of Ethics and Conduct.	–		✓
Security Practices						
(Associated material issue for FCC Construcción: Developing and upholding human rights)						
GRI 410: Security-related practices 2016						
410-1	Security personnel trained in human rights policies or procedures	SDG 3, 4, 10	FCC Construcción's workforce includes no security personnel.	–		✓
Human Rights Assessment 2016						
(Associated material issue for FCC Construcción: Developing and upholding human rights)						
GRI 103: Management Approach 2016						
103-1	Explanation of the material topic and its coverage	SDG 16	4.3 Responsible management and strategy: Due diligence to ensure human rights are upheld	107		✓
103-2	The management approach and its components	SDG 16	4.3 Responsible management and strategy: Due diligence to ensure human rights are upheld	107		✓
103-3	Evaluation of the management approach	SDG 16	4.3 Responsible management and strategy: Due diligence to ensure human rights are upheld	107		✓

Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
GRI 411: Rights of indigenous peoples 2016						
411-1	Incidents of violations involving rights of indigenous peoples	SDG 16	In 2021 no incidents of violations involving rights of indigenous peoples were recorded.	–		✓
GRI 412: Human Rights Assessment 2016						
412-1	Operations that have been subject to human rights reviews or impact assessments	SDG 16	FCC Construcción is a signatory to the 10 Principles of the Global Compact, upholding human rights and observing the pertinent legislation in force in the countries where it operates. These principles have been included in the management system and are monitored through scheduled systematic audits at all the organisation's centres and worksites. Additionally, projects funded by the signatories of the Equator Principles undergo an annual third-party audit.	–		✓
412-2	Employee training on human-rights policies or procedures	SDG 8, 16	4.3 Responsible management and strategy: Compliance, ethics and integrity All FCC Construcción employees must undergo training in the FCC Group Code of Ethics and Conduct.	–		✓
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	SDG 5, 8, 10, 16	All company contracts include clauses regarding compliance with the UN Global Compact, including principles related to upholding labour and human rights.	–		✓
GRI 413: Local communities 2016						
413-1	Operations with local community engagement, impact assessments and development programmes	SDG 4, 16	Number of works with participation by the local community: 9 consult with the local communities affected. 9 actions for public participation in the process.	–		✓
413-2	Operations with significant actual and potential negative impacts on local communities	SDG 4, 16	In 2021, seventeen sites and three fixed workplaces were identified as being located in communities that could be affected by the project (in Spain, Portugal, Romania, United Kingdom, Belgium, Nicaragua, Costa Rica, Panama, Salvador and Peru). The main impact on local communities are noise and dust emissions, impact on mobility and the local heritage, occupation of farmland, a rise in COVID-19 cases, light pollution, emissions of particles in suspension, soil loss, displacement of communities and interference with vehicle traffic, impact on local businesses, flooding from water leaks, poor handling of waste or visual impact.	–		✓



Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
CRE7	Number of people voluntarily or involuntarily displaced and/or relocated by development, reported per project	SDG 4, 17	In 2021, 1,035 people were displaced as a result of different projects. No relocations have occurred.	–		✓

Supplier Social Assessment

GRI 414: Supplier Social Assessment 2016

414-1	New suppliers that were screened using social criteria	SDG 16	3.2 Responsible supply chain Responsible procurement All FCC Construcción suppliers are screened according to social criteria.	82		✓
414-2	Negative social impacts in the supply chain and actions taken	SDG 16	3.2 Responsible supply chain Responsible procurement	82		✓

Public policy

(Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)

GRI 103: Management approach 2016

103-1	Explanation of the material topic and its Boundary	SDG 16	4.3 Sustainable management and strategy: Compliance, ethics and integrity FCC Construcción makes no contributions towards public policy.	106		✓
103-2	The management approach and its components	SDG 16	4.3 Sustainable management and strategy: Compliance, ethics and integrity FCC Construcción makes no contributions towards public policy.	106		✓
103-3	Evaluation of the management approach	SDG 16	4.3 Sustainable management and strategy: Compliance, ethics and integrity FCC Construcción makes no contributions towards public policy.	106		✓

GRI 415: Public Policy 2016

415-1	Political contributions	SDG 16	FCC Construcción makes no financial contributions in cash or in kind to any political parties.	–		✓
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Health and safety of customers

(Associated material issue for FCC Construcción: Quality of service and customer satisfaction)

GRI 416: Customer Health and Safety

416-1	Assessment of the health and safety impacts of product and service categories	SDG 3, 4	FCC Construcción's sites are continuously assessed to identify any potential OHS risks.	–		✓
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Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	SDG 3	Because of the nature of our business, FCC Construcción does not deal directly with end users but with intermediate clients whose own customers are the end users (users of infrastructure, home owners, etc.). Clients guarantee compliance with these requirements by means of indications in projects, terms and conditions and contractual clauses. FCC Construcción complies with the applicable legislation in all processes and works in which it is involved, and our clients can be assured that all requirements related to health and safety on the projects we are involved in are duly met. Reviews are also carried out to confirm that these requirements are being complied with (project reviews, contract reviews) as an additional commitment towards users by FCC Co and its guarantee of compliance, going beyond what is required contractually.	–		✓

Marketing and labelling

(Associated material issue for FCC Construcción: Quality of service and customer satisfaction)

GRI 103: Management Approach 2016

103-1	Explanation of the material topic and its Boundary	SDG 9	Our customers: The heart of our business: Customer satisfaction	88		✓
103-2	The management approach and its components	SDG 9, 17	Our customers: The heart of our business: Customer satisfaction	88		✓
103-3	Evaluation of the management approach	SDG 9, 17	Our customers: The heart of our business: Customer satisfaction	88		✓

GRI 417: Marketing and labelling 2016

417-1	Requirements for product and service information and labeling	SDG 9	For residential building: Building register	–		✓
417-2	Incidents of non-compliance concerning product and service information and labeling	SDG 9, 16	There were no incidents of this kind in 2021	–		✓
417-3	Incidents of non-compliance concerning marketing communications	SDG 9, 16	There were no incidents of this kind in 2021	–		✓
CRE8	Number and type of certification, classification or labelling diagrams for new building, management, occupation and renovations.	SDG 16	Total number of sites with energy-efficiency certification: 28 Total number of sites with voluntary environmental certification: 19 (6 BREEAM certifications, 1 LEED certification, 1 CEEQUAL certification, 1 CO ₂ Performance Ladder certification in the Netherlands, 1 B Certification in Australia, and 9 energy qualifications, one under the standard ISO 50001).	–		✓



Contents	Description	SDG Reference	Direct response	Page	Omissions	External verification
Customers' privacy						
GRI 418: Customers privacy 2016						
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SDG 9, 16	There were no complaints of this kind in 2021	–		✓
Socio-economic compliance 2016 (Associated material issue for FCC Construcción: Ethics, integrity, compliance and good governance)						
GRI 419: Socioeconomic compliance 2016						
419-1	Non-compliance with laws and regulations in the social and economic area	SDG 9, 16	No incidents of this kind in 2021	–		✓

Omissions

1. Data on FCC Construcción employees has been calculated from FCC Construcción's percentage stake in joint ventures and companies.
2. The relation between the criteria that are to be met by the company's remuneration policy is expressly published (art. 28 of the Regulations), which is the reasonable proportion with the Company's size, economic situation at any given time and the market standards of comparable companies, and the established remuneration system must be oriented to promote profitability and long-term sustainability of the Company, although the relation or proportion in terms of actual values is not publicly disclosed between the Board or senior management staff in each country. The quantitative relationship between top management and the staff in each country was not published, because the latter are not representative due to the great variation that there is from one work to another, the different volumes of subcontracting, the percentages of participation in consortia and because detailed information is not always available when the works are carried out in a consortium.
3. Data for FCC Construcción. FCC Industrial and Áridos de Melo are not included.
4. This content applies to Property activities not included in FCC Construcción's business.
5. Emissions of this sort are not produced in the construction sector
6. Indices for employees with parental leave returning to work are calculated for personnel on the payroll in Spain. No tools are available to enable this data to be compiled in other countries.
7. Data for FCC Construcción.
8. No work-related illnesses.
9. Information is provided on courses organised by the corporate training department as part of the company's training plan, excluding awareness-building talks and knowledge pills organised at the site level.
10. Consolidated data is provided by the training department of FCC Construcción Spain.
11. The FCC Group is working on the design and implementation of the Development function through a competency model, which encompasses a performance review, career plans and succession plans. Implementation is also under way for an agile and global system to support performance review and selection processes.



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