



Integrated Sustainability Report

2020



Pedemontana-Veneta motorway, Italy





sacyr

Integrated Sustainability Report

2020

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Post-tensioning works at Pumarejo
Bridge, Barranquilla, Colombia

Main indicators

(102-7) (SASB_IF-EN-000.C) (SASB_IF-EN-510a.1)



Committed to meet any challenge to transform society and **improve the life of individuals**

Group revenue



4,548
Millions of euros
[+9.1%]

EBITDA



724
Millions of euros
[+6.5%]

Backlog



39,185
Millions of euros
[-8.8%]

EBITDA
Concessional
assets



78%
[-1 p.p.]

Job creation



+1,150
Jobs
[+2.7%]

EBITDA
margin



15.9%
[-0.4 p.p.]

Adjusted
net profit



36
Millions of euros

sacyr

4th

global
greenfield project
developer

78%

of EBITDA corresponds to
concessions
(infrastructure, water,
circular economy and
renewable energy)

1st

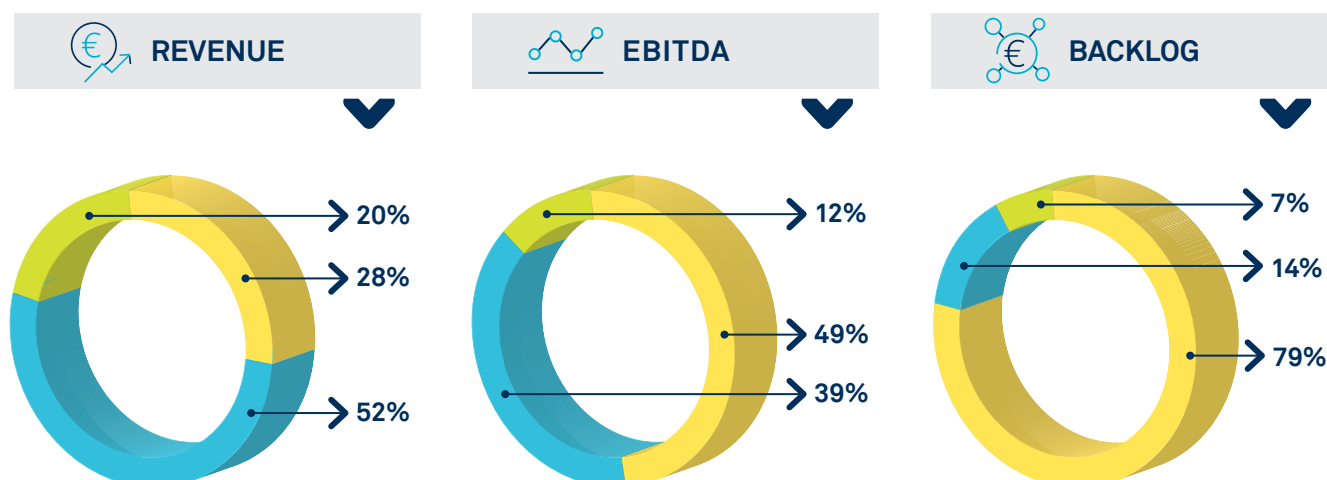
infrastructure
company in Chile
and Colombia

2nd

largest construction
company in Latin
America according to
the CLA50 Ranking,
Latin American
Construction

DATA IN €MN	2020	2019	2018	%
BACKLOG	39,185	42,965	41,674	-8.8%
REVENUE	4,548	4,169	3,796	+9.1%
• INTERNATIONAL	68%	60%	60%	+8.0 p.p.
EBITDA	724	680	543	+6.5%
EBIT	467	441	365	+5.9%
• EBITDA MARGIN	15.9%	16.3%	14.3%	-0.4 p.p.
AVERAGE WORKFORCE	44,623	43,467	37,330	+2.7%

CONTRIBUTION BY ACTIVITY



ENGINEERING AND
INFRASTRUCTURE



CONCESSIONS (P3)



SERVICES

Sacyr in the world

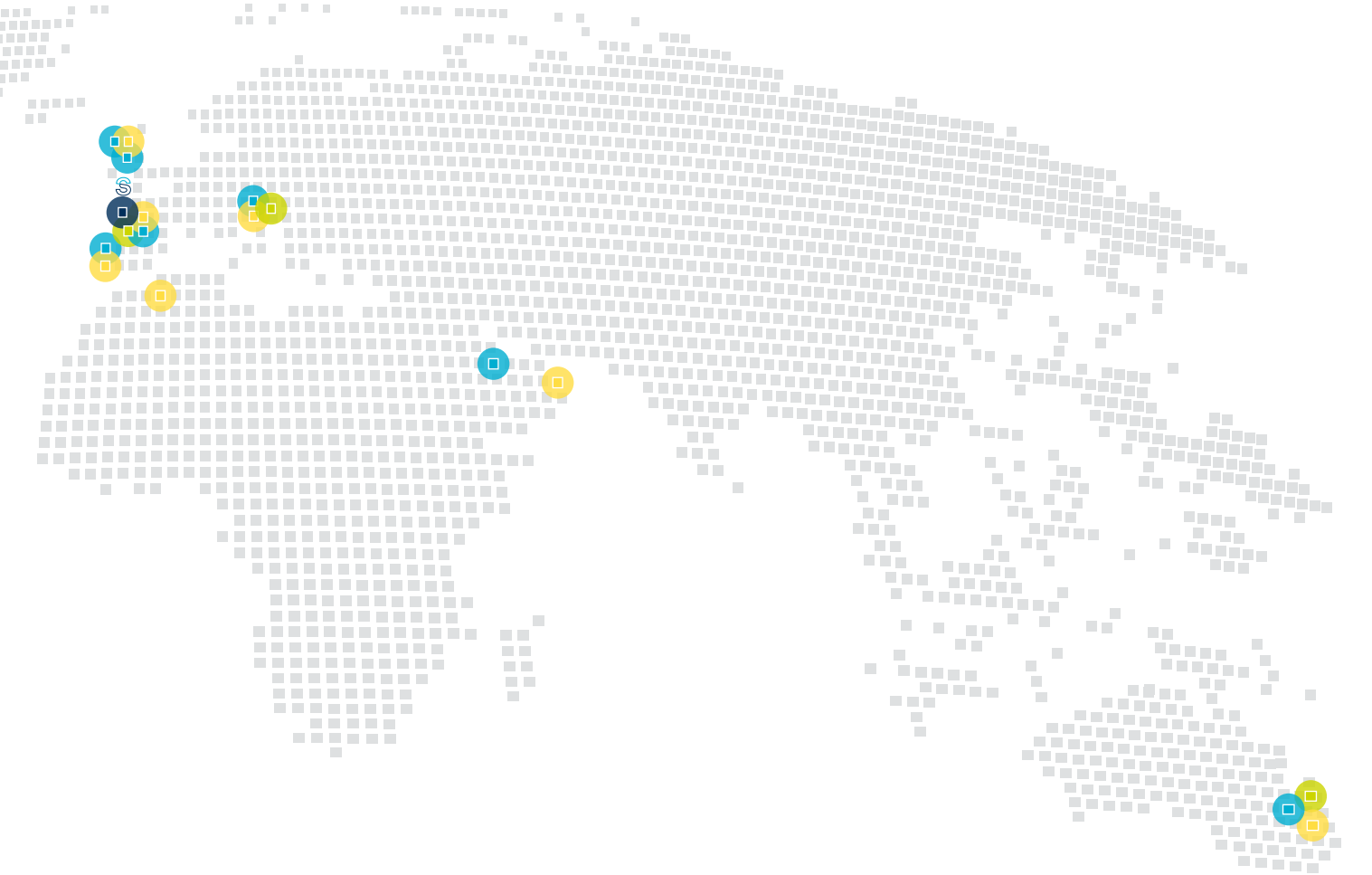
(102-4) (102-6) (SASB_IF-EN-510a.1.) (SASB_IF-EN-000.A)

ALGERIA	■
AUSTRALIA	■ ■ ■
BRAZIL	■ ■
CANADA	■
QATAR	■
CHILE	■ ■ ■ §
COLOMBIA	■ ■ ■ §
USA	■ ■ §
SPAIN	■ ■ ■ §
IRELAND	■ ■
ITALY	■ ■ ■
MEXICO	■ ■ ■ §
OMAN	■
PARAGUAY	■ ■ ■
PERU	■ ■ ■ §
PORTUGAL	■ ■
UK	■
URUGUAY	■ ■ ■

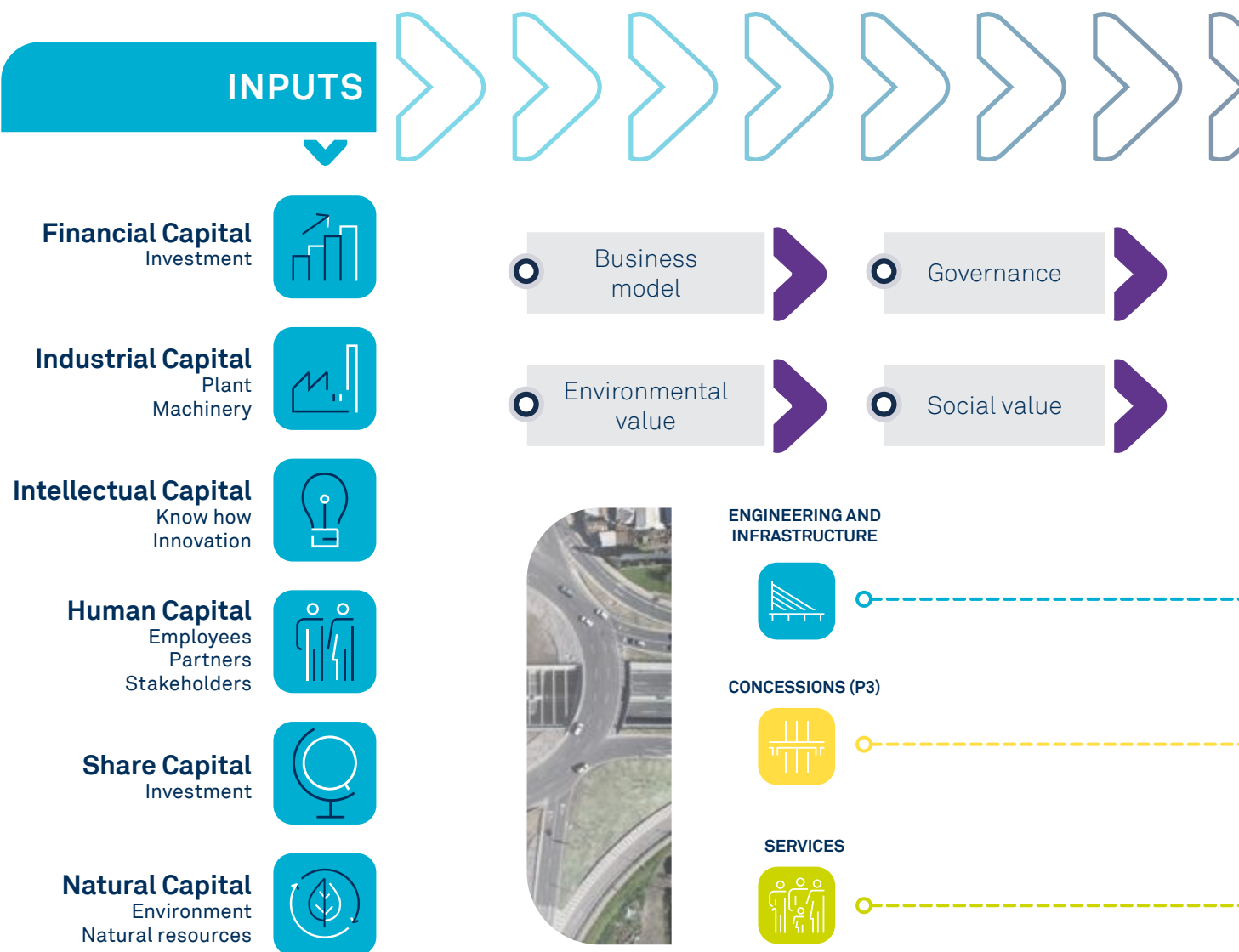




ENGINEERING AND INFRASTRUCTURE	CONCESSIONS (P3)	SERVICES	HOLDING
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We create shared value





OUTPUTS



Financial capital

Solidity
Flexible financial structure
Shareholder returns



Industrial capital

High-quality delivered work
High-quality services
State-of-the-art facilities in water management
State-of-the-art facilities in waste management
Quality in concession management



Intellectual Capital

New technologies
Better services
Better service quality
Patents



Human capital

Skills development
Goal-based remuneration
Social benefits
Job creation



Share capital

Asset regeneration
Better quality of life
Community revitalisation
Trust-based relationship with customers



Natural capital

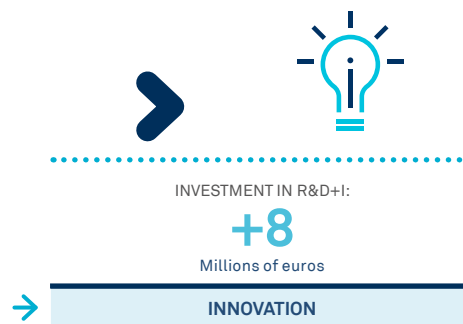
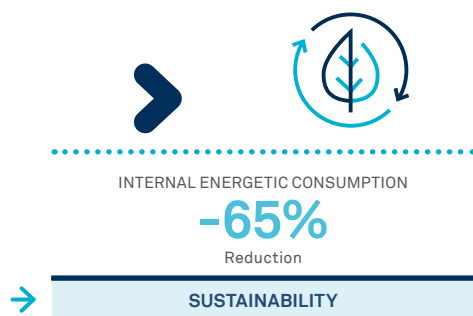
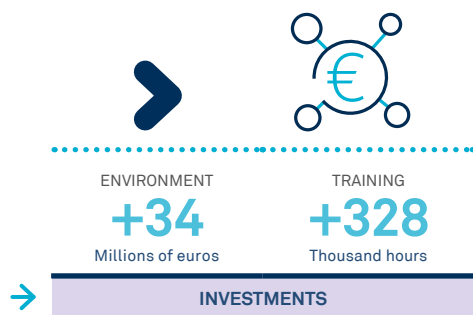
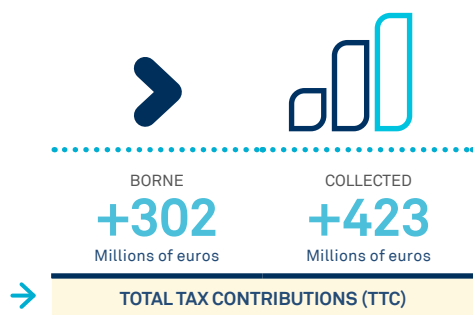
Reduce of global warming
Protect natural resources
Ecosystem protection
Biodiversity

1.2. WE CREATE SHARED VALUE

The key to our success resides in the high level of the value chain that we bring **to our society**



VALUE INDICATORS



Promoting Sustainability

At Sacyr we are aware of our role as a driver of change in society and we have extended our commitment to sustainability, in line with the Sustainable Development Goals set out in the United Nations 2030 Agenda, making it one of the central pillars of the company's vision for the future.

With this objective in mind, and so that together we can solve the sustainability challenges of the future, we have created a Sustainability and Corporate Governance Committee within the Board of Directors, made up of a majority of independent directors, and a Sustainability Committee chaired by the company's CEO.

The enormous momentum generated by this top-level governance has resulted in the approval and updating, in 2020 alone, of close to 20 Policies related to ethics and sustainability, shaping the commitments we make to address these challenges.

Likewise, in recent years, we have also developed an ethical and sustainability management system, in line with the company's overall strategy and our values, which were embodied in 2015 with the creation of the 2020 Global Company Plan, the strategic plan for corporate social responsibility.

More recently, the Board of Directors approved a new 2021-2025 strategic framework in which sustainability is one of the fundamental pillars, and which is developed in the **2025 SACYR SUSTAINABLE PLAN**, our sustainability action plan for the period 2021-2025, approved by the Sustainability and Corporate Governance Committee and the Board itself.

LEADERSHIP FOR THE FUTURE

This Plan aims to consolidate the sustainability vision of the governing bodies, reinforcing the commitment of the entire organization. To this end, we have high standards

of ethical behaviour and proof of this is the recent certification of the Engineering and Infrastructure division based on the SGE21 standard. This is the first European standard that allows the implementation, auditing and certification of an ethical and socially responsible management system, which extends the scope of the certification achieved last year for the Group's holding company.

CREATING SUSTAINABLE VALUE THROUGH INNOVATION

Sacyr's success depends on our ability to create value for all stakeholders, and we rely on innovation as the necessary engine of growth and transformation. Through innovation we develop a more efficient business model and create competitive medium- and long-term competitive advantages with a different proposal.

ENVIRONMENTAL SUSTAINABILITY

The company's ambition involves the responsible management of the business, aligned with the best practices in the sector, involving the different stakeholders in order to respond to the main environmental challenges, which are climate change, circular economy, natural capital and sustainable cities.

SOCIAL SUSTAINABILITY

One of our main objectives is to promote the creation of social and economic value in those communities where we are present. Social Action, Health and Safety, Diversity and Inclusion, and Professional Development are the key elements for the generation of wealth and well-being in society.



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Contribution to the 2030 Agenda



SUSTAINABLE DEVELOPMENT GOALS



Sacyr Against COVID-19



The group has been taking the necessary steps to address the current health emergency situation in order to control and minimise its **impact as much as possible**

Throughout 2020, the Sacyr Group has maintained constant relations with the different health authorities in the countries in which it operates. Not only has it focused on the protection of its more than 40,000 employees and their health, but it has also continued with its activity, considering part of it as essential or of public interest. In many cases, the activity has been reinforced in order to continue helping our customers and the population. In addition, the Group has implemented preventive measures in the work centers for the gradual integration of employees into the facilities (conditioning of buildings, provision of protective equipment, setting of shifts, increased disinfection and cleaning, diagnostic tests, etc.).

Sacyr has been taking the necessary steps to deal with the current health emergency situation in order to control and minimize its impact as much as possible. At the close of this report, the Group's activities were operating normally:

- **Concessions**, activities have developed at the usual pace. Infrastructure are considered an essential activity for society. In the case of Sacyr, most are financial assets that are not exposed to demand risk and their remuneration, in most cases, is based on availability criteria.
- **Construction**, activities have continued with reasonable levels of normality and the Group is now operating at the usual pace in the countries where it is present.

- **Services**, the activity has intensified in most of the services it provides to the population. In cleaning, waste collection and treatment services, the activity has continued as normal and is considered a basic activity. In multiservices, certain activities have been interrupted, such as our catering activity, although others continue to be developed as basic activities, such as infrastructure maintenance or services to dependency. Nevertheless, the return to normality in the development of activities is increasingly visible.

Sacyr has significantly increased its credit lines during these months of 2020. It currently has more than 300 million in available credit lines together with the group's treasury. Therefore, the company has a solid liquidity position to cope with normal business operations.

- Contingency plans for business continuity
- Maintaining system availability through investment in technology
- Work flexibility and adaptability
- Adequacy of facilities and workstations

The Group, through its Monitoring Committee, permanently monitors the progress of all activities, adopting the measures required to safeguard, first and foremost, the health of all Sacyr's staff, the core activities for society and the general public to whom we provide services.

Our heroes against the pandemic

From a social point of view, Sacyr continues to contribute to alleviating the effects of the pandemic on society by means of solidarity actions through the Sacyr Foundation that benefit health workers, other essential workers, and families in vulnerable situations, to address health, food and educational emergencies.



Our heroes against the pandemic

Street disinfection, Valoriza Medioambiente



Tribute to the health workers of Valoriza Medioambiente, Madrid, Spain



Volunteer plan against COVID, Unión Vial Río Pamplonita, Norte de Santander, Colombia.



Sacyr deploys resources in the fight against COVID-19

The Sacyr Group and its business areas **have not stopped carrying out actions aimed at combating the coronavirus** since the pandemic broke out on a global scale. These include:



DONATIONS

The company is making donations in Spain, Portugal, Peru and Uruguay for the purchase of healthcare equipment. In addition, it has undertaken actions to donate food to associations and foundations through Cafestore, the Group's service area manager, which has delivered more than 2,000 menus through the Association Manos de Ayuda Social. Food donation actions have also been implemented in Colombia due to the effects of this pandemic.



HOME CARE AND CARE HOMES FOR THE ELDERLY

Home care and care homes for the elderly: Sacyr Social staff have reorganised and adjusted to the difficult situation this health crisis has posed, adapting to the new protocols and providing this essential service for many people in a situation of dependency.



SACYR FACILITIES AND THE MILITARY EMERGENCIES UNIT

Sacyr Facilities and the Military Emergencies Unit: Through Sacyr Facilities, cleaning equipment has been loaned to the Military Emergencies Unit, and coordinated actions have been carried out, such as locating and acquiring protective equipment on international markets due to a lack of this equipment.



+ Our fight against COVID-19 in the Hospitals of Parla and Coslada

3D PRINTING

In terms of protective equipment, Valoriza Medioambiente employees produce protective face shields with 3D printers that have been donated to several hospitals in Madrid.



HOSPITAL CONCESSIONS

In some of the seven hospitals it manages, Sacyr Concessions has carried out, among other things, actions such as increasing the number of beds to meet the increase in patients, purchasing many pieces of equipment and increasing the number of staff, providing facilities for patients through free TV, and an uninterrupted management of the crisis.



In addition, Sacyr has collaborated in the installation of a field hospital in Bucaramanga, Colombia.

END-TO-END WATER CYCLE

The supply, provision and treatment of water is essential in our daily lives and the operation of businesses. Aware of this, during the crisis caused by COVID-19, Sacyr Water has prepared a contingency plan to guarantee the continuity of its services, the safety of its workers and the guarantee of supplies.



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Chairman's letter



Manuel Manrique Cecilia, Chairman
and CEO of Sacyr

Chairman's letter

(102-1) (102-10) (102-14)

Welcome to the 2020 Integrated Report on Sustainability.

Over these pages we have tried to reflect our progress on the issues of most relevance to our stakeholders, in a transparent and balanced way, based on the materiality analysis updated to the realities that this pandemic has temporarily modified. To do this we have relied on the international framework of integrated reporting and the Sustainability Reporting Indicator Guidelines of the Sustainability Accounting Standards Board and the Global Reporting Initiative.

In 2020 we start our activity with the same strength we have been building in recent years. This demonstrates the great success of the 2015-2020 Strategic Plan and confirms the choice of a path that guides us towards even greater challenges. Despite the restrictions and changes in our environment, we have consolidated our position as a large global company with a profile as a concession operator that is present in more than 20 countries. This presence has been reinforced with a greater number of projects in the United States, Spain, Portugal, Chile and Peru, to name but a few.

Sacyr's success over the past five years has served as a springboard for continued growth

and the challenges of establishing ourselves in new markets. We operate a low-risk strategy, ensuring that our value chain is aligned with our responsible business model, and we continue to be trusted by investors and customers. Our present is to be recognised for what we are: a global concession operator.

This has been the year with the greatest health and safety challenges we have ever faced in our history. In February, our prevention team already detected that what we were experiencing was not a normal flu and we created a crisis committee where we analysed all the information and came up with different response scenarios.

The infrastructure sector was among the first to return to work after a strict lockdown and since then we have worked through many obstacles along the way, being clear that we had to protect our employees while maintaining our responsibilities to all those with whom we interact, and in the societies in which we operate. Although it is not possible at this stage to predict exactly what the consequences of these health and economic challenges will be for countries around the world, or for our own industry, at Sacyr we are prepared to play our part and contribute once again to economic growth and social well-being.

This has been the year with **the greatest health and safety challenges** we have ever faced in our history

”

In the previous 2019 Integrated Sustainability Report, we announced the creation of the Sustainability and Corporate Governance Committee and the Sustainability Committee. These governing bodies have led the work during 2020 to promote a new stage and new objectives. The new committees approved nearly 20 policies related to ethics and sustainability, which serve as a basis and guide for excellent performance over the next five years.

We have shown a great capacity to adapt to new circumstances and new ways of doing things, such as with the digitalisation of management, cybersecurity and teleworking. We already had these topics in place in the company and they have enabled us to continue some of our activities remotely, in one of the most complicated operating environments in our history. This new way of working has made us stronger and more resilient.

We also design and promote a diverse and inclusive work environment, ensuring that equal treatment and opportunities are now a reality we should be proud of, avoiding any situation of discrimination in our day-to-day work. We are convinced that every person who joins Sacyr contributes to its growth and is important to us.

And despite the health emergency, we have remained committed to the climate and environmental challenge, leading initiatives to reduce the impact on ecosystems, promoting the circular economy and the responsible use of water, reducing emissions and improving energy efficiency, both in our activities and in the projects we undertake. We are also proud to have ratified our global targets to reduce emissions and become carbon neutral by 2050.

As a company in close touch with the communities where we do business, we have sought to support governments in the fight against the virus on all fronts and continue to engage with them on effective strategies to manage the pandemic and meet the most basic needs for education and food. Thanks to the projects led by the Sacyr Foundation during 2020 alone, more than 100,000 people have benefited directly and more than 300,000 indirectly, through collaborations with nearly 30 foundations and associations in the tertiary sector.

Our roadmap to contribute to developing a more equitable society continues to include the 17 Sustainable Development Goals (SDGs) set by the United Nations 2030 agenda, with which we have aligned ourselves to tackle the immense challenges facing humanity. As part of this approach, our commitment to the Global



We are also proud to ratify our global targets to reduce emissions and become **carbon neutral** by 2050

Rehabilitation of 25 de Abril Bridge, Lisbon, Portugal



Compact is a pillar of our management for defending human, labour, environmental and anti-corruption rights.

During 2020, the group has undergone several changes, including the main activities of Sacyr Industrial being integrated into Sacyr Engineering and Infrastructure, and water management activities being incorporated into Sacyr Concessions, previously under Sacyr Services in the organisation chart. This ensures business continuity through synergies, thus improving the efficiency of resources and ensuring our company's profitability.

Our focus on developed markets with infrastructure needs for growth provides us with a stable labour, legal and financial framework. Knowing and working in new geographic markets allows us to act in line with the new project needs demanded by these economies, while the decentralisation to keep giving continuity to the organisational model is also noteworthy. We are ready to meet any challenge we face.

We are a company that has managed to maintain the competitiveness of our three business lines through synergies, seeking to grow the concession model while keeping an eye on risk



reduction. Our motorways, airports and hospitals are a model of contribution to society by providing sustainable, innovative and efficient solutions to the challenges of the safe movement of people and goods.

Finally, I would like to thank all Sacyr employees for their dedication and commitment to making our goal a reality. We are proud to present the results of the great effort made by all Sacyr's businesses and management areas over these pages. Throughout this Integrated Sustainability Report we show all our stakeholders the work Sacyr is carrying

out, with complete transparency, to ensure profitable and sustainable operations, minimise our environmental footprint and generate more shared value for society.

Thank you.

Manuel Manrique Cecilia
Chairman and CEO

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Hospital de Tláhuac, Mexico City,
Mexico

Organisational chart

The Group's organisational structure is arranged around the figure of the Executive Chairman and CEO, to which are accountable, firstly, the non-executive Chairmen and the Managing Directors of each business area, and secondly, various departments which provide

support to the rest of the company: the General Finance Department, the General Corporate Department, the General Communication and Sustainability Department, the Business Legal Advisory Department and the General Secretary to the Board of Directors.



Sacyr Engineering and Infrastructure
Pedro Sigüenza Hernández
CEO



Sacyr Concessions (P3)
Rafael Gómez del Río Sanz-Hernanz
CEO

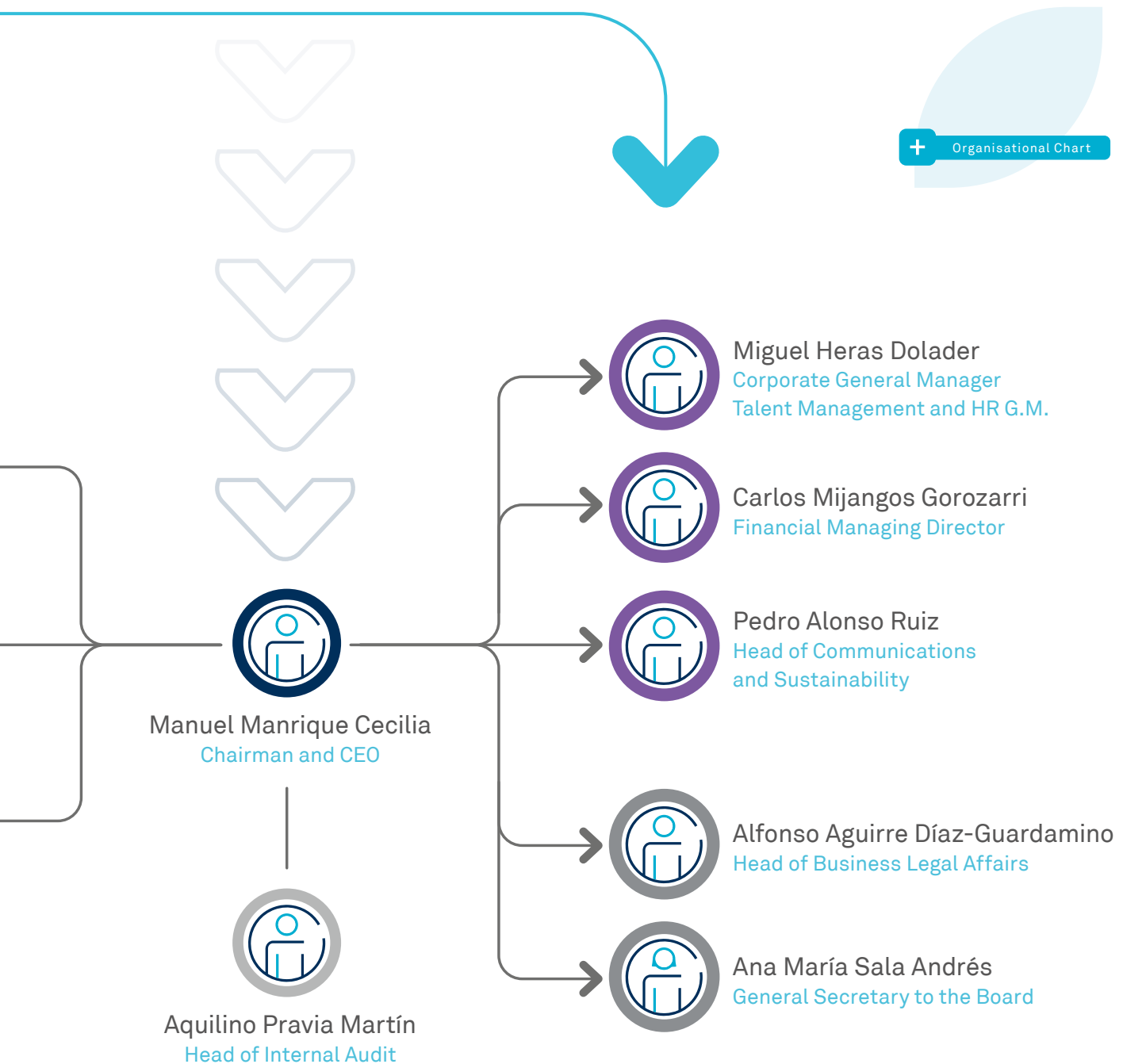


Sacyr Services
Fernando Lozano Sainz
CEO



Manuel Manrique Cecilia, Chairman of Sacyr

+ Organisational Chart



3.1. BUSINESS MODEL

(102-2)

In recent years, at Sacyr, we have redefined our company profile, focusing on a concessional business model that intervenes in the whole value chain of the infrastructure sector (transportation, social, renewable energy, water, waste and singular building construction), from the tender, design and financing to the construction, operation and maintenance of assets.

This strategic approach reinforces the company's stability and solidity, through the development of long-term projects in consolidated countries, mainly without a demand risk, which generate recurring income flows and which, in turn, finance the associated debt itself.

In this regard, and following the latest restructurings of Sacyr Industrial and Sacyr Services, the Group has become consolidated in three strategic businesses:

→ **Concessions (P3)**

→ **Engineering and Infrastructure**

→ **Services**



Kennedy Avenue, Costanera Norte motorway, Santiago de Chile, Chile



P3 CONCESSIONS

WHAT IS THIS?

The concession activity is performed through:

- **Infrastructure P3 concessions:** Business operated by Sacyr Concessions (P3), the seventh largest private transport infrastructure operator in the world, with a presence in Spain, Italy, Ireland, Portugal, Chile, Colombia, Mexico, Peru, Uruguay and Paraguay. It specialises in the management of motorways, hospitals, transport interchanges, airports, etc.
- **Water Concessions (P3):** via Sacyr Water and focused on the operation and maintenance of all types of water-related plants (drinking water and water purification plants, desalination plants, tertiary treatments and recycling, industrial waste water treatment, agricultural treatment etc.), and the end-to-end management of the water cycle under public sector concessions or in the private sector.

Diversified infrastructures portfolio:

- Asset diversity
- Several geographic markets
- Combination of mature assets and Concessions (P3) with growth potential
- Water infrastructure and management Concessions (P3)
- 43 assets operated in 15 countries:
- 13 assets under construction
- 27 years remaining on assets
- High growth potential and potential for increasing value

SIGNIFICANT INFORMATION

Throughout its 20-year history, Sacyr Concessions (P3) has demonstrated its experience and technical knowledge, as well as its financial capacity with an overall investment of 28,500 million euros.

It specialises in greenfield projects and handles design, funding, construction and asset management.

Investment in progress €13.3 billion

Water concessions:

- Integrated water cycle
- Water treatment plants
- Sacyr Water, 13th biggest international company in terms of desalinated water capacity (International Desalination Association)

Future income backlog

30,895

MILLIONS OF EUROS

[+2.9%]



KEY RESOURCES



Financial Capital



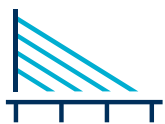
Human Capital



Intellectual Capital



Share Capital



ENGINEERING AND INFRASTRUCTURE

WHAT IS THIS?

The engineering and construction activity is carried out through the head company Sacyr Engineering and Infrastructure in Spain, Chile, Colombia, Peru and Mexico; Sacyr Somague, in Portugal; and SIS, in Italy, and it specialises in all manner of civil engineering and building projects, both residential and non-residential.

Focuses on construction activities, including:

- Civil Engineering
- Building Construction
- Turnkey/EPC projects: Integration of Sacyr's two EPC areas (Sacyr Engineering and Infrastructure)
- High technological capacity
- 88% of international exposure

internationalisation, high safety and quality standards and maximum respect for the environment.

It also builds industrial plants and conventional and renewable energy facilities. The firm also has experience in cement projects, mineral management and processing plants.

Oil & Gas: implementation of refinery, chemical and petrochemical, gas handling and treatment and liquefied natural gas (LNG) projects, and the transportation and storage of this type of fuel.

T&D and renewables: implementation of "Turnkey" EPC and BOP projects for wind farms and large photovoltaic plants, O&M for renewable energy plants. Specialists in geothermal energy and generation using biomass. EPC projects for medium and high voltage transmission lines, as well as BOOT projects and their financing.

KEY DATA

A leading infrastructure company covering all types of civil engineering projects (motorways, underground and railways, airports, maritime and hydraulic) and buildings.

Sacyr has integrated the EPC areas (Sacyr Engineering and Infrastructure and Sacyr Industrial) into a single division. Hence, the numbers presented in this report, both in 2020 and in 2019, contemplate this integration. This simplification of the structure will involve greater synergies, increased earnings due to economies of scale and greater efficiency.

The principles of Sacyr Engineering and Infrastructure are based on meeting deadlines, promoting innovation, strengthening our

Business Turnover

2,612

MILLIONS OF EUROS

[+12%]



KEY RESOURCES



Financial Capital



Human Capital



Industrial Capital



Share Capital



Intellectual Capital



Natural Capital



SERVICES

WHAT IS THIS?

Activity conducted by Sacyr Servicios, with a presence in Australia, Colombia, Chile, Spain, Mexico, Oman, Peru, Portugal and Uruguay.

Specialised in the **management of public service Concessions (P3)**:

- Environment and Multiservices¹
- Stable activity and long-term cash flow generator
- Solid portfolio of public and private contracts
- They participate in the transition to a green economy.

Energy, Industry & Environment: Sacyr is one of the leading international companies in the design, construction and operation of waste treatment and waste-to-power plants.

SIGNIFICANT INFORMATION

Environmental: through the parent, Valoriza Medioambiente, a leading company in the operation of:

- ❑ **Municipal services:** leader in urban services management, with presence in some of the main cities in Spain. The company carries out street cleaning, waste collection, including underground containment, gardening and maintenance of green areas, parking meter management, towing services, bicycle rental and removal of vehicles from public thoroughfares.
- ❑ **Waste treatment:** Sacyr Services has major contracts in place in the field of construction and operation of waste treatment plants, landfill degassing, biomethanisation plants, incineration and energy recovery. The firm also has facilities for treatment, composting and thermal drying of sewage treatment plant sludge.
- ❑ **Environmental work and regeneration:** services for water quality control, atmospheric control and the recovery of landscapes and woodlands.

Multiservices: this area groups several services through the following companies:

- ❑ **Sacyr Facilities:** firm specialising in cleaning services, facility management services, energy and other ancillary services (porter services, receptionists, gardening etc.).
- ❑ **Sacyr Social:** leading company in services to groups in a situation of dependence or social vulnerability (the elderly, children, the disabled). Management of care homes and day centres, as well as home help services.
- ❑ **Sacyr Maintenance:** Group company that specialises in the maintenance and upkeep of roads and other specific infrastructure: dams, irrigation channels etc.
- ❑ **Valoriza Minería:** mining projects in Spain, mostly on copper, gold, tin, lithium and tungsten deposits.
- ❑ **Cafestore:** Group company specialised in the operation of motorway service areas (third leading Spanish operator in this market), and in the management of restaurants and cafeterias at large facilities: hospitals, transport hubs and public and private buildings.

Business Turnover

992

MILLIONS OF EUROS

[-3%]



KEY RESOURCES



Financial Capital



Human Capital



Industrial Capital



Share Capital



Intellectual Capital



Natural Capital

¹ The Group has included the Water segment, which was previously situated in the Services division, in the financial figures of the Concessions (P3) division.

3.2. STRATEGIC VISION

SACYR'S 2015-2020 STRATEGY: OBJECTIVES MET

Since its foundation in 1986, Sacyr has been able to overcome all the challenges it has encountered along the way thanks to its two mainstays: people and company values.

The year 2020 marked the end of the previous strategic cycle, initiated in 2015, which has become a

success story. Thanks to the significant growth of all its businesses, with a special focus on profitability, the strengthening of its financial position and the achievement of all the planned milestones, Sacyr has become the company it is today.



SACYR 2021-2025 NEW STRATEGIC CYCLE: LEADERSHIP FOR THE FUTURE

In 2021, the group enters a new phase, reinforcing its commitment to the strategic pillars of profitable growth, balance sheet strength, talent and sustainability, with the aim of generating value for all its stakeholders.



INNOVATION

At Sacyr, we innovate to improve people's quality of life through the implementation of large infrastructure and service projects that generate value for our employees, customers and shareholders.

We seek change because we want to build a better planet. A world made by and for citizens. Without borders.

A world that changes along with us and that we change thanks to the power of our talent and energy.

The Sacyr Group considers **innovation** to be the **key engine for growth and transformation**.

Likewise, we believe in innovation as an instrument to generate competitive advantages in the medium and long term, through a differentiating proposal, in an increasingly complex and changing environment.

The company's innovation objectives are based on the search for efficiency and the development of new business models that provide value to our customers, through a constant effort to identify challenges and areas of opportunity in the sectors in which we operate and the commitment of senior management to achieve them.



At **Sacyr** creativity and innovation increase with each of the projects we undertake

Number of
projects under
development
2020

➤ **44**

Percentage
of net profit
invested in
innovation*

➤ **4.5%**

Investment in
innovation

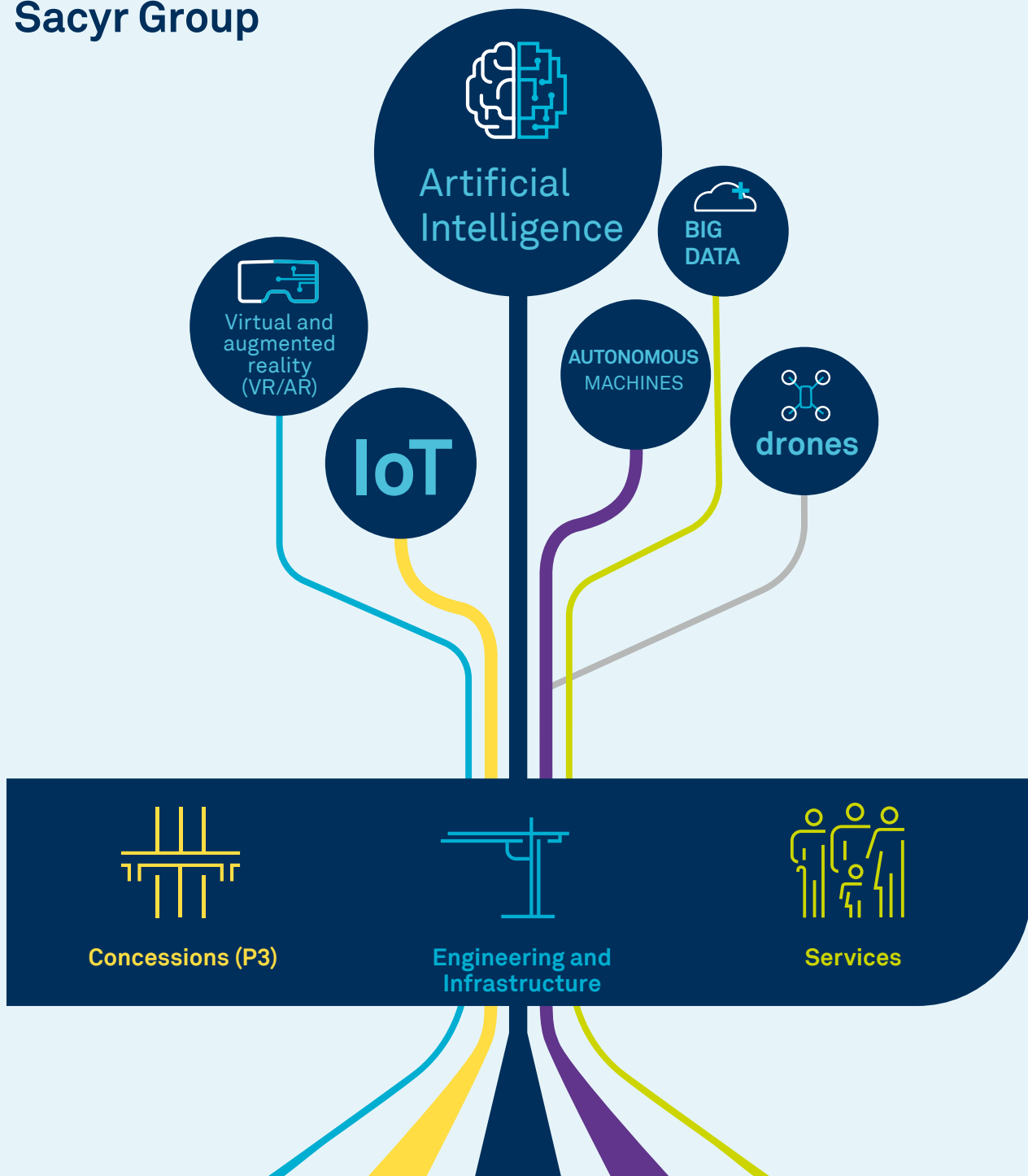
➤ **8**
Millions of euros

Investment in
clean technology

➤ **4.4**
Millions of euros

*Net profit attributable to business invested in innovation

Priority technologies for the **Sacyr Group**



3.3. PERFORMANCE OF THE SACYR GROUP

Income statement

CONSOLIDATED INCOME STATEMENT (Thousands of euros)	2019	2020	% Chg. 20/19
Revenue	4,169,467	4,547,878	9.1%
Other income	367,192	304,366	-17.1%
Total operating income	4,536,659	4,852,244	7.0%
External and operating expenses	-3,856,901	-4,128,639	7.0%
EBITDA	679,758	723,605	6.5%
Depreciation and amortisation	-254,126	-178,152	-29.9%
Provisions and other non-recurring expenses	15,350	-78,327	n.a.
EBIT	440,982	467,126	5.9%
Financial profit/loss	-315,920	-274,888	-13.0%
Gains/losses on exchange differences	5,798	-56,813	n.a.
Share of profit from equity-method companies	-259,841	-337,358	29.8%
Provisions for financial investments	11,317	-38,479	n.a.
Change in value of financial instruments at fair value through profit or loss	-112,682	380,813	n.a.
Gain/(loss) on disposal of non-current assets	46,486	95,847	n.a.
Profit/(loss) before tax	-183,860	236,248	n.a.
Income tax	-89,327	-125,361	40.3%
PROFIT/(LOSS) FROM CONTINUING OPERATIONS	-273,187	110,887	n.a.
PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS	0	0	n.a.
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR	-273,187	110,887	n.a.
Attributable to non-controlling interests	-24,546	-75,190	n.a.
NET ATTRIBUTABLE PROFIT	-297,733	35,697	n.a.
Gross margin	16.3%	15.9%	



Positive performance of the group, **despite COVID-19**

Balance sheet

CONSOLIDATED BALANCE SHEET (Thousands of euros)	DEC. 2019	DEC. 2020	Chg. 19/20
Non-current assets	9,309,909	9,954,680	644,771
Intangible assets	21,572	34,209	12,637
Concession projects	876,680	880,832	4,152
Property, plant and equipment	334,174	318,071	-16,103
Rights of use on leased assets	135,052	127,712	-7,340
Financial assets	3,174,683	2,872,117	-302,566
Receivables from concession assets	4,576,454	5,590,902	1,014,448
Other non-current assets	94,967	34,689	-60,278
Goodwill	96,327	96,148	-179
Current assets	4,597,115	4,436,977	-160,138
Non-current assets held for sale	347,254	0	-347,254
Inventories	241,321	230,887	-10,434
Receivables from concession assets	328,912	523,701	194,789
Receivables	1,990,911	1,950,807	-40,104
Financial assets	76,821	434,635	357,814
Cash	1,611,896	1,296,947	-314,949
TOTAL ASSETS/LIABILITIES	13,907,024	14,391,657	484,633
Equity	1,190,371	962,593	-227,778
Shareholders' equity	825,199	557,307	-267,892
Non-controlling interests	365,172	405,286	40,114
Non-current liabilities	8,178,417	8,891,429	713,012
Financial debt	5,070,098	5,814,174	744,076
Financial instruments at fair value	209,410	210,993	1,583
Lease obligations	90,296	85,573	-4,723
Provisions	214,396	191,853	-22,543
Other non-current liabilities	976,775	1,939,040	962,265
Other hedged debt	1,617,442	649,796	-967,646
Current liabilities	4,538,236	4,537,635	-601
Liabilities associated with assets classified as held for sale	227,543	0	-227,543
Financial debt	931,869	758,740	-173,129
Financial instruments at fair value	20,555	18,558	-1,997
Lease obligations	38,338	30,739	-7,599
Trade payables	2,466,050	1,597,553	-868,497
Operating provisions	204,108	220,973	16,865
Other current liabilities	649,773	943,426	293,653
Other secured debt	0	967,646	967,646

2020 SIGNIFICANT EVENTS

Some of the most significant events that took place during the year, are as follows:

SHAREHOLDER REMUNERATION

In January 2020, Sacyr implemented the Flexible Dividend ("Scrip Dividend") program approved at the 2019 Annual General Shareholders' Meeting. Shareholders were able to choose between receiving one new share for every 46 shares outstanding or selling their pre-emptive subscription rights to Sacyr at a guaranteed fixed price of €0.056 gross per right.

More than 94% of Sacyr's shareholders elected to receive the Flexible Dividend in shares, for which a total of 11,980,391 new shares were issued. These shares began trading on February 19, 2020.

At the 2020 General Shareholders' Meeting, held on June 11, 2020, two new Flexible Dividends were also approved, with similar characteristics to the one carried out at the beginning of the year.

At the beginning of November, the first of these was implemented. Shareholders could choose between receiving one new share for every 54 existing shares, or selling their free-of-charge allocation rights to Sacyr at a guaranteed fixed price of 0.026 euros gross per right.

More than 96% of Sacyr shareholders elected to receive the Flexible Dividend in shares, for which a total of 10,585,760 new shares were issued. The new shares began trading on December 4, 2020 on the Spanish stock exchanges.

Finally, on December 17, 2020, the Chairman of the Management Board, in the exercise of the powers delegated to him, decided to implement the second of the Flexible Dividends approved at the 2020 General Shareholders' Meeting. Shareholders chose between receiving one new share for every 47 existing shares or selling their subscription rights to Sacyr at a guaranteed fixed price of 0.042 euros gross per right.

More than 92% of shareholders elected to receive the Flexible Dividend in shares, for which a total of 11,878,992 new shares were issued, giving Sacyr's new share capital a total of 616,451,031 shares. The new shares began trading on the Spanish stock exchanges on February 10, 2021.

DIVESTMENT AND ASSET TURNOVER

In June 2020, having fulfilled the conditions precedent of the sale agreement, Sacyr announced the divestment of 95% of the mature asset "Guadalmedina Highway" for a total amount of 455 million euros, including the associated debt. This transaction has been divided into two parts:

- A first, corresponding to 47.5% of the assets, and whose purchase and sale agreement was announced in October 2019, with the sale materializing during the first quarter of 2020.
- A second part, corresponding to the remaining 47.5% of the assets, was signed at the beginning of the year and formalized in June, once the suspensive conditions of the agreement had been fulfilled.

Following this transaction, Sacyr retains 5% of the concession assets, which it will continue to operate and manage in the future.

CORPORATE RESTRUCTURING:

In April, Sacyr decided to restructure its business areas, integrating its two EPC areas into a single division: Sacyr Engineering and Infrastructures and Sacyr Industrial. In this way, the group's operating divisions are reduced to three: Sacyr Concessions (P3), Sacyr Engineering and Infrastructures and Sacyr Services.

This organizational simplification will lead to significant synergies between the three areas mentioned above, and will also allow for a more effective vertical integration of the business for customers and, therefore, greater efficiency.

It is also perfectly aligned with Sacyr's strategic program to become, increasingly, a group with a markedly concessionary profile. As a result of this, Sacyr Concessions (P3) has decided that the management and development of the Water segment (integral cycle) will be led by Sacyr Concessions (P3), so that most of the concession business is grouped under the same division.

ACTIVE MANAGEMENT OF THE REPSOL SHAREHOLDING

During 2020, Sacyr continued to be a core shareholder of Repsol through a 7.83% stake in the oil company (7.93% after deducting treasury stock).

This year, as a result of Repsol's "Flexible Dividend" program, Sacyr, through its investees: Sacyr Securities S.A., Sacyr Investments S.A.U. and Sacyr Investments II S.A.U., received a total dividend of 112.4 million euros (52 million euros at the beginning of January, on account of the 2019 results, and 60.4 million euros at the beginning of July, complementary to the 2019 results). Sacyr has actively managed its stake in the oil company in order to maximize its investment, which is protected

in its entirety through three derivative structures financial derivatives.

In this line, on March 13, 2020, the derivative on 72.7 million Repsol shares was restructured, cancelling the put contracted on 25.4 million shares, at 13.75 euros per share, and replacing it with a forward at 13.75 euros per share. At the same time, a call spread was contracted in order to benefit from the revaluation of the share from 8.50 euros per share.



Tunnel boring machine in Fortaleza metro, Brazil

1

Main indicators

2

Chairman's letter

3

Business Model

4

Planet Ambition

5

Team Ambition

6

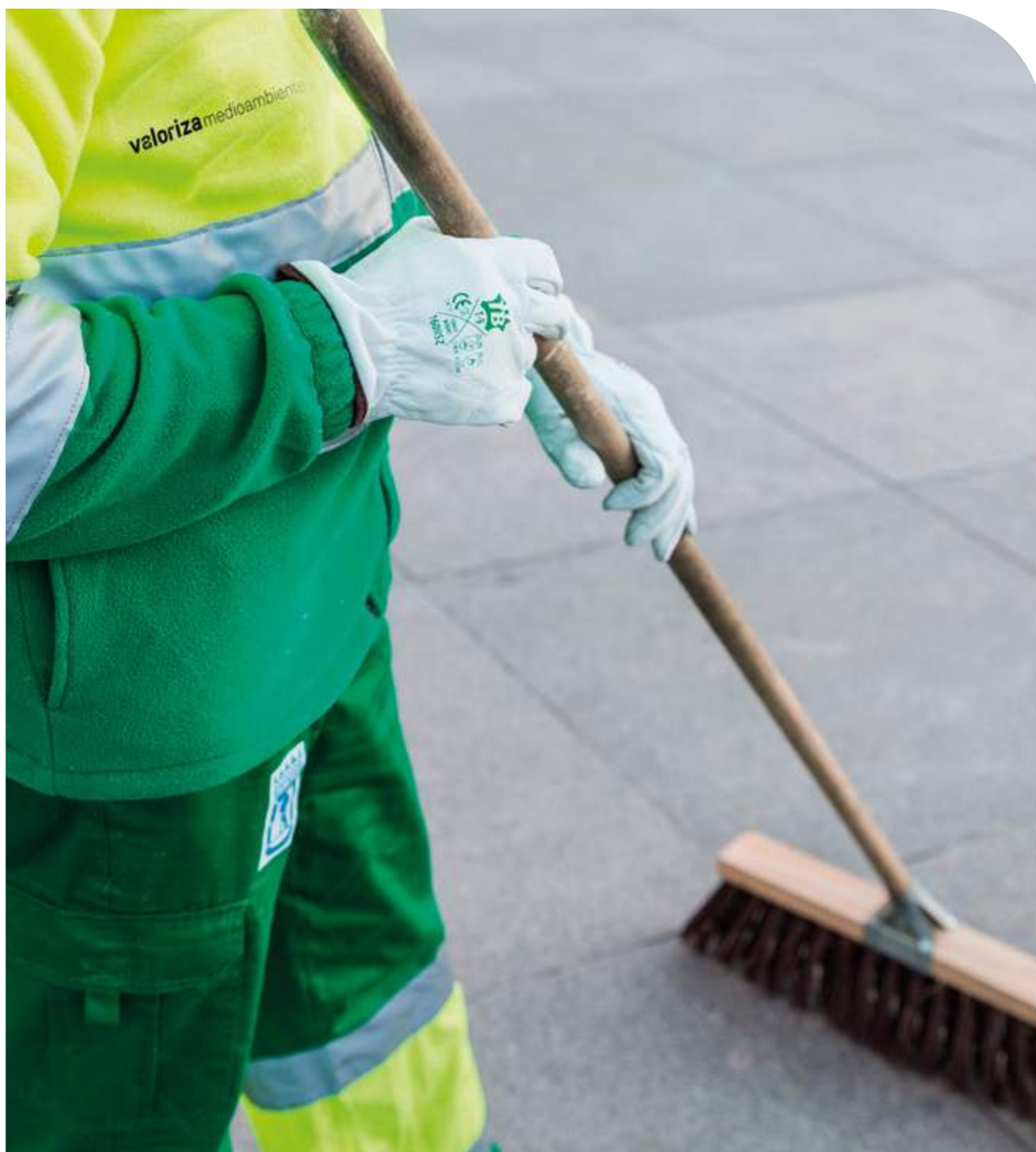
Positive Impact Ambition

7

Ambition at the Highest Level

8

Appendices



Municipal services Valoriza Medioambiente

DERIVATIVE ON TREASURY STOCK

On July 10, Sacyr signed a derivative contract with a credit institution for a total of 10,000,000 Sacyr shares, divided in two tranches:

- A tranche of 5,000,000 shares, consisting of a buy option (call) in favour of Sacyr and a sales option (put) in favour of the credit institution, both with an initial exercise price of approximately €1.80 and an average maturity of one year.
- Another tranche of 5,000,000 shares, consisting of a buy option (call) in favour of Sacyr and a sales option (put) in favour of the credit institution, both with an initial exercise price of approximately €1.80 and an average maturity of two years.

Additionally, both tranches include a sales option (put) in favour of Sacyr, at an exercise price per share of €1.4.

The aforementioned options can be settled by physical delivery or through differences, at Sacyr's choice, with the applicable default option being settlement by differences.

PANAMA

During the month of September, the International Chamber of Commerce (ICC) has ruled the award on the basalt and concrete formula claims, laboratories and geological faults presented by the consortium Grupos Unidos Por el Canal (GUPC). This award determines that the consortium has to return part of the claims collected, around 240 million dollars, to the Panama Canal Authority (ACP). On the other hand, approximately \$25 million was recognized in favor of GUPC for additional laboratory expenses and for the existence of undetected faults in the field.

This claim accounted for approximately 8.8% of all claims filed by GUPC and its partners.

Sacyr, being the owner of 41.6% of GUPC, will have to repay approximately 85 million euros. The solid financial situation of our group allows it to meet the outcome of this award and not compromise any ongoing project or alter its strategic direction. Moreover, the Group decided to recognise a provision in this third quarter of 2020 amounting to €85 million.

Almost 5 years after its inauguration, the "Third Set of Locks" of the Panama Canal expansion is an example of reliability and good performance, thanks to the good work of the more than 30,000 people who came to work on the project.

Sacyr and GUPC will continue to defend, in the different international instances (ICC and UNCITRAL), their arguments in relation to the claims filed before the ACP and the State of Panama.

EXIT OF NON-STRATEGIC MARKETS.

Sacyr signed a sale and purchase agreement with the Angolan group Griner for the sale of three subsidiaries: Sacyr Somague Angola, Sacyr Somague Mozambique and CVC Sacyr Somague in Cape Verde. The amount of this transaction amounts to 33 million euros (debt not included), subject to the usual approvals in this type of operations.

This transaction is part of the group's strategy to reduce construction risk in non-strategic markets and focus its activity on the concession business, within its reference markets.

CONSOLIDATION IN STRATEGIC MARKETS

The Sacyr Group has been awarded its first concession in the US market, meeting one of the strategic milestones set. The project consists of the operation, maintenance and improvement of the power, water and steam generation and distribution systems on the University of Idaho campus.

SHARE PRICE

FINANCIAL ANALYSTS

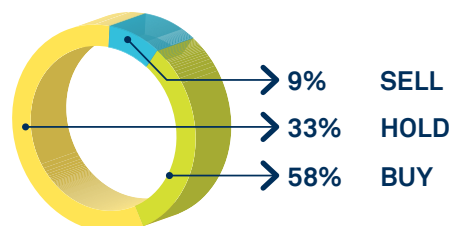
At the end of the 2020 financial year, twelve research firms were actively monitoring Sacyr shares. Of this group, 92% of the recommendations are buy recommendations and one is a sell recommendation, equivalent to 8% of the total.

The share's upside potential relative to our analysts' average target price as of December 31, 2020, was approximately 20%, giving the stock significant upside potential.

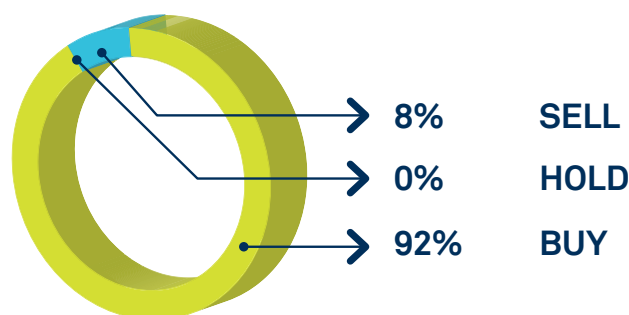
During 2020, the intraday high was 2.792 euros per share on January 21, and on the same date the closing high was 2.756 euros per share. On the other hand, the intraday low was EUR 1.063 on March 19, while the low close was EUR 1.102 per share on March 23.

For more stock market information: www.sacyr.com/en/shareholders-investors/general-information/stock-market-information

SECTOR AVERAGE



SACYR



STOCK INFORMATION	2019	2020
High	2.600€	2.020€
Low	2.716€	2.792€
Average	1.690€	1.063€
Year-end	2.261€	1.927€
Average daily trading volume (no. of shares) ⁽¹⁾	1,750,740€	2,427,192€
Annual trading volume (thousands of euros) ⁽¹⁾	1,008,879€	1,195,538€
No. of shares admitted for trading at year-end	582,005,888€	604,572,039€
Market capitalisation (thousands of euros) ⁽¹⁾	1,513,215€	1,221,236€
Earnings per share (euros/share)	-0.53€	0.059€

(1) Source: Continuous Market of the Spanish Stock Exchanges



Unloading of rails Ferrocarril Central de Uruguay

Sacyr Concessions

The Group's main value creator

Revenue



1,381

Millions of euros

[+23%]



Backlog



30,895

Millions of euros

[-4.6%]



EBITDA



365

Millions of euros

[+4.9%]



We are a leading company in greenfield project development.

We perform the **end-to-end management of projects** with which we add value at every stage: design, construction, financing, operation and maintenance.

Leaders in infrastructure development with a highly diversified backlog

3,600

km of motorway

2,700

hospital beds

40.6

millions of travellers a year at hubs

2.8

millions of passengers a year at airports

273

km of train track



GREEN REVENUES (Thousands of euros)

Water desalination:	183
Water cycle:	11,311
TOTAL	11,494



*Spain, Italy, Ireland,
Portugal, Chile, Brazil,
Colombia, Mexico, Peru,
Uruguay, Paraguay,
Australia, Oman,
Argelia and United
States*



675
Millions of euros
[+8.1%]



Concession
income

545
Millions of euros
[+7%]



Infrastructure

130
Millions of euros

Water

706
Millions of euros
[+42%]



Construction
income

85%
of the
international market



International
backlog



15

countries

58

concessions (P3)

27

years remaining

28,500

€ million of
global investment in 20 years



The following major contracts were awarded in 2020:

Leading concession on the US market. University of Idaho. Operation, maintenance and improvements to the systems for the generation and distribution of energy, water and steam at the campus. 50-year term	1,200 million in investment
Supply service concession and integrated water cycle in the city of Antofagasta and towns of the Santiago de Chile Metropolitan Region.	500 millions of euros in portfolio

At the end of this fiscal year, the group has **58 concessions (P3) distributed in 15 countries** (Spain, Italy, Ireland, Portugal, Australia, United States, Chile, Brazil, Colombia, Mexico, Uruguay, Peru, Paraguay, Oman and Algeria), with 44 in operation and 14 under development. There are **28 toll road and highway concessions (P3)**, distributed between the EU and America (8 in Spain, 8 in Chile, 4 in Colombia, 2 in Portugal, 1 in Italy, 1 in Ireland, 1 in Peru, 1 in Uruguay, 1 in Paraguay and 1 in Mexico), **11 plants, or integral water cycles, 7 hospitals, 2 transport interchanges, 2 airports, 1 railroad, 1 university and 6 parking lots.**

The following significant corporate transactions also took place:

Financing of the "Pamplona-Cúcuta" concession, Colombia	€474 million
Financing of the "Arica Airport" concession, Chile	€58 million
Refinancing of the "Vallenar-Caldera" route, Chile	€89 million



Opening of the first tranche of the Rumichaca-Pasto motorway

Uruguay Railway financing prize

The prestigious magazine **IJ Global** has granted a prize to the Uruguay Central Railway project.



Sacyr Water

This activity includes the operation and maintenance of all types of plants (water treatment plants, purification plants, desalination plants, tertiary treatment and reuse, industrial treatment, agricultural treatment, etc.) and the management of the complete water cycle, under public concession or private initiative.

Sacyr Water in Spain, and Somague Ambiente in Portugal, are responsible for the management of the integral water cycle, serving more than 1.3 million people in both countries.

The most significant activities carried out include the management of the integral water cycle of the city of Santa Cruz de Tenerife, through the investee company Emmasa; the management of drinking water distribution in Las Palmas de Gran Canaria, through the investee company Emalsa; and the water supply concession in the city of Guadalajara.

Sacyr Water and Sacyr Sadyt commissioned the Sohar seawater desalination plant on the coast of Al Batinah (Oman). This reverse osmosis plant is the second largest in the country and has sufficient capacity to produce 250,000 m³ of water per day, thereby supplying around 220,000 people. The project required an investment of close to 200 million euros and will be operated by Sacyr for 20 years.

The following major milestones were reached in 2020:

Operation, maintenance and upkeep of two desalination plants with a desalination capacity of more than 120,000 m³ per day, to supply 34 municipalities in the province of Alicante. For a period of 4 years.

€16
million

Drinking water supply and sewerage system for the municipality of Biar (Alicante). For a term of 20 years.

€9
million

Maintenance of the sewage and wastewater treatment network of the city of Vitoria-Gasteiz for a period of 3 years, serving a population of more than 250,000 inhabitants.

€7
million

Supply of drinking water and sewerage to the town of Ribadesella (Asturias), for a period of 5 years, supplying more than 1 million m³ per year to the 5,700 inhabitants of the municipality, which in summer increases its population to 30,000 citizens.

€5
million

Operation, maintenance and conservation of wastewater transport and treatment facilities in Navarre. For a 4-year period, including a total of 106 wastewater purification plants

€5
million

sacyr water
SERVICES

Sacyr Engineering and Infrastructure

Leader in all types of civil works, industrial and building projects

Revenue



2,612
Millions of euros
[+11.8%]



Activity focused on infrastructure projects:
81% of total activity

- Focused on high value added projects.
83% international
- Consolidated experience in projects with a high level of technical and technological capacity.

EBITDA



291
Millions of euros
[+12.5%]

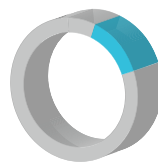


Our international expansion model has to take into account the need for local deployment, taking advantage of both the ability we have demonstrated to compete with sector-leading companies in other countries as well as our peers, and our know-how in particular segments.

Order book



5,622
Millions of euros
[-24.9%]



EBITDA margin



11.1%
[0 p.p.]

Months of activity



26



We make **infrastructures** that
improve people's lives



GREEN INCOME (Thousands of €)

Geothermal plants	3,442
Hydroelectric plants:	72
Solar plants:	45,117
Wind power plants:	48,296
Biomass plants:	6,138
Waste treatment:	538
TOTAL	103,603

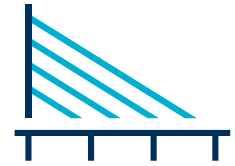
*Australia, Brazil, Canada, Chile,
Colombia, Italy, Ireland, Mexico, Peru,
Portugal, Qatar, Spain, Paraguay, United
Kingdom, United States and Uruguay*



We made progress in the Brazil
North-South railway project



Green revenues: % of revenues from projects that help the world adapt to, mitigate or remediate the impacts of climate change, resource depletion and environmental erosion.

**THE MAIN MILESTONES IN 2020 WERE (Millions of €):****SPAIN**

Building of offices and various promotions	347
Construction of photovoltaic plant in Badajoz	59
Electrical installations for Adif	51
Building of the Spanish high-speed railway line (AVE) linking Vitoria-Bilbao-San Sebastián. Elorrio tranche	40
Work on Granadilla port in Tenerife	11

PERU

Rehabilitation and improvement of the "Mollepata-Santiago de Chuco" road in the region of La Libertad	84
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USA

Construction of a detour for the US59 road in Texas	128
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CHILE

Extension Nogales-Puchuncavi road	94
Construction of Wind Farm	24

PORTUGAL

Modernisation and improvement Beira Alta Railway	58
Construction school in Azores	13

BRAZIL

Tranche 3 of the railway line in Brazil, which is added to tranches 1 and 2 under way	24
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We progress in our projects

Commissioning of the second section of the “Pedemontana-Veneta” highway in Italy.



Completion of the rehabilitation of the “Pirámides Tulancingo-Pachuca” highway, Mexico.



Commissioning of an 84 km section of the “Puerta de Hierro Cruz del Viso” highway, Colombia.



Commissioning of a
17 km section of the
“Rumichaca Pasto”
highway, Colombia.



Commissioning of a
77 km section of the
“Autopista al Mar I”,
Colombia.



Sacyr has completed
the works for the
concession of the
Hospital de Tláhuac,
Mexico.



Commissioning of
section 3 of 23 km of
the “Ruta del Este”,
Paraguay.



Sacyr Services

Always focused on an end-to-end customer service

Revenue



992
Millions of euros
[-3%]



Environment: **482*** [+4%]
Millions of euros
Multi-services: **504** [-5%]
Millions of euros

EBITDA



89
Millions of euros
[-3.5%]



Environment: **70** [+15%]
Millions of euros
Multi-services: **19** [-19%]
Millions of euros

Order
book



2,668
Millions of euros
[-13.6%]



EBITDA
margin



8.9%
[-0.1 p.p.]

*Total turnover is made up of Environment, Multiservices and Head Office. In 2020, Head Office's turnover was €6m.

Environment: municipal services, waste treatment, environmental projects



Facilities: facilities management, social services



Infrastructure maintenance, mining



Cafestore: restaurant services



GREEN INCOME (Thousands of €)

Waste Treatment: **426,692**

Environmental Restoration: **23,709**

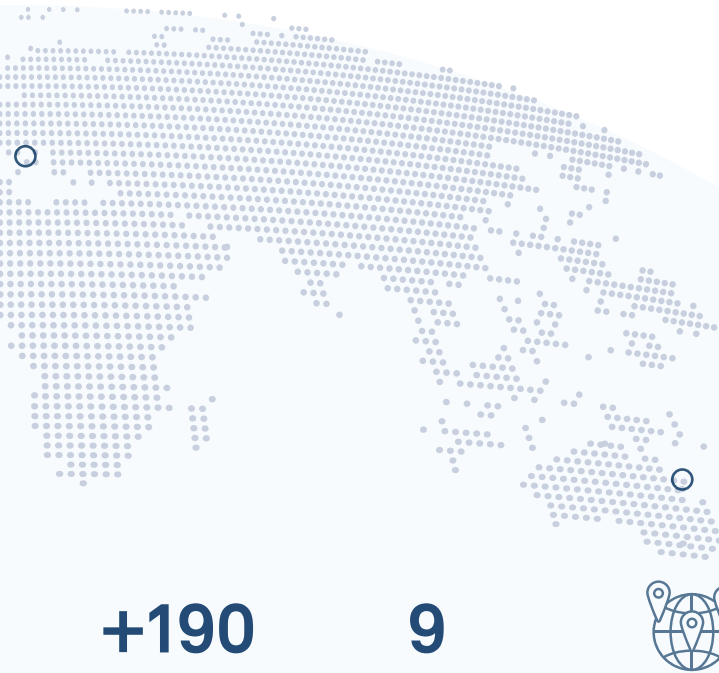
TOTAL 450,401



45% Green revenues

% OF REVENUES FROM PROJECTS THAT HELP THE WORLD ADAPT TO, MITIGATE, OR REMEDIATE THE IMPACTS OF CLIMATE CHANGE, RESOURCE DEPLETION, AND ENVIRONMENTAL EROSION.

Australia, Chile, Colombia, Italy, Mexico, Paraguay, Peru, Spain and Uruguay



+190

9



new
contracts

countries

Strategic Markets



- We offer our customers an end-to-end service that covers their needs and provides a sustained return
- We use the latest and most advanced **technologies** and develop innovative projects that increase **the efficiency, sustainability and security** of our employees and of the services that we provide

We conduct a **wide range of businesses**



ENVIRONMENT

VALORIZA MEDIOAMBIENTE

Benchmark Group. The areas in which it conducts its business are outlined below:



MUNICIPAL SERVICES

Street cleaning, collection of waste including underground recycling containers, gardening and maintenance of green areas, management of parking meters, towing services and withdrawal of vehicles from public roads.

Growth driver of the Environment Group

Maintenance of **1,450** hectares of green areas

+700,000 trees

WASTE TREATMENT

Construction and operation of plants to treat urban solid waste, packaging, and batteries; treatment facilities for construction and demolition debris and landfill gas removal; and plants for biomethanation, incineration, and waste-to-energy production; as well as facilities to treat, compost, and thermally dry the sludge from waste-water treatment plants.

Pioneering technology in waste treatment in Spain, Australia and the US

48 waste treatment plants built

Management of **3** million tonnes of waste per year

ENVIRONMENTAL WORK AND REGENERATION

Water quality control, atmospheric control and recovery of landscapes and woodlands.

MULTISERVICES

Sacyr Multiservicios manages the Sacyr Servicios Group's businesses through five companies: Sacyr Maintenance, Sacyr Facilities, Sacyr Social, Valoriza Minería and Cafestore.



It specialises in road maintenance and upkeep, both in Spain and abroad.

Sacyr Maintenance

Sacyr Facilities

It is a benchmark company in the full-service cleaning of buildings, facility management services and ancillary services.

It is the leader in the management of care homes and day centres.

Sacyr Social

Valoriza Minería:

Mining projects in Spain, mostly on copper, gold, tin, lithium and tungsten deposits.

It has a presence in motorway service area markets (third leading national operator in this market), social-health services and public-sector organisations, serving over 4 million customers a year. In addition, it manages the operation of four petrol stations and a hotel.

Cafestore

Following MILESTONES AND CONTRACT WINS in 2020 are worth particular mention (Millions of €):

Waste collection, street cleaning and maintenance in Collado-Villalba, Madrid. 10-year term.	63
Extension of home help Madrid. Madrid Autonomous Community. 1-year term.	31
Operation of various service areas Cafestore AP7.	27
Extension of Madrid containerisation agreement.	20
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Aids viability and maintenance on the Mediterranean Motorway.	12
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Valoriza Medioambiente



1

Main indicators

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Chairman's letter

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Planet Ambition

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Tree planting by local people Rutas
del Este, Paraguay

4.0. ENVIRONMENTAL VALUE

Sacyr performs its activities in a way so as to reduce the adverse environmental impacts of its operations, and it attains a high level of quality in its processes, projects, facilities and services, paying special attention to the protection of the local surroundings and to relationships with its employees, supply chain, customers and remaining stakeholders with the environment. This assumption is reflected in Sacyr's Code of Conduct and in its Sustainability Framework Policy.

The Group develops this commitment within its Quality, Environmental and Energy Management Policy against Climate Change, in its Water Policy and in its Biodiversity Policy, which includes environmental protection and conservation assumptions in Sacyr's processes, such as the circular economy principles (efficiency in the consumption of resources, energy, water, waste reduction and its correct management), the contribution to the fight against climate change or the protection of biodiversity and of the ecosystems.

These policies have been reviewed and approved by Sacyr's Board of Directors in this year.

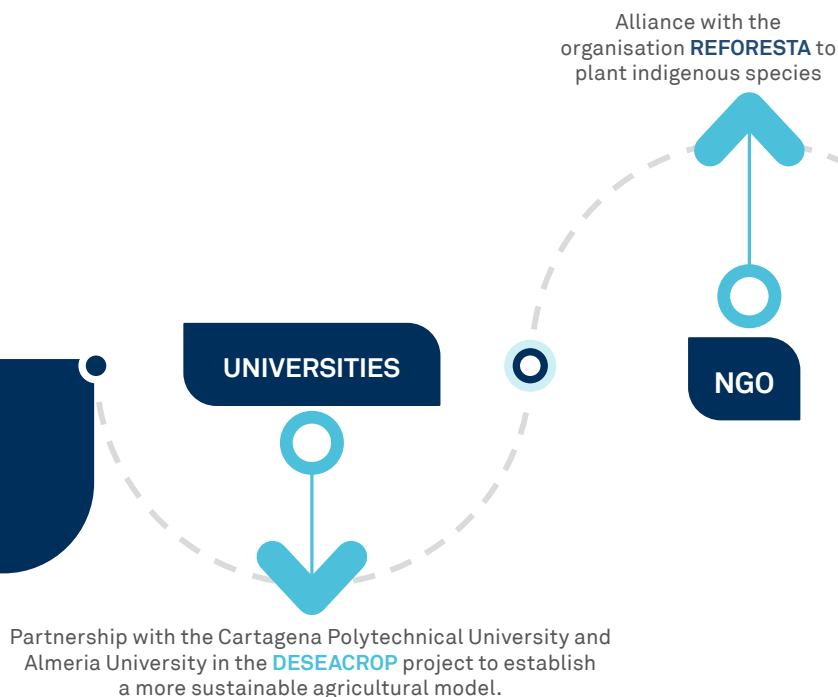
Sacyr 2021-2025's new strategic plan extends our commitment to sustainability, in line with the Sustainable Development Goals, situating it as one of the fundamental axes in Sacyr's future vision, and which will be developed through Sacyr's 2025 Sustainable Plan, with the specific procedures and objectives regarding each procedure. The environmental aspect will revolve around four axes: climate change, circular economy, biodiversity and sustainable cities.

Through the Sustainability and Corporate Governance Committee, delegated by the Board of Directors, and Sacyr's Sustainability Committee, the highest sustainability authorities, the integration of the environmental dimension and the application of environmental policies in Sacyr's business operations is guaranteed, together with compliance with the environmental objectives associated with each of the axes of this dimension.

To ensure success in the application of environmental policies and procedures, Sacyr joins synergies and has global teams, people with talent, experience and rigour, to attain maximum quality in each of its projects.



Partnerships for Environmental Development



In 2020, 835 people contributed to comply with the company's environmental goals.

Given the significance of environmental sustainability issues (climate change, biodiversity, circular economy, water, etc.) with regard to the company's activities, Sacyr allocates annual monetary and non-monetary incentives -associated with strategic objectives- to officials, managers and directors whose work is related with this area.

4.0.1. STRATEGIC ENVIRONMENTAL ALLIANCES

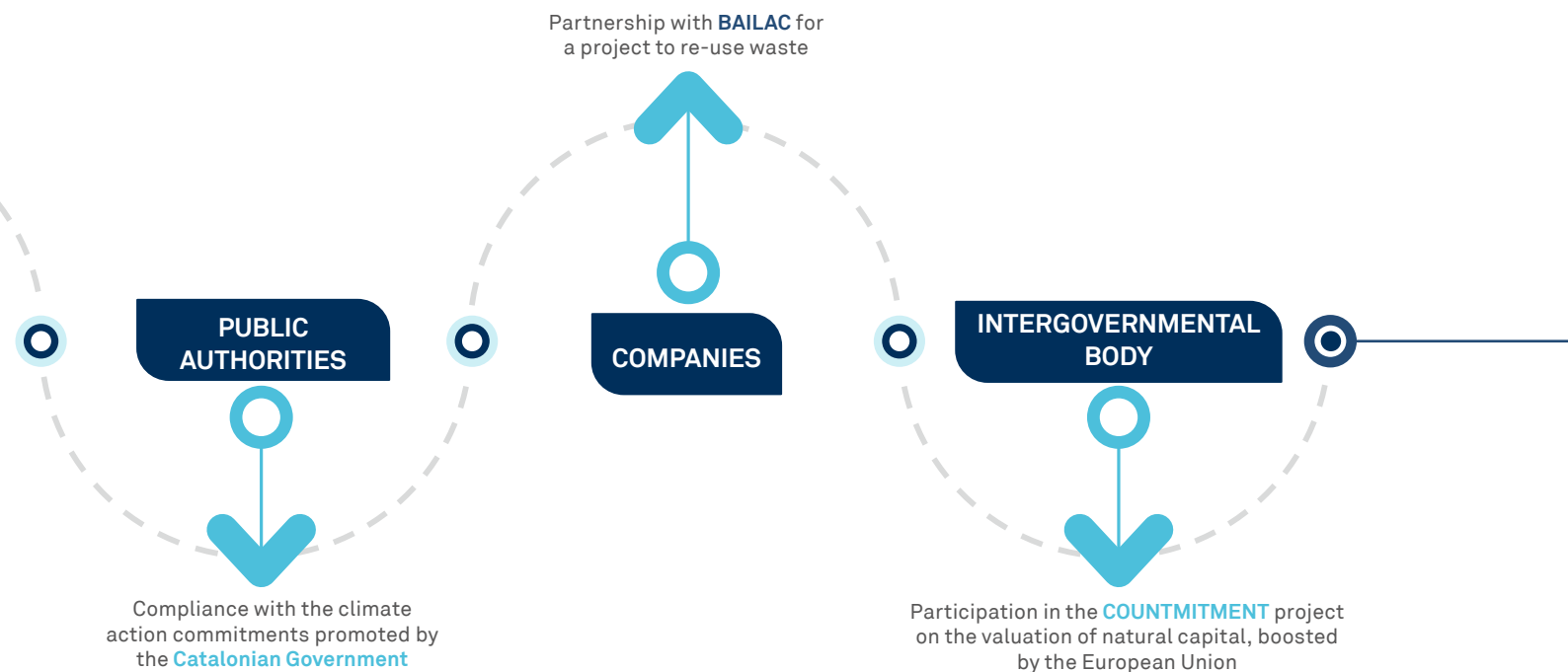
Sacyr is aware of the importance of establishing solid, inclusive and integrated alliance at all levels. In line with **SDG 17 "Partnerships to achieve the Goal"**, partnership agreements were established with public and private players that share a vision and goals focused on people and the planet.

The Group has the backing of these partnerships to boost sustainable development, revitalising strategic alliances and taking advantage of the synergies between the different sectors.

In environmental matters, Sacyr joins forces with universities, public administrations, intergovernmental bodies, NGOs and other companies.

Sacyr is a member of several associations dedicated to promoting sustainable development from different perspectives, including:

- Forética (Climate Change Cluster)
- AEC - Asociación Española para la Calidad (Spanish Quality Association)
- Grupo Español de Crecimiento Verde (Spanish Green Growth Group)
- SEOPAN Comisión de Calidad y Comisión de Medio Ambiente (Quality and Environment Committee)
- Spanish Technological Roads Platform (PTC)
- Member of the Advisory Board for the certification of construction companies, made up of the Ministries of Justice, Environment and Development and representatives of construction companies
- Member of the AEN/CTN 198 "Sustainability in Construction" Committee
- Member of the BREEAM Certification Advisory Board



4.0.2. THE MANAGEMENT SYSTEM

4.0.2.1. MANAGEMENT SYSTEM CERTIFICATION

The Integrated Management System implemented in the business areas acts as an umbrella for the whole organisation.

This System, has enabled us to establish a common framework, homogeneous and integrated, which groups together all certifications of each of the companies that form the Group. At present, it has over 164 certifications, in line with the internationally acknowledged standards, (which currently amount to more than 20), which enables us to talk in a common language in any part of the world, always validated by leading accredited certification companies.

(103)

In 2020, 76.20% of the activities performed by Sacyr are certified in line with the ISO 9001 standard and 75.23% with the ISO 14001 standard.

The company's Environmental Declarations relate to:

- ─ Majadahonda Street Cleaning and Urban Waste Collection Service.

- ─ Street cleaning, waste collection and the management of recycling centres in Lerida (ILNET UTE).

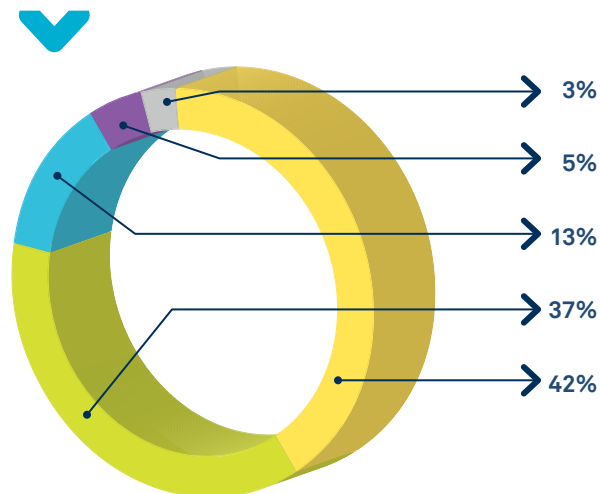
- ─ Concession for the conservation and operation of the Plaza Elíptica transportation hub (ITEPESA).

These Declarations are published on Sacyr's web page, where they can be consulted via www.sacyr.com/en/, in the Innovation Channel, Quality and Environment section.

Furthermore, Sacyr is a licence holder of the Madrid Excellent quality brand since 2003, which recognises us as a company committed to excellence, reflecting the Group's commitment to innovation and ongoing improvement, the satisfaction of stakeholders and interested parties and an active contribution to economic, social and environmental development.

In 2020, a number of Sacyr activities were acknowledged by independent entities, in particular, that of Sacyr Industrial's subsidiary, Sacyr Industrial, Operación y Mantenimiento, which renewed its PEFC (Programme for the Endorsement of Forest Certification) and FSC (Forest Stewardship Council) certificates, addressing the custody of forest and biomass products used at the power plants operated by the Sacyr Group.

CERTIFICATIONS



INFORMATION SECURITY	ISO 27001
PRODUCT CERTIFICATION	AS 4454 ISO/IEC 17067, ENEC, CB, SEC
ENERGY	ISO 50001, ISO 14064, EA 0050, UNE 216701
ENVIRONMENT	ISO 14001, EMAS
QUALITY	ISO 9001, Madrid Excellent, ISO 10005, UNE 158101, 158201, 158301, ISO 17025, UNE 1176/7, Q Tourist quality.



In 2020, we increased the **number of certifications by more than 7%** with respect to the previous year

4.0.2.2. SUSTAINABLE CONSTRUCTION CERTIFICATES

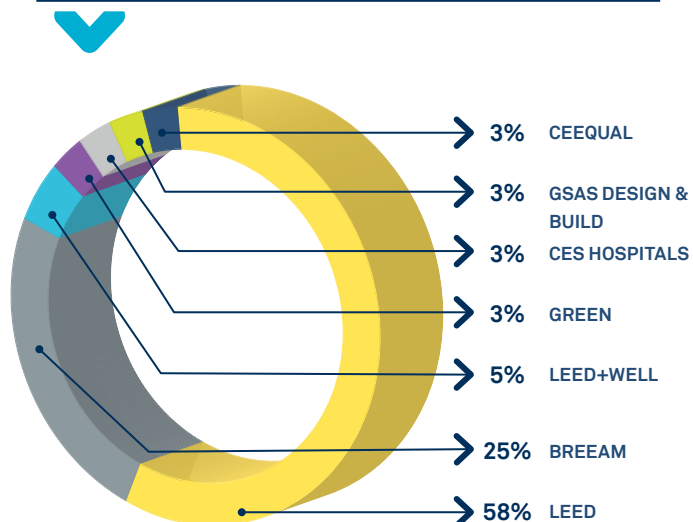
Sacyr has also worked for years on construction projects under LEED, BREEAM, GREEN, CES HOSPITALS, GSAS DESIGN & BUILD, CEEQUAL and WELL certification requirements, which all have sustainable environmental requirements, including water efficiency, energy efficiency and the reuse of materials, etc.

(CRE-8) (SASB_IF-EN-410a.2)



Sustainable certification
in more than 560,000 m²
in building construction
and over 3,800,000 m² in
civil engineering works

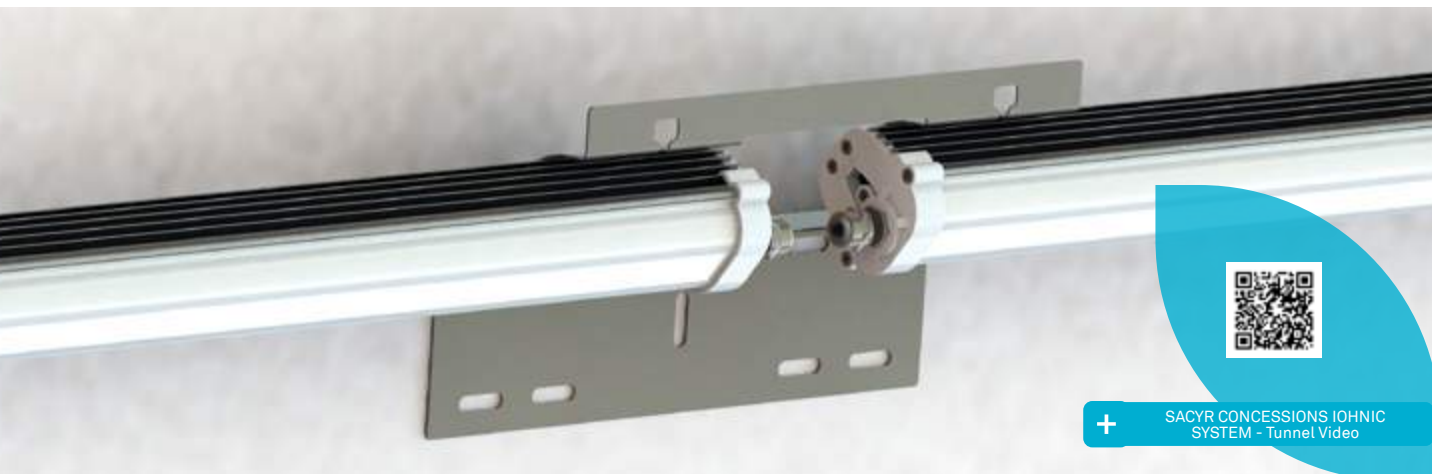
WORKS WITH SUSTAINABLE CERTIFICATION PERFORMED BY SACYR



WORKS WITH SUSTAINABLE CERTIFICATION UNDER WAY

Seventeen construction projects are currently under way with sustainable construction certification in Spain, Portugal, the United Kingdom and Mexico.

LEED	BREEAM
7	7
LEED & WELL	CEEQUAL
2	1



IOHNIC sustainable lighting system



4.0.2.3. MOST SIGNIFICANT PROCEDURES

LIGHTING SYSTEMS OF SACYR IOHNIC COMPLY WITH THE LEGAL AND REGULATORY REQUIREMENTS FOR MARKETING.

The main markets throughout the world demand trials and certification in relation to associated lighting, lamp and electrical-electronic components. In line with the type of illumination or lighting product and the specific jurisdiction, the requirements include electrical and photobiological security trials, energy efficiency, electromagnetic compatibility (EMC) and chemical contents.

SACYR IOHNIC's lighting passed all assessment processes that prove that they comply with the EC marking, of European Conformity, as opposed to the RETILAP regulations in Colombia and the SEC approval in Chile. Accordingly, its innovating IOHNIC lighting system has begun to be marketed.

Its design includes environmental criteria, reducing its environmental impacts in the different phases of its life cycle.

- The critical raw materials used to manufacture its lighting systems are fully recyclable, such as, for example, the aluminium of its carcass or the structure of the LED module.
- A key factor is the approach to the life cycle, since led lighting lasts five times longer than its conventional counterparts, leading to less waste generation. Furthermore, 95% of the mass forming the carcass may be recovered through its reuse for new LED modules.
- Another significant achievement is a lower consumption of energy resources due to the high efficiency and control of lighting. As an example, tunnel emissions (bi-directional, 2km) would lead to the reduction of 153 tonnes of CO₂ per year, i.e. 60%, with respect to other conventional solutions.

IOHNIC is a sustainable lighting system, which guarantees the balance between, environmental conservation, well-being and economic growth, developed by Sacyr Concessions.



SACYR HAS OBTAINED THE PRODUCT QUALITY GUARANTEE CERTIFICATE FOR COMPOST IN AUSTRALIA

Following an audit process with SAI GLOBAL, the Product Quality Guarantee Certificate was obtained for compost, in line with the norm that standardises compost production (Australian Standard AS 4454) at the Organic Waste Treatment Plant in Melbourne (Australia).

It is the first time that a Compost Product Marking has been obtained. This fact positions us on the market as the leading company in the State of Victoria-Australia, guaranteeing the sale of compost to small companies and municipal councils for gardening tasks. Furthermore, it ranks us positively in terms of the offerings currently being developed.

SACYR HAS OBTAINED THE GSAS DESIGN AND BUILD CERTIFICATION

Sacyr was commissioned to design and construct the urban development works for the Doha development area (Qatar), known as the Qatar Economic Zone 1 (QEZ-1), an area of approximately 4.1 KM², which may become a logistics and advanced technology centre in this Middle Eastern city.

The GSAS 3-Stars GSAS certificate, granted by the GORD (Golf Organisation for Research & Development) in the Ras Bufontas project, obtained three stars, which is the highest score that can be obtained.

It is the leading system in the Middle East and North Africa region developed to classify sustainable



buildings and infrastructures. Its main objective is to create a sustainable environment that minimises ecological impacts and reduces the consumption of resources, while taking into account the specific environmental conditions of the region.

SACYR INDUSTRIAL HAS CERTIFIED THE SUSTAINABILITY OF BIOFUELS PRODUCED ON THE BASIS OF OLIVE OIL INDUSTRY WASTE

Directive (EU) 2018/2001 on the promotion of the use of energy from renewable sources constitutes a key component of the transition towards clean energy, and an important part of the packet of measures required to reduce greenhouse gas emissions and to comply with the objectives of the 2015 Paris Climate Change Agreement. Thus, to ensure that renewable energy effectively contributes to the reduction of greenhouse gas emissions, this directive establishes sustainability goals to control the origin of biofuels marketed in the EU.

Following an audit process with Bureau Veritas, Sacyr Industrial positions itself at national level to obtain the sustainability certificate under the ISCC-EU standard for raw materials originating from the olive grove, used as biofuels at the facilities of the Puente Genil Industrial Complex (Córdoba). This certification helps organisations to prove their role in the reduction of greenhouse gas emissions, the sustainable use of land, the protection of natural biospheres and increased social sustainability.

4.0.2.4. RISKS

(SASB_IF-EN-160a.2.) (102-11) (102-15) (201-2)

The underpinnings of Sacyr's quality, environmental and energy management policy include the precautionary principle, the application of which is embodied in its environmental management system.

In this context, Sacyr identifies and assesses the environmental risks and opportunities associated with its activities and related with the main environmental vectors: climate change, water, biodiversity, materials, waste and energy, suppliers.

Once the risks are identified as threats or as opportunities, they are assessed to decide which threats may most significantly affect the attainment of the management system objectives, which must be addressed, defining and planning the actions to be implemented for their elimination, reduction or control. In the case of opportunities, they are also assessed to decide those with respect to which it is necessary to act to benefit the organisation.

The Equator Principles (EP) identify, assess and manage the social and environmental risks arising from major projects in the financing phase.

Sacyr has implemented the Equator Principles in its operations, integrating new obligations in its usual internal operation approval and management processes.

Sacyr's projects in Colombia and Mexico are subject to the Equator Principles and attracted very favourable assessments in the due diligence processes carried out by banks and independent engineers, guaranteeing the required financial closings. Furthermore, the environmental and social management systems that enhance the management of social and environment risks inherent to each of the specific features of the projects currently under way have been consolidated.

Our investment in **environmental protection and conservation** in 2020 amounted to €34.2 million, up 30% on last year

4.0.3. ENVIRONMENTAL EXPENSES AND INVESTMENTS AND REGULATORY COMPLIANCE

4.0.3.1. ENVIRONMENTAL EXPENDITURE AND INVESTMENT



To protect our environment, at Sacyr, we are carrying out a series of environmental investments to reduce environmental risks, guarantee compliance with legal environmental requirements, prevent pollution and adopt energy-saving and efficiency measures, preserve biodiversity, improve waste management and increase environmental training and awareness, among others. Expenditure and investment in relation to these initiatives totalled more than €34 million in 2020.

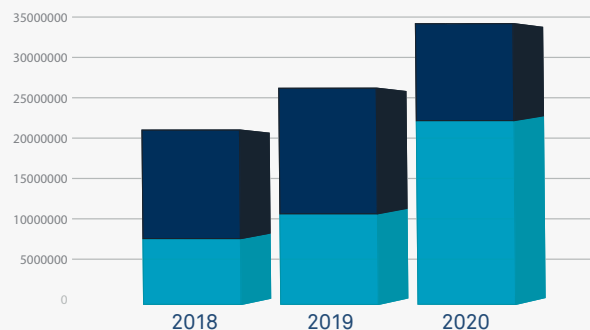
(103)

The costs associated with the environmental initiatives carried out in the past three years were as follows:

SACYR ENVIRONMENTAL EXPENSES AND INVESTMENTS (€)

	2018	2019	2020
Costs of waste treatment, treatment of emissions and restoration	12,032,329.33	15,063,443.92	12,303,635.85
Environmental prevention and management costs	8,336,660.49	11,344,663.96	21,889,011.63
TOTAL	20,368,989.82	26,408,107.88	34,192,647.48

 Costs of waste treatment, treatment of emissions and restoration
 Environmental prevention and management costs



Sacyr's environmental expenditure and investments increased significantly in 2020 compared to 2019, by almost 30%.

To create medium- and long-term competitive advantages through a different proposal, in a more complex and changing environment, the organisation considers innovation to be a strategic alliance of sustainability.

The company's innovation objectives are based on the quest for efficiency and on the development of new business models, through a continued effort in the identification of solutions for the main environmental challenges, among others.

Sacyr has invested **more than 4,399,700 €** in innovation projects related to the environment.

R&D CLIMATE	+1,671,300 €
R&D WATER	+68,900 €
R&D WASTE	+634,600 €
R&D SUSTAINABLE CONSTRUCTION	+1,410,300 €
R&D SUSTAINABLE MOBILITY	+614,600 €

4.0.3.2. REGULATORY COMPLIANCE

It is a priority for Sacyr to comply with all statutory environmental provisions in carrying out its activities, regardless of the country in which they take place. Hence, it permanently monitors environmental regulations, enabling it to ascertain their effect on its activities and take the necessary measures to respond to the new requirements, and to oversee compliance therewith through legally required environmental audits.

(103-1) (103-2) (103-3) (IF-EN-160a.1)

In 2020, a total of two environmental proceedings were completed, one of which generated a liability of €500 for the company while the other was concluded due to the absence of liability, at no cost. Five proceedings were initiated this year, four of which are still under way.

(307-1) (IF-EN-410a.1) (IF-EN-410a.2)

The result of the last three years is as follows:

	2018	2019	2020
Total amount of penalties	3,000.00 €	8,991.57 €	500.00 €
Proceedings closed	3	9	2
Proceedings closed without monetary cost	2	1	1
Proposed penalties received	4	4	5

In 2020, Sacyr also renewed its international Corporate Environmental Civil Liability insurance programme to cover all Group subsidiaries. This environmental civil liability insurance programme sufficiently complies with the qualitative and quantitative requirements set out in the laws applicable in each country (e.g., Law 26/2007 in Spain and Decree-Law 147/2008 in Portugal). The compensation limit for the Insurance Programme is €40 million per claim, and €75 million per policy term.



4.0.4. SUPPLY CHAIN

The relationship that Sacyr maintains with its suppliers, contractors and partnership companies is crucial to supply quality products and services to our customers, with a lower environmental impact and a greater benefit for the company and the rest of the interested parties.

Sacyr considers it to be a priority to prevent any risks arising from its supply chain and in the goods and services produced or provided by the companies forming part of this chain. On 17 December 2020, Sacyr's Board of Directors approved the Supply Chain Management Policy, which defines and establishes Sacyr's sustainability principles and commitments and those of its suppliers in the area of sustainability, from an environmental, social, regulatory, ethical and health and safety perspective, throughout the whole life cycle of its projects.

(103-1) (103-2) (103-3) (102-9)

In 2020, Sacyr implemented the PROCURA IT application, from which all purchasing procedures can be conducted. Within this process, suppliers are initially assessed with environmental criteria (environmental and energy certificates, eco-labels, calculation of the carbon and water footprint and their biodiversity activities) and social criteria (whether it complies with the United Nations Global Compact or whether they have projects that benefit the community), among others.

In 2020, we initially assessed a total of 1,266 suppliers (906 in 2019), of which 823 met environmental and social criteria, representing 65.01% of the total number of suppliers assessed.

(308-1) (414-1)

Furthermore, Sacyr pledges for local suppliers (less than 100 km from the contract), reducing the transport differences and improving the economy of the local community. Accordingly, 36.18% of our suppliers are local.

The process for approving Sacyr's suppliers involves a frequent final analysis of their activities, based on the achievement expectations agreed and notified prior to their assessment. To measure the possible environmental and social impacts in the supply chain, Sacyr performs the necessary controls, which may be: audits, visits to facilities and analysis of complaints and/or claims, analysing whether the projects being carried out by us have any possible effects on local communities.

The audits constitute a powerful tool to control and monitor the performance of our suppliers. Accordingly, in 2020, Sacyr audited 20 suppliers, with quality, social and environmental management criteria, as opposed to the 18 suppliers audited in 2019.

In 2020, the environmental and social impact of 2,436 suppliers (2,360 in 2019) was evaluated, and 33 of them had a significantly negative environmental impact. As a result, 30.30% of these have agreed to make improvements to their environmental-social behaviour and the remainder (69.70%) have put an end to their commercial relationship as a result of the assessment. Furthermore, a negative social impact was detected in a contract from Colombia. As a result of its knowledge and of the investigation of events, Sacyr interrupted the contract with this supplier and provided it with an unfavourable assessment, to ensure that it could not enter into new agreements with Sacyr.

(308-2) (414-2)



4.0.5. ENVIRONMENTAL AWARENESS

In line with our Strategic Plan, we are performing actions relating to sustainable development, climate change, the circular economy and natural capital.

To achieve the objectives envisaged in this area, it is essential to train company employees and our partners (subcontractors).

This training allows Sacyr to count on a group of professionals capable of applying the most advanced knowledge and techniques when carrying out their various jobs, in addition to enhancing improvements to its environmental performance.

Furthermore, the local communities that may be affected by Sacyr performing its activities also receive training on environmental and archaeological topics.

RAISING THE ENVIRONMENTAL AWARENESS OF LOCAL COMMUNITIES

Raising the awareness of rural communities in projects carried out by Sacyr is an important factor to conserve and protect species, since they interact directly with biodiversity.

In 2020, the Mar 1 Consortium held five awareness-raising days aimed at children and young students, and at construction employees. The themes dealt with revolved around:

- Biodiversity.
- Wildlife protection and conservation.
- Plant protection and conservation.
- Importance of protecting vascular epiphytes, as generators of micro-ecosystems, for different species.
- Biological Corridors.
- Focal wildlife species.

On 13 June 2020, the Road Concessionaire Unión del Sur held the first awareness-raising day for inhabitants of the Santa María Residential Complex in the municipality of Pasto. Five hundred and fifty (550) native tree species were planted to provide value to the environmental sustainability processes in the urban areas of the municipality and to generate environmental awareness in the different communities of the project's catchment area.

In 2020, 4,939 environmental and social training days were held, which included courses on Sustainability, Business Management System (SGE-21), energy efficiency at water treatment facilities, EMAS regulations, eco-driving, etc.

125,771 hours of environmental training were given, considering all those that have contributed to minimise the environmental impact.

Comparing these values with those of the previous years, we have:

ENVIRONMENTAL TRAINING HOURS BY STAFF TYPE

	2019	2020
Internal staff	75,146	49,269
External staff (subcontracted)	95,834	76,182
Local communities	468	320
TOTAL	171,448	125,771

Sacyr considers continued training at its work centres to be a priority, taught by the environmental officials responsible for the contracts. Sacyr provides most of this training through the explanation and delivery to its employees and partners of Environmental Best Practice Manuals, which define the possible implications of its activities on the environment and the most appropriate procedures to:

- Minimise impact on the natural environment.
- Promote resource use and consumption efficiency.
- Improve waste management, apply the proper methods to reduce, recover, recycle and ensure that the remaining waste is properly disposed of.
- Prevent pollution of the environment (underground and surface water, soils, atmosphere, etc.).
- Inform and raise awareness about the importance of correct energy management and the impact of its activities on energy performance.

SACYR HAS IMPLEMENTED AN ENVIRONMENTAL SUSTAINABILITY TRAINING PROGRAMME

In June 2020, an environmental sustainability training programme was implemented, which reviews the global statement of public and private initiatives and policies, leading business practices and procedures undertaken by the Group.

The main objective of this course is to raise awareness on sustainable environmental management based on four axes:

1. Sustainability, the 2030 Agenda and the Sustainable Development Goals.
2. Climate change.
3. Water and climate.
4. Circular economy.

It is an online programme aimed at all Company employees. In July, the first edition was launched, aimed at managers of all business areas. In November, the officials specialised in the environment participated in the second edition.



Volunteers planting trees, Rumichaca Pasto, Colombia

4.0.6. GRIEVANCE MECHANISMS

(103)

Sacyr establishes formal mechanisms through the following communication channels to receive queries, claims and/or complaints:

- E-mail: codigoconducta@sacyr.com
- Sacyr's web page (General Advice and Compliant Form): <https://www.sacyr.com/en/shareholders-investors/corporate-governance/normative-compliance/advice-complaint-line>
- Sacyr's Intranet (General Queries and General Complaints): <https://my.sacyr.com/group/mysacyr/sacyr/cumplimiento-consulta-y-denuncia/linea-de-consulta-y-denuncia-general>
- Sacyr's Intranet (EcoMunicate environmental communication channel): <https://my.sacyr.com/group/mysacyr/ecomunicate>

- Post: the complainant may forward the complaint by writing to Sacyr's headquarters.
- Directly through contract advisers.

With regard to environmental complaints made directly against contracts by clients, environmental bodies, the community affected by our activities and other stakeholders, Sacyr has a procedure in place to handle them.

In 2020, 37 communications (25 quality and 12 environmental) have been received through the different mechanisms enabled for this purpose, all of which have been analysed and treated with due diligence, adopting all necessary measures to avoid, mitigate or remedy the negative impacts related to the issue. Currently 35.1% are closed (6 quality and 7 environmental) and 64.9% are awaiting final resolution (19 quality and 5 environmental).

4.0.7. CUSTOMER SATISFACTION

At Sacyr, client satisfaction is a key indicator for evaluating the organisation's overall performance.

For Sacyr, knowing the satisfaction of our clients means knowing their perceptions as well as their needs and expectations. For this reason, we regularly analyse the information that comes from them and take actions to increase their satisfaction, improving the quality of the service provided, the client experience, and our capacity of response and adaptation to their needs and the value offered.

In 2020, the highest score in the last three years was obtained by our customers (4.35 out of 5), while a score of 4.19 out of 5 and of 4.23 out of 5 were obtained in 2019 and 2018, respectively.



Route 66, Camino de la Fruta, Chile





4.1. CLIMATE COMMITMENT

SACYR FOR THE CLIMATE

(103-1) (103-2) (103-3)

Climate change is one of the greatest environmental, social and economic challenges facing mankind and, therefore, it concerns us all.

Aware of its responsibility with regard to global warming, Sacyr wishes to contribute actively and decisively to a sustainable future, minimising the adverse environmental impacts of all the activities and companies of its Group, and promoting actions to improve the environment and society.

With this objective, the company defines its management of coal on a mainstream basis, backed by the reference regulatory frameworks, and by the recommendations of international experts in the area of climate change.

In 2020, the Group implemented different procedures that place value on the company's commitment to fight against climate change with three focuses: involvement in all areas of the organisation, implementation in all countries in which it has a presence and relationship with all stakeholders.

These procedures, aligned with the 2030 Agenda and SDG 13 "Climate action", evidence the systemic change of the company towards a more sustainable model, which works for the decarbonisation of the economy, whose ultimate purpose is to improve its management and performance.

SIGNIFICANT DATA IN 2020

4.4M €

innovation projects related with the environment.

15.73 %

reduction in scope 1+ scope 2 emissions.

47

climate risks and opportunities assessed.

Sacyr considers CO₂ management to be a priority action within its organisation, in order to **contribute to a sustainable future**.

Disclosure of management and performance in the area of climate change –with reference to 2019– through the **Carbon Disclosure Project (CDP)** organisation, score obtained: **A-**.

Registration of the carbon footprint at the **Spanish Climate Change Office**, obtaining the **ICALCULATE and REDUCE** stamp.

FEBRUARY
2020

Launch of the **SACYR FOR THE CLIMATE- YOU FORM PART OF THE CHALLENGE** campaign, to improve experiences and innovative ideas of employees to minimise the business climate footprint.

Qualitative half-yearly analysis of the risks and opportunities related with climate change following the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**.

Review and update of Sacyr's **Climate Change Policy**.

JUNE
2020

JULY
2020

Presentation of the challenge **"Measure and report the carbon footprint"** of the **Sacyr iChallenges** campaign to develop a tool to automate calculations.

Launch of the **environmental sustainability training programme**, with a special focus on **climate change**.

AUGUST
2020

2019



The #ForTheClimate Community includes Sacyr in its catalogue of the 101 Business Examples of #ForTheClimate Actions.

The #ForTheClimate Community arises from the need to accelerate climate action in the different sectors of society. Its objectives include assembling pioneers that are already fighting against the climate crisis and reducing their emissions to attain the goal of limiting the rise in temperature to 1.5°C and of achieving carbon neutrality in 2050.

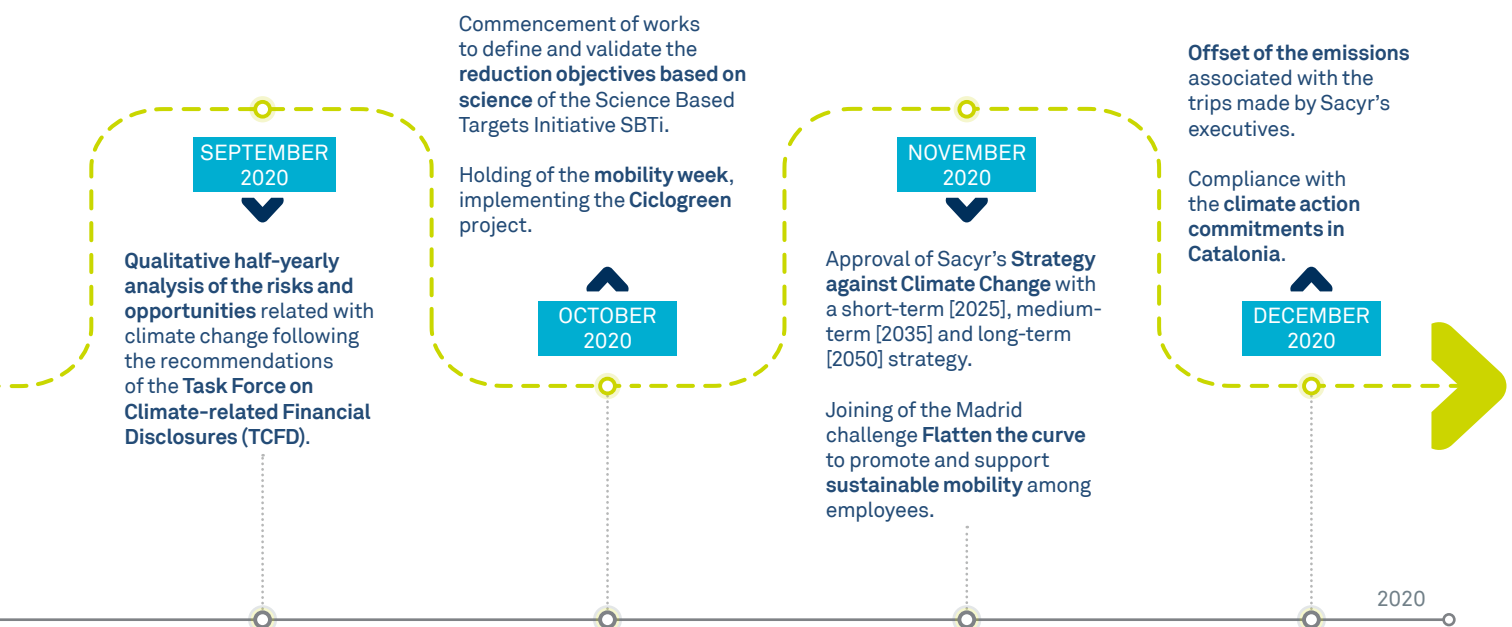
They annually compile the most important business initiatives in a catalogue to communicate them to the leading private sector players. In 2020, Sacyr was included for the first time, highlighting its climate management strategy.

4.1.1. SACYR'S CLIMATE CHANGE POLICY AND STRATEGY

At Sacyr, its climate policy and strategy are the backbones of carbon management: on the one hand, the policy defines and establishes the principles and criteria that govern its climate change actions and, on the other hand, the strategy sets the objectives and draws the climate road map. In the first semester of 2020, Sacyr's Climate Change Policy, approved by Sacyr's Board of Directors, was reviewed and updated. Consult the document by visiting on the website: www.sacyr.com/en/, in the Shareholders and Investors Channel, section corporate governance/corporate policies/ or www.sacyr.com, in the Innovation Channel, section Quality and environment/commitments

Alongside this, during the course of this year, the company worked on consolidating the climate strategy, developed in three phases:

- I. Diagnosis study.
- II. Identification and assessment of climate-related risks and opportunities, in line with the *Task Force on Climate-related Financial Disclosure (TCFD)*.
- III. Establishment of objectives and definition of lines of action.



Sacyr approves its strategy against climate change

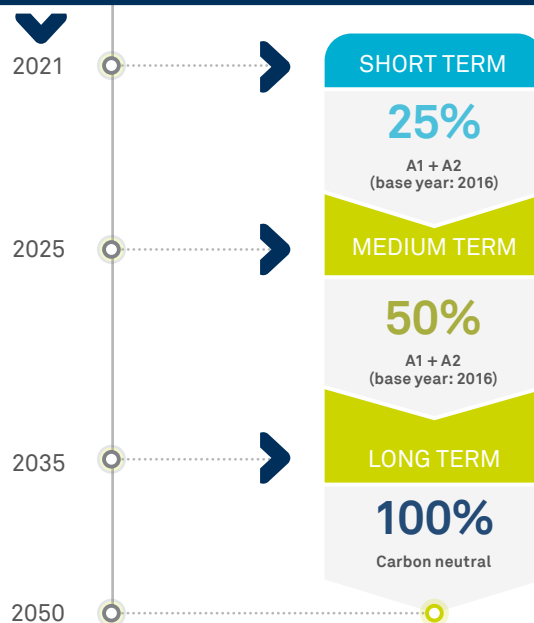
In line with national and international legislation, this strategy places the focus on mitigating and adapting to the climate change of businesses, the offset of project emissions, the disclosure of management and performance and the commitment and participation with different stakeholders.

This project culminates with the presentation of the road map regarding the management of carbon, marking the Group's climate agenda and acting in a common action framework:

1. A vision on climate change and its impact on the organisation, considering identified risks and opportunities.
2. Management guidelines.
3. Targets focus on three horizons: short (2021-2025), medium (2025-2035) and long term (2035-2050).
4. Action packages derived from targets.

The ultimate purpose of this ambitious project is to achieve neutrality in carbon before 2050, with short- and medium-term intermediary objectives.

Greenhouse gas emission reduction targets



This year commenced with the implementation of different initiatives to mitigate, adapt and raise awareness, all of which were encompassed within the lines of action identified in the climate change strategy.

OBJECTIVES

MITIGATION

LINES OF ACTION

1. Boost energy efficiency
2. Increase the use of renewable/alternative energy
3. Increase knowledge of the corporate carbon footprint and life cycle of products/services
4. Reduce the emissions of the value chain
5. Implement actions to boost the circular economy

ADAPTATION

6. Reduce climate vulnerability
7. Adapt to the effects of climate change

OFFSET

8. Boost the offset of emissions
9. Establish an internal price for carbon

COMMUNICATION, AWARENESS-RAISING AND COLLABORATION

10. Intensify communication and improve the competitive positioning.
11. Raise awareness and sensibilise regarding climate change and our procedures
12. Promote inclusion in public – private initiatives

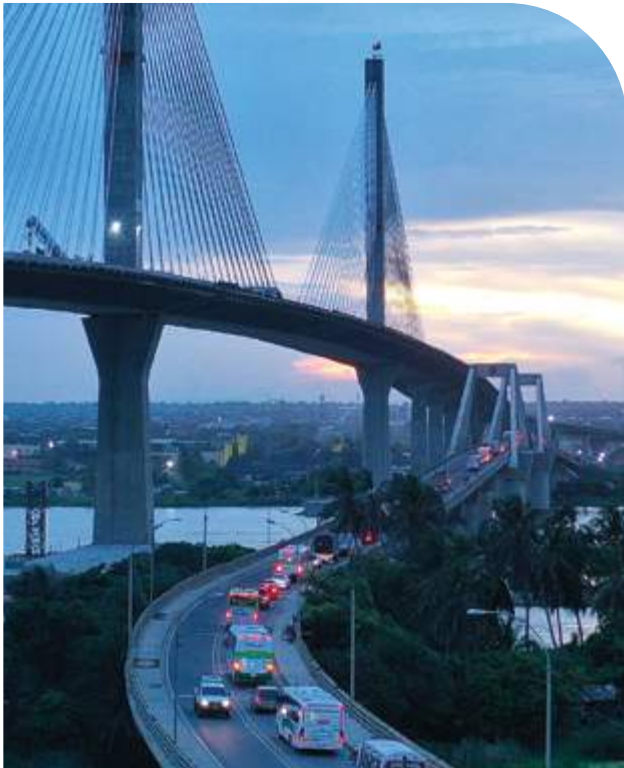
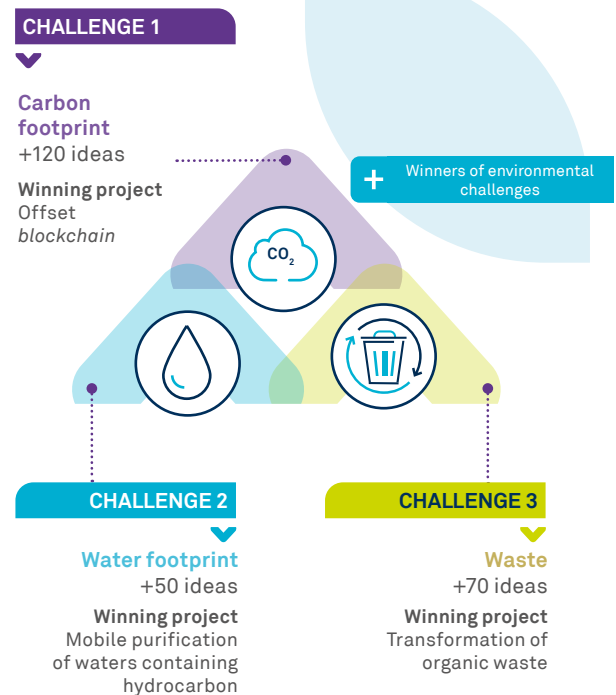
Sacyr launches the campaign:

“SACYR FOR THE CLIMATE - YOU FORM PART OF THE CHALLENGE”

The Group's employees lead the **SACYR FOR THE CLIMATE - YOU FORM PART OF THE CHALLENGE** campaign, which promotes the search for experiences and innovative ideas to minimise the company's environmental impact.

The objective is to identify solutions that reduce the carbon footprint and the water footprint and minimise the generation of waste, addressing the environmental challenges faced by us at short, medium and long term, to detect the points of improvement in the area of climate change; to continue to go into depth in the company's action potential; to raise awareness and sensibilise employees regarding the causes of the threat and the effects on the company and on businesses.

This initiative reinforces the company's commitment to sustainability, innovation and continued improvement: all business areas have been represented, over 240 ideas have been included and the winning projects in each category have been implemented.



4.1.2. CLIMATE RISKS AND OPPORTUNITIES

(201-2)

A group of experts of all business areas at Sacyr perform an analysis of physical and transitional risks and opportunities twice a year in relation to climate changes and applicable to all businesses and geographies.

Accordingly, it conducts a study of climate scenarios -in which it considers the concentration of greenhouse gases in the atmosphere, and the physical characteristics of the climate- and transitional scenarios -which analyse the trends in politics, energy and economy related with climate change-.

Climate-related risks and opportunities are assessed by applying the methodology defined by the Task Force on Climate-related Financial Disclosures (TCFD), based on four recommendations: governance, strategy, risk management and metrics and objectives.

Pumarejo Bridge, Barranquilla, Colombia

ASSESSMENT OF CLIMATE RISKS AND OPPORTUNITIES

GOVERNANCE

(RISKS AND OPPORTUNITIES)

Through the Sustainability and Corporate Governance Committee, delegated by Sacyr's Board of Directors, and the Sustainability Committee, the highest sustainability authorities meet quarterly and monthly, respectively, to deal with matters relating to the company's management and performance addressing, among others, specific aspects associated with climate change.

STRATEGY

(RISKS AND OPPORTUNITIES)

Sacyr analyses all the risks and opportunities identified by the TCFD, considering their impact on its businesses and the company's resilience with regard to such risks.

With regard to their materiality for the organisation, the physical risks are mainly associated with the changes in rainfall and extreme variations in climate patterns. Also, the transitional risks refer to regulatory items, such as the major reporting obligations or dependence on fossil fuels, market issues regarding the increased cost of raw materials and reputation due to the increasing concerns of the interested parties and the stigmatisation of the sector.

With regard to the material opportunities, the company places the focuses on the efficient use of resources, such as the optimisation of processes and the use of recycling; the pledge for low emission energy resources with more efficient technologies; the ability to diversify commercial activities and market issues regarding the preferences of investors, public incentives or access to new sectors.



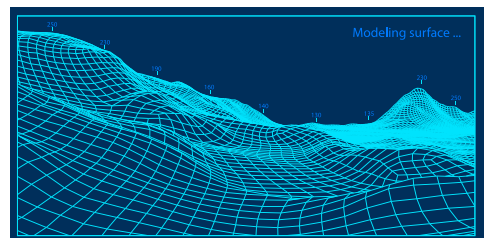
RISK MANAGEMENT

In line with the company's global procedures, Sacyr has a specific procedure to assess and manage environmental risks, which include those related with the climate.

This assessment is carried out considering the different climate and transitional scenarios, together with the organisation's internal and external context, identifying those whose materiality is significant for business based on the impact and probability of occurrence. In order to mitigate the risks and boost opportunities, different action plans are defined and implemented which are applied on a mainstream basis.

METRICS AND OBJECTIVES

The organisation sets objectives for those key parameters closely linked to climate change -energy, carbon footprint, water footprint, waste, biodiversity, supply chain and innovation-. To assess its performance, the company monitors these parameters on an annual basis.

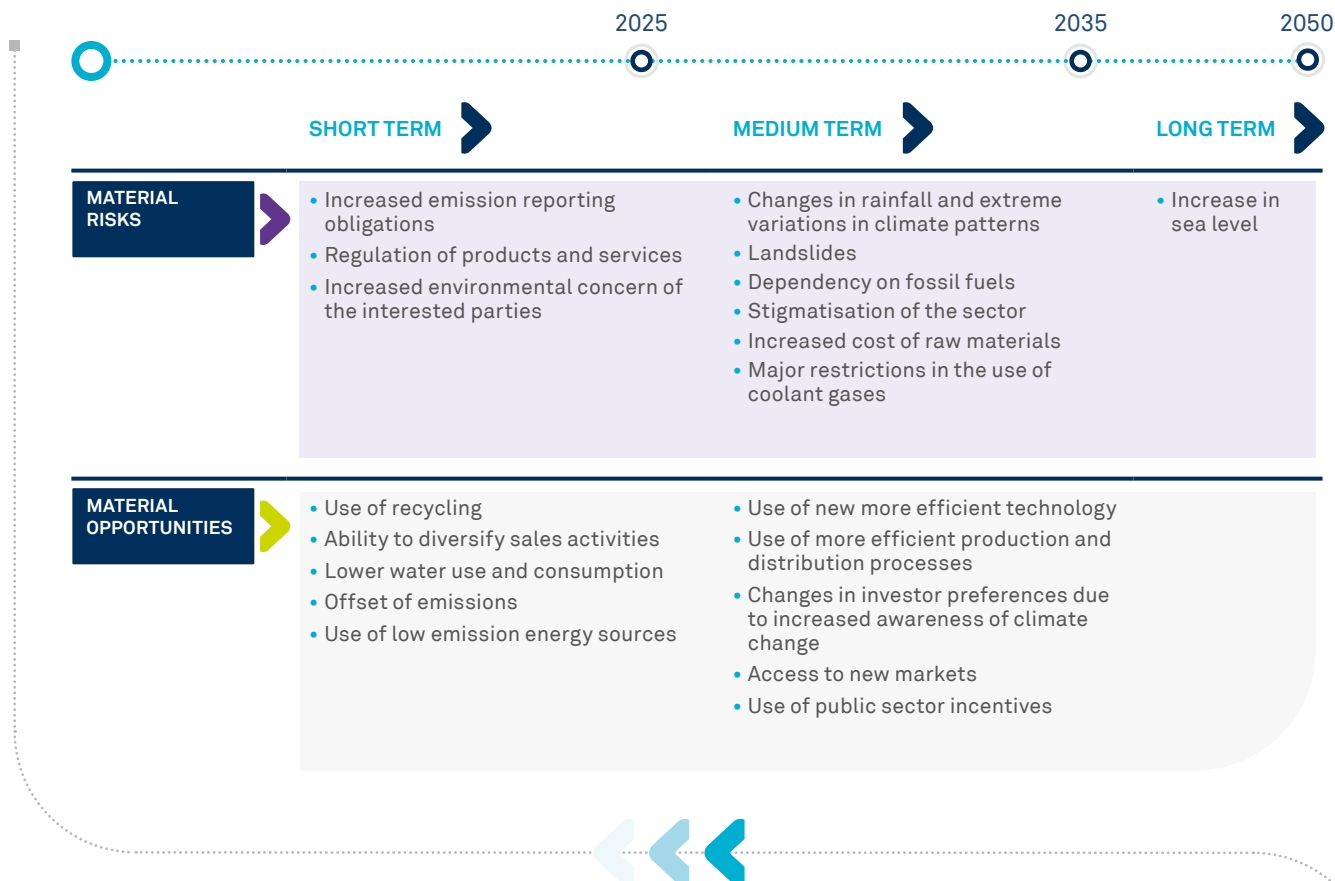


sacyr

TCFD

TASK FORCE ON
CLIMATE-RELATED
FINANCIAL
DISCLOSURES

Below are greater details of the material climate risks and opportunities classified in accordance with their time horizon.



CDP RECOGNISES SACYR'S LEADERSHIP IN THE AREA OF CLIMATE MANAGEMENT AND PERFORMANCE

For the second year running, Sacyr has taken part in the Carbon Disclosure Project (CDP), publicly disclosing information on its management and performance in the area of climate change, obtaining the A- Leadership level.

CDP enables investors to identify those companies that incorporate sustainability into their commercial strategies and practices, thereby facilitating a climate risk assessment of their portfolios. It is considered to be a benchmark for investors and advisers with 106 billion dollars of assets managed.

This organisation considers different aspects, including most notably the functions and responsibilities of the company bodies in the supervision of climate-related matters; risks and opportunities associated with climate change; calculation of the carbon footprint: definition of emission reduction targets and plans and involvement in initiatives that boost sustainable development.



SUSTAINABLE MOBILITY AT SACYR

Sacyr reinforces its climate strategy by boosting the transition towards urban sustainability mobility in its businesses, supported by four basic pillars: innovation, technology, awareness-raising and flexibility.

Ten initiatives support sustainable mobility at Sacyr:

1. Promote the use of video conferences to minimise travel.
2. Employment flexibility to reduce rush hours.
3. Extension of electrical recharging points in car parks at corporate centres for cars and scooters, as well as specific areas to park bicycles.
4. Training for employees in eco-driving.
5. Promotion of technological innovation projects to boost electrical mobility or with natural gas.
6. Progressive substitution plan of the car fleet for less polluting vehicles, with the Group currently owning 450 hybrid, electric and zero-emissions cars.
7. Eco-driving certification, in line with the EA 0050 specification for industrial vehicles.
8. Organisation of forums regarding sustainable mobility, such as Mobility City.
9. Promotion of citizens' initiatives to foster sustainable urban mobility through talks, workshops and competitions. Noteworthy, among others, was the project launched with Madrid Transport Consortium and the Ciclogreen start-up to boost more environmentally responsible mobility habits.
10. Participation in the 2020 Urban Mobility Change, the competition of companies committed to sustainable mobility, in which Sacyr reached 6th position with over 5,000 km covered and a reduction of over 2,000 kg CO₂.

Through the implementation of such initiatives, the Group is managing to reduce emissions, promote energy efficiency, raise the awareness of employees and citizens and improve quality of life in the regions in which it operates.

Sacyr is taking part in the “We move, we take care of ourselves” campaign in Madrid

Sacyr has joined the sustainable mobility initiative promoted by the Madrid Municipal Council, the Autonomous Community Government, the European Institute of Innovation and Technology, (EIT Climate-KIC) and the Day After platform.

The main objective of this initiative is to reduce business trips to the companies' corporate headquarters by 30% with respect to pre-COVID-19 levels, improving traffic in the city and air quality, and providing citizens with different options to carry out their working day. In this regard, coordinators of the initiative have defined and boosted different programmes that boost sustainable employment alternatives.

Among the different measures proposed, Sacyr has implemented plans regarding timetable flexibility, sustainable transport to work and videoconferences, pledging for a high degree of compliance – affecting 75-100% of the workforce-.

This project has once again proven the commitment to the 2030 Agenda and the Sustainable Development Goals, through the contribution to SDG 11 Sustainable cities and communities, providing access to safe sustainable transport systems, thereby reducing the negative environmental impact per capita of Madrid's towns.

4.1.3. ENERGY CONSUMPTION

Sacyr's climate performance is monitored using indicators on energy consumption, energy intensity and the carbon footprint.

(103-1) (103-2) (103-3)

The trend in internal energy consumption over the last three years is shown in the following table:

(302-1). INTERNAL ENERGY CONSUMPTION (GJ)

	2018	2019	2020*
TOTAL SACYR	11,431,388.11	10,978,542.58	3,772,047.66

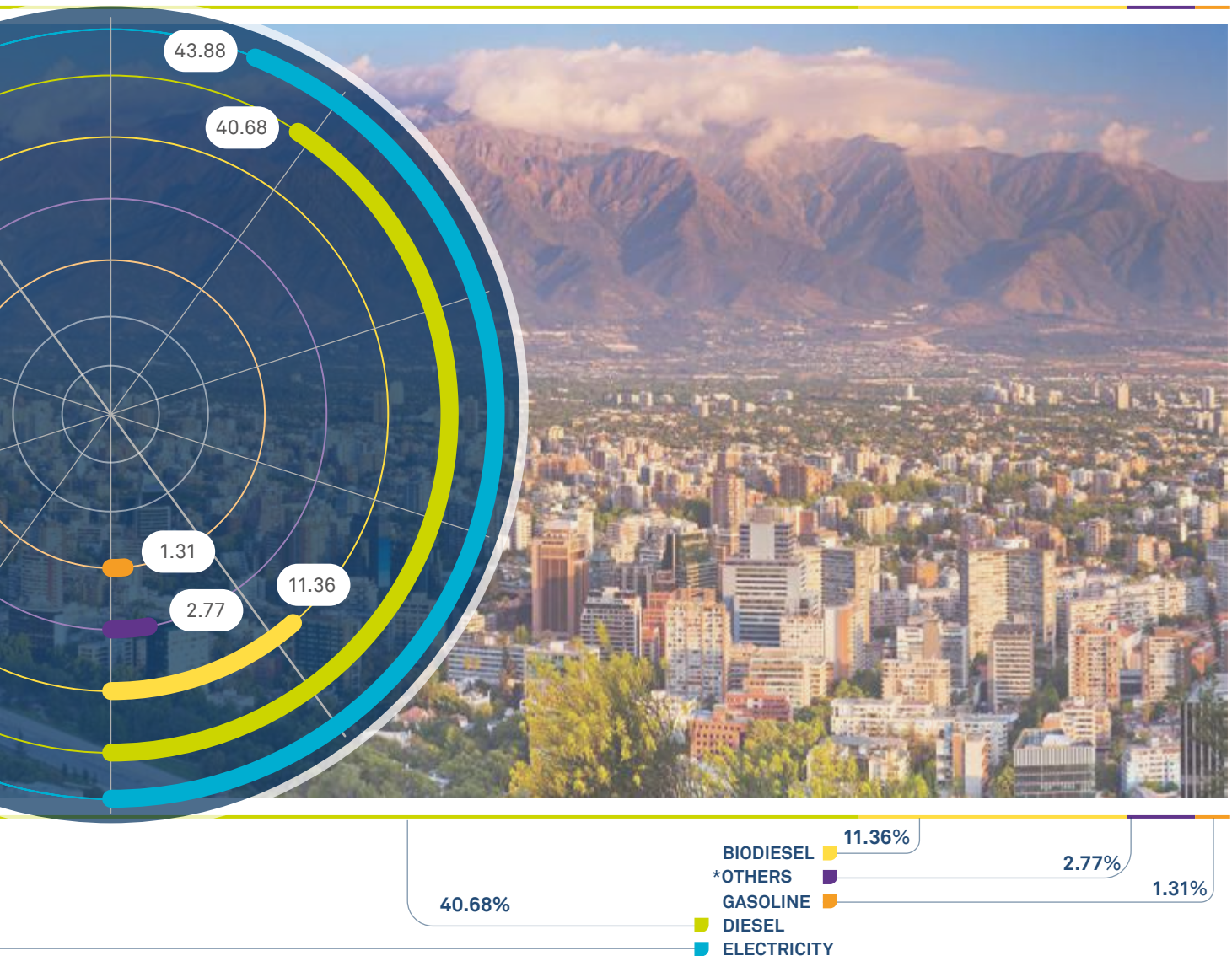
* Such significant variations with respect to previous years are due to the sale of energy generation plants formalised at the end of 2019



43.88%



One of **our management objectives** is to achieve the same services or products at a lower energy cost



*Other (Natural Gas - LPG - CNG - LNG - Fuel Oil - Propane and Butane)

The use of biodiesel represented more than 11% in 2020. Sacyr pledges firmly for renewable energy and has gone a step further by signing an agreement for the supply of electricity from renewable sources with a certificate to guarantee the origin for projects located in Spain for 2021. The guarantee of origin is an electronic certificate issued by the National Commission on Markets and Competition (CNMC), which guarantees that the energy consumed originates from renewable generation sources.

Energy consumption outside of the organisation relates to business travel and to the lines of activity in which the company provides its services.

(302-2). EXTERNAL ENERGY CONSUMPTION (GJ)

	2018	2019	2020
TOTAL SACYR	68,395.86	76,661.50	62,371.62

(302-3). ENERGY INTENSITY

	2018	2019	2020
TOTAL ENERGY CONSUMPTION (GJ)	11,499,783.98	11,055,204.09	3,834,419.28
REVENUE (€ THOUSAND)	3,795,717.00	4,169,467.00	4,547,878.00
ENERGY INTENSITY	3.03	2.65	0.84

4.1.4. ENERGY EFFICIENCY PROCEDURES

(SASB_IF-EN-410a.2.)

Sacyr considers energy management to be one of its pillars in the sustainable development of the activities performed by it. Efficient energy management represents a lower environmental and economic impact and the reduction of greenhouse gas emissions. In 2020, the following energy efficiency initiatives, among others, were undertaken:

- Implementation of projects to improve energy efficiency at the facilities of customers with personalised advisory services, adapting their needs, for example, in energy management projects with regard to public lighting, buildings and municipal facilities and at hospitals.
- Inclusion of solar energy to substitute diesel fuel engines at ancillary construction work facilities.
- Substitution of classical lighting sources for LED lighting.

- Renewal of fleet with more efficient vehicles in service agreements.

Sacyr extends the scope of ISO 50001 certification with activities such as waste collection, recycling centre management, cleaning of beaches, the cleaning of graffiti at Valoriza Medioambiente and at Sacyr Water, which has already been certified for the integral water cycle, the operation, maintenance and conservation of transport facilities and the handling of wastewater are included.

In the same way, Sacyr has renewed its verifications of greenhouse gases under the ISO 14064-1 standard for the Construction area in Spain, and for the services and the operation of national waste treatment plants of Valoriza Medioambiente.

(302-4) (302-5) (305-5)

In 2020, energy savings of 3,244.90 GJ were quantified at Sacyr (63,961.22 GJ en 2019), thus avoiding the emission of 233.47 t CO₂ eq into the atmosphere₂ eq (3,847.17 t CO₂ eq en 2019) This saving is due to procedures linked to lighting, to the generation of electricity using renewable sources rather than fossil fuels and to the renewal of vehicles, acquiring latest technology and more efficient fleet. Additionally, Sacyr contributed to the energy reduction of 1,571.31 GJ through the provision of services to customers, avoiding the emission of 87.29 t CO₂ eq.

(CRE1) (CRE2) (CRE3)

The energy, water and GHG emission intensity of the construction business in the last three years is shown in the table below.

ENERGY, WATER AND EMISSION INTENSITY AT BUILDINGS

	2018	2019	2020*
ENERGY INTENSITY (Kwh/m ²)	41.07	33.77	71.40
WATER INTENSITY (m ³ /m ²)	0.14	0.17	0.19
INTENSITY OF GHG EMISSIONS Kg CO ₂ eq/m ²	13.51	10.11	18.86

*Such a significant variation with respect to previous years is due to the change in the organisation's headquarters.

(CRE4)

The GHG emissions intensity for new buildings and redevelopment is 8.51 t CO₂ eq/Mill € (8.92 in 2019).



Almodévar Reservoir Dam, Huesca, Spain

We implement energy saving measures in the UTE Embalse Almodévar construction project

Sacyr, in line with its fight against climate change and, in accordance with its quality, environmental and energy policy, boosts procedures to reduce emissions and the project's energy consumption, through the substitution of fossil fuels with energy from photovoltaic panels.

Solar energy is economical, inexhaustible, relatively simple to install and maintain and, moreover, it is a clean silent energy source.

Accordingly, photovoltaic panels have been placed to substitute motor-generators at:

- Lorry weighing facilities, which represent a saving of approximately 4,540 litres of fuel per year, avoiding 11.2 tCO₂eq.
- In lighting pylons under construction, an annual consumption per lighting pylon of 756 litres of fuel is estimated, avoiding 1.8 tCO₂eq.

These procedures are classified within the ISO 50001 certification, an international standard aimed at efficiency in energy consumption management and optimisation, of Sacyr Engineering and Infrastructure.



Sacyr Foundation volunteer programme

Sacyr participates in the programme “Payment for Environmental Services and Conservation Initiatives”

Sacyr participates in the construction of eco-efficient stoves and dendroenergetic allotments within the investment plan 1% of the Pedregal-Catambuco tranche of the Rumichaca-Pasto Project (Colombia).

The eco-efficient stove project aims mainly to reduce wood consumption by peasant families of the local community, thereby contributing to mitigate deforestation in Colombia.

The average wood consumption per family is 20 kg a day. Eco-efficient stoves enable boiling point to be reached in half the time, achieving a saving in wood of 58% and an improvement in thermal efficiency of over 20%. According to studies from the World Bank, eco-efficient stoves can reduce CO₂eq. emissions by up to 66%.

More than 800 families have benefited from this project and to date over 180 eco-efficient stoves have been built, with them expected to reach the whole of the local community before the end of the project.

4.1.5. GREENHOUSE GAS EMISSIONS

(103-1) (103-2) (103-3)

For years, Sacyr has calculated the greenhouse gas emissions caused by its activities. Sacyr prepares its emissions inventory following the GHG Protocol and submits it to an independent review in accordance with the ISAE 3410 standard "Assurance Engagements on greenhouse gas statements".

The consolidation of Sacyr's greenhouse gas emissions is carried out considering the operational control focus, as an organisational limit. In line with this approach, it is necessary to account for the emissions of those sources over which it has full authority to implement its corporate policies and strategies.

Sacyr's environmental targets include reducing scope 1, 2 and 3 emissions in 2020.



Sacyr has obtained the "I REDUCE" stamp from the Ministry for Ecological Transition and Demographic Challenge. CO₂ emissions in

Spain in the 2017-2019 triennium fell by 12.6% on the emission intensity average with respect to the 2016-2018 triennium for scopes 1, 2 and 3, leading this acknowledgement to be received for the second year running.

Direct emissions in Sacyr come from its various centres of operations and are associated with:

- Fuel combustion from mobile sources: emissions from fuel consumption associated with travel and machinery.
- Fuel combustion from fixed sources: emissions from fuel consumption associated with stationary or fixed equipment and fixed facilities.

- Leaks emissions: emissions from leaks of cooling gases from air conditioning equipment.

The following table shows the trend of Sacyr's direct emissions in the last three years.

(305-1). DIRECT GREENHOUSE GAS EMISSIONS

t CO₂eq (Scope 1)

	2018	2019	2020*
TOTAL SACYR	481,751.33	437,435.22	119,657.23

*Such significant variations with respect to the previous years are due to the sale of energy generation plants formalised at the end of 2019. Since Sacyr provides services at such facilities, consumption at these plants is envisaged in scope 3, category 8.

Indirect emissions in Sacyr come from its various centres of operations and are associated with the electricity consumption of the facilities at these centres.

(305-2). INDIRECT GREENHOUSE GAS EMISSIONS

t CO₂eq (Scope 2)

	2018	2019	2020*
TOTAL SACYR	46.618,45	49.184,59	290.433,97

*Such significant variations with respect to previous years are due to the inclusion of new water plants at Sacyr Concessions.

The trend in Sacyr's greenhouse gas emission intensity is shown in the following table:

GREENHOUSE GAS EMISSION INTENSITY

(305-4)

	2018	2019	2020
TOTAL EMISSIONS (GJ)	528,369.78	486,619.80	410,091.20
REVENUE (€ THOUSAND)	3,795,717.00	4,169,467.00	4,547,878.00
GHG INTENSITY	0.14	0.12	0.09

(305-3) OTHER INDIRECT GREENHOUSE GAS EMISSIONS t CO₂eq (Scope 3)

In order to ascertain the impact of the value chain on Sacyr's carbon footprint, in 2020, for the first time, a complete mapping was carried out of the fifteen

categories of scope 3, analysing their significance in the activities performed by the Group.

PURCHASED GOODS AND SERVICES Emissions associated with the main goods consumed at Sacyr	393,834.95 t CO ₂ eq in 2019 406,204.12 t CO ₂ eq in 2020
FUEL AND ELECTRICITY PRODUCTION, TRANSPORT AND DISTRIBUTION Emissions associated with fuel and electricity generation, transport and distribution	Not available in 2019 95,166.15 t CO ₂ eq in 2020
UPSTREAM TRANSPORTATION AND DISTRIBUTION Emissions associated with the transportation and distribution of packages	Not available in 2019 46.10 t CO ₂ eq in 2020
WASTE GENERATED IN OPERATIONS Emissions associated with all waste generated in the performance of activities	819,637.27 t CO ₂ eq in 2019 205,531.99 t CO ₂ eq in 2020
BUSINESS TRAVEL Emissions associated with trips and overnight stays of employees for occupational purposes	5,952.53 t CO ₂ eq in 2019 5,297.69 t CO ₂ eq in 2020
EMPLOYEE COMMUTING Emissions associated with the transportation of employees between their homes and their workplace	Not available in 2019 20,563.31 t CO ₂ eq in 2020
UPSTREAM LEASED ASSETS Emissions associated with facility operations and maintenance activities	Not available in 2019 205,692.56 t CO ₂ eq in 2020
DOWNSTREAM TRANSPORTATION AND DISTRIBUTION Emissions associated with the transportation and distribution of RARx	Not available in 2019 92.93 t CO ₂ eq in 2020
PROCESSING OF SOLD PRODUCTS Emissions associated with the processing of RARx marketed	Not available in 2019 56.68 t CO ₂ eq in 2020
USE OF SOLD PRODUCTS Emissions associated with the use of traded RARx	Not available in 2019 23.00 t CO ₂ eq in 2020

(305-3) INDIRECT GREENHOUSE GAS EMISSIONS t CO₂eq (Scope 3)

	2018	2019	2020
TOTAL SACYR	5,327.01	1,219,424.74	938,673.83

For the first time, emissions were calculated for activities relating to fuel and energy, upstream transportation and distribution, employee trips,

upstream leased assets, downstream transportation and distribution, processing and use of products sold. Also, the calculation of the travel category was extended to include emissions associated with overnight stays.

Sacyr is continuing to work to go into greater depth and include more elements in the different categories. Hence, its performance over the years is variable without being due to the increased emissions generated rather to the calculation made.

At Sacyr's facilities, the substances that affect the ozone layer are found in the air conditioning units, which are maintained in accordance with existing legislation. In addition, the working of this equipment is closely controlled, to minimise the chances of leakages.

This year, as in 2019, Sacyr has not emitted CFC11 (trichlorofluoromethane).

(305-6)

Sacyr's emissions of sulphur dioxide (SO₂) and nitrogen oxides (NOx) originate from electricity consumption.

(305-7) NOx AND SO₂ EMISSIONS

	ELECTRICITY (tSO ₂)			ELECTRICITY (tNOx)		
	2018	2019*	2020**	2018	2019*	2020**
SACYR	52.68	294.94	689.72	37.57	191.80	469.00

*The very significant trend in NOx and SO₂ emissions in 2019 with respect to 2018 is due to a change in the emission source associated with these pollutants.

**Such significant variations in 2020 with respect to 2019 are due to increased electricity consumption as a result of the inclusion of new water plants at Sacyr Concessions.

SACYR COMPLIES WITH CLIMATE ACTION COMMITMENTS IN CATALONIA

In 2019, Catalonia declared a climate emergency and stated that it was fully aware of the serious risk of global warming. As a result of this declaration and in response to the situation, in January 2020 the first Catalonia Climate Action Summit was held, in which a short- and medium-term road map was agreed.

In relation to the general commitments defined at the summit, Sacyr:

- Meets Catalonia's target of achieving carbon neutrality in 2050.
- It will broaden its knowledge of the climate impact arising from its activities.
- It will disclose and promote the climate commitment at its organisation.
- It will promote the energy transition of its activity.
- It will reduce the climate impact of the mobility generated.
- It will progressively adopt the principles of the circular economy.

It commits itself to the additional proposals of the construction, environmental and energy sectors, considering the activities performed by the company in the region.



Sacyr undertakes
to be **carbon neutral**
before **2050**



Autopista al Mar 1, Antioquia, Colombia



SACYR OFFSETS EMISSIONS ASSOCIATED WITH EXECUTIVE TRIPS IN 2020

The company pledges for the offset of emissions as a mechanism to minimise its impact on the environment, at the same time supporting small local environmental conservation projects.

In this year, 850 tons of CO₂ were offset, corresponding to emissions from trips made by

the company's executives, through the following projects:

- iSeed: project to reforest ecosystems with indigenous species planted with pregerminated seeds launched from drones. It is implemented in Spain and is certified by the Ministry for Ecological Transition and Demographic Challenge.
- Chacayes VCS: project to generate renewable energy through a hydroelectric plant, which fosters local economic and social development in Chile.

4.2. CIRCULAR ECONOMY, USE OF MATERIALS AND WASTE MANAGEMENT



4.2.1. CIRCULAR ECONOMY

WE CONTINUE TO WORK ON CLOSING THE CIRCLE

The circular economy represents an opportunity to change our production and consumption model and to have significant impact on the attainment of Sustainable Development Goals and the Paris Agreement.

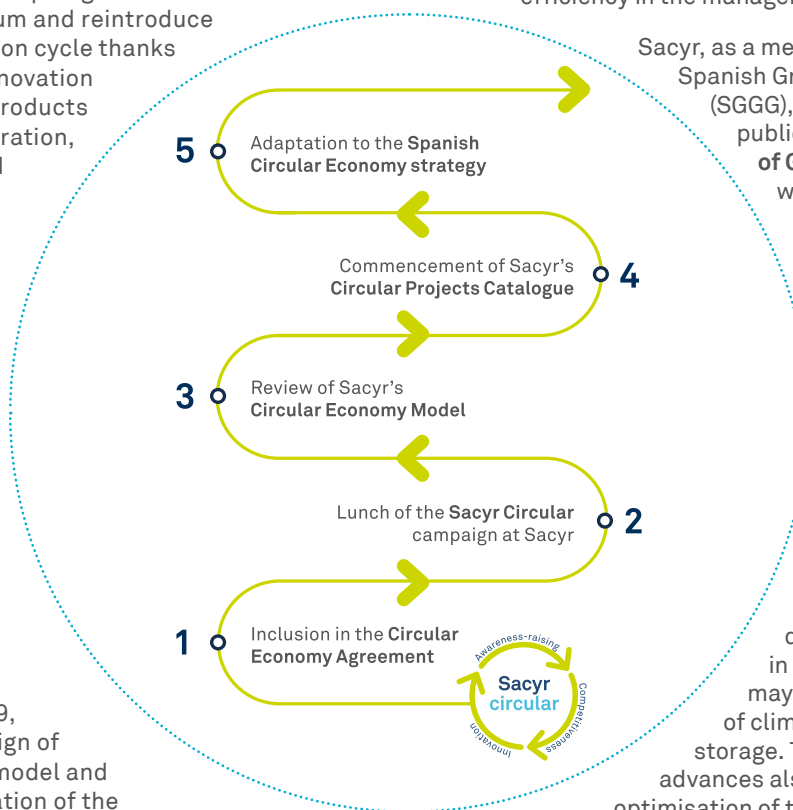
The circular economy model improves efficiency in the use of resources and pledges to reduce waste generation to a minimum and reintroduce it again in the production cycle thanks to a vision based on innovation (of business models, products and processes), cooperation, awareness-raising and sensibilisation.

Sacyr includes these principles in its business model to achieve sustainable growth, constituting a current mainstream model in all its activities.

In March 2018, Sacyr signed Spain's Circular Economy Agreement and in October of that same year it launched the Sacyr Circular campaign. In April 2019, it commenced the design of the circular economy model and in March 2020 the creation of the circular projects catalogue. The company is currently integrating the new lines of the Spanish Circular Economy Strategy to continue transforming its development and growth model into an innovative, competitive and sustainable model. (103)

The transition towards a circular economy demands the introduction of profound transformations, not only in technologies but also in society as a key player to boost changes.

In this same framework, Sacyr identifies and assesses the risks and opportunities associated with its activities and the main risks related with the circular economy identified by the company are: changes in the availability of raw materials, resources, etc. (stock limitations, price rises, regulations, etc.), which may lead to restrictions in the use or availability of materials to execute activities and provide services and to increased costs. In this regard, procedures are established aimed at promoting efficiency in the management of resources.



Sacyr, as a member company of the Spanish Green Growth Group (SGGG), has participated in the publication **"34 Examples of Green Economy"**, which reflects the change towards the sustainability of companies and the boosting of society as a whole.

The project presented by Sacyr Water **"Sustainable desalination for green growth"** presents how the contribution of non-conventional resources, such as desalination, performed in a sustainable manner, may mitigate the effects of climate change on water storage. The technological advances also enable energy optimisation of the process, minimising the CO₂ emissions, reducing costs and increasing our competitiveness.

Sacyr carries out its projects in line with sustainable environmental requirements, inter alia, water efficiency, energy efficiency, reuse of materials and with waste management, in keeping with its circular economy model. Seventeen construction projects are currently under way with sustainable construction certification in Spain, Portugal, the United Kingdom and Mexico.



SUSTAINABLE SACYR

It is essential to exceed the linear classical model and unsustainable based on extracting, producing and discarding. In this context, Sacyr focuses circular

management on the central axes, aligning itself with the Circular Economy Strategy:

CIRCULAR ECONOMY STRATEGY



The company has just approved the Sacyr 2021-2025 Sustainable Plan with three highlighted areas related with the circular economy: commitment to the sustainable use of resources, action to minimise waste and measure circularity and leadership of the value chain. The objectives of this plan focus on:

- The implementation of a circular economy action plan which focuses on increasing the consumption of recycled materials.
- Increase the percentage of reuse of waste exceeding 50%.
- The intensification of collaboration with the value chain to make the best use of resources.

4.2.2. USE OF MATERIALS

The efficient management of resources was confirmed as a priority element in public policies on a global scale, aimed mainly at the transition towards a circular economy and the decarbonisation of the economic system, recently updated with the European Green Pact.

One of the Sacyr Group's commitments, in each activity it undertakes, is to guarantee sustainable consumption and production models.

The variety of Sacyr's activities involves the use of a wide range of materials, the most significant of which were consumed in the last three years.

(301-1) MATERIALS USED BY WEIGHT OR VOLUME (t)

	2018	2019	2020*
Steel	81,724.85	71,996.17	85,811.47
Sand and gravel	1,447,629.59	2,599,085.51	6,429,684.22
Concrete	1,581,120.01	1,281,262.91	1,065,123.71
Asphaltic materials	303,330.41	552,300.81	78,047.70
Reused cement/earth	555,582.87	5,983,589.92	9,538,813.89
Wood	N/A	N/A	7,908.30
Paper	91.08	110.53	107.79

* Includes consumption of the most significant materials

To integrate all those initiatives for the selection, acquisition and supervision of the supply chain, in 2020 Sacyr approved the *Group's Supply Chain Management Policy*. The environmental principles of this Policy encourage the selection of products, processes and

suppliers that most respect the environment, the efficient consumption of resources and the promotion of purchases to local suppliers, which also favour a sustainable relationship of projects with their environment.

In relation to the sustainable value chain, Sacyr firmly pledges for the use of recycled materials, detailing consumption in the last three years.

(301-1) (301-2) RECYCLED MATERIALS USED

	2018	2019	2020
Materials recycled or reused (t)	620,965.11	6,041,188.43	9,607,464.92
Materials recycled or reused (%)	15.28	57.09	55.84

SACYR SUPPORTS THE CIRCULAR ECONOMY IN ITS MACHINE POOL IN SPAIN

The project contemplated by the Machinery Park project is based on the recovery in value in disused assets, giving them an opportunity to be reused. This project has converted Sacyr Construction's Machine Pool into an efficient, innovative and sustainable Circular Pool.

The targets set and attained for this project were:

+ Circular economy in Ingenium





Prioritising the recycling and reuse of waste are key elements of Sacyr's Circular Economy model

4.2.3. WASTE PREVENTION AND MANAGEMENT

Sacyr continues to work to include new waste solutions in its activities, enabling it to progress in its transition towards a more sustainable system. The company, includes in its processes, through its management system, systematics, awareness-raising campaigns and initiatives that promote the sound practices that contribute to the minimisation and recovery of waste generated, prioritising the reuse or recycling of materials over other management options.

(103) (306-2)



MORE INFORMATION

Campaign

SACYR FOR THE CLIMATE – YOU FORM PART OF THE CHALLENGE

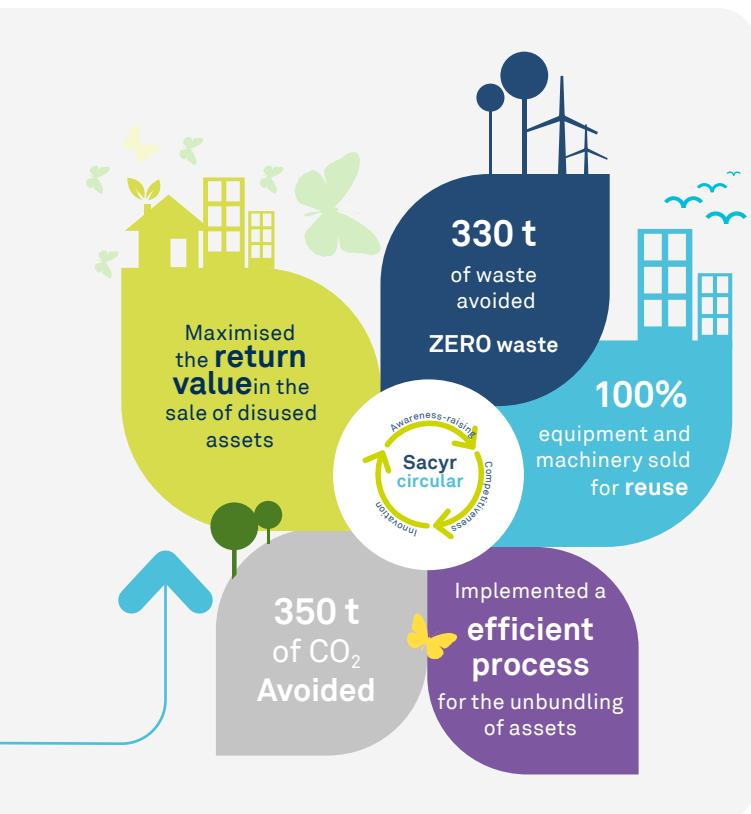
Challenge 3. Waste

Sacyr recognises the role of the circular economy in the fight against climate change.

Within the framework of the campaign SACYR FOR THE CLIMATE – YOU FORM PART OF THE CHALLENGE, the organisation presented the challenge of minimising waste generation in the operation of its activities. The main objective is the search for solutions to decrease direct and indirect consumption in the company's operations.

More than 60 ideas were included that place value on the opportunities associated with the decline, reuse and recycling of waste.

The winning project proposes to develop new processes to treat organic waste, to avoid it ending up in landfills, and recycling time through their transformation into ecological fertilisers, proteins for animal food or biodegradable bioplastics.



Waste is managed in line with the regulations of each country. Accordingly, the projects and facilities operated by Sacyr provide the corresponding notifications as waste generators and ensure compliance with the requirements established with regard to their registration, temporary storage, delivery for transportation and correct processing, always using authorised management companies in this regard.

The **raising of awareness** of employees, both as staff and as subcontracted workers, is crucial to minimise the generation of waste, as a consequence of our activity.

The waste generated by Sacyr in 2020 was 1,181,808.79 t and its classification, per treatment type, is shown below:

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TOTAL WEIGHT OF WASTE BY TYPE (t)

	2018	2019	2020
Construction and demolition waste (C&D)	586,984.31	1,621,049.09	1,142,911.41
Non-hazardous waste (NHW)	63,294.19	89,054.82	38,139.87
Hazardous waste (HW)	970.67	952.3	757.51
TOTAL	651,249.17	1,711,056.21	1,181,808.79

*The decrease in the generation of NHW is due to the non-inclusion of mud in septic tanks (since they were not requested by the indicator), nor street cleaning waste (since it is not waste generated by the organisation).

TOTAL WEIGHT OF WASTE PER TREATMENT METHOD (t)

	Construction and demolition waste (C&D)			Non-hazardous waste (NHW)			Hazardous waste (HW)			TOTAL		
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
In situ storage	813.26	1,559.62	319.83	606.11	444.88	165.46	46.97	17.23	5.54	1,466.34	2,021.73	490.83
composting	1,952.06	6,108.40	0	5,312.70	5,794.74	19,843.76	0.31	1.58	0	7,265.07	11,904.72	19,843.76
Incineration (mass combustion)	1.8	0.00	0	295.04	0.91	12.61	23.10	10.57	12.17	319.94	11.48	24.78
Recycling	64,144.89	133,833.80	109,520.79	11,675.09	20,316.38	10,428.81	527.82	671.68	409.19	76,347.81	154,821.86	120,358.79
Reuse	22,395.17	134,799.29	7,503.65	874.74	984.05	1,852.09	4.16	21.31	145.09	23,274.07	135,804.65	9,500.82
Landfill	497,677.14	1,344,747.98	1,025,567.14	44,530.49	61,513.85	5,837.15	368.32	229.94	185.52	542,575.95	1,406,491.78	1,031,589.81

As in previous years, Sacyr does not transport, import, export or process hazardous waste. This type of waste is delivered to transporters and authorised managers, based on the legislation and regulations of each country, to be adequately managed based on its type.

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In 2020, 84% of **non-hazardous waste** was **recycled** and **reused**

WE REUSE WASTE

SIGNIFICANT PROCEDURES

To exceed the challenges of the lineal economy and take advantages of the opportunities of the circular economy, the analysis of the organisations with regard to their operating and business models is crucial.

An example of this is CIRTEC, a company of the Sacyr Group, which provides technical solutions for asphaltic mixtures, based on the use of products obtained on the basis of end-of-life tyres (rubber powder).

The **RARx** is a product marketed by CIRTEC, which consists of reusing end-of-life tyres to prepare asphalt for roads, through a transformation process that converts it into tyre powder, together with bitumen and other mineral additives.

Furthermore, this product has an Environmental Product Self-Declaration (EPSD)*¹, based on a life-cycle analysis (LCA), both for the RARx and for the rubber dust itself manufactured at the Chiloeches plant, operated by Valoriza Servicios Ambientales, another Sacyr Group company.

In 2020, 354.65 t of rubber power were used to manufacture 545 t of RARx (65%).

Additionally, rubber powder is also used to manufacture improved bitumen, which is included in the manufacture of bituminous mixtures to build roads. In 2020, 540.07 t of rubber power were used to manufacture this product.

894.72 t of rubber powder from 13,765 t end-of-life tyres (NFU) **were recycled to include them on roads** improving the features of bituminous mixes that contain them

¹The EPSD may be consulted on the web page: www.cirtec.es

The Ministry of Transport, Mobility and Urban Agenda issued the Technical Note 02/2020 approving the use of pre-treated rubber additives (RARx), in all those works that prescribe rubber bitumen. Accordingly, the Ministry of Transport, Mobility and Urban Agenda is at the forefront of the technique and environment, standardising a new technology born in Spain.

WE SUCCESSFULLY IMPLEMENTED A NEW PAVEMENT WITH RECYCLED MATERIAL IN CHILE

In order to build and rehabilitate roads in a more sustainable manner, we successfully implemented the first surface in Chile developed by incorporating pre-treated rubber powder (RARx) by a semi-humid route, from end-of-life tyres.

This is the second leading international project carried out, following the success of its implementation in Mexico.

This type of mixture has already demonstrated its functional and structural advantages, through a social, economic and environmental component, reducing traffic noise by up to five decibels, increasing the useful life of the road surface and reducing industrial waste such as end-of-life tyres (for each kilometre of road built with this technology, it is possible to recycle approximately 100 bus or lorry tyres).



A4 rehabilitation with RARx

Another of Sacyr's business lines is the processing of construction and demolition waste (CDW), through the company Surge Ambiental.

WE REINCORPORATE CONSTRUCTION AND DEMOLITION WASTE INTO THE ECONOMIC CYCLE

In 2020, Surge Ambiental invested construction and demolition waste at its treatment plant, installing a new selection cabin that improves the process of separating sand and gravel and their quality. With this business line, Sacyr aims to reincorporate construction waste into the economic cycle as recycled sand and gravel that can be applied in land works and embankments, roads, buildings and public works.

In this line, work is being conducted to obtain the EC Mark and the AGESMA mark of recycled sand and gravel for use as artificial graded aggregates.



Surge Ambiental Triage Cabin

4.2.4. WE MINIMISE FOOD WASTE

With respect to food waste, Cafestore is a member of the Catering Brands' Board of Directors, and from that association it forms part of the working group of Quality Managers that will submit the amendment proposals to the future bill regulating food waste, in turn, collaborating in the preparation of a glossary for its possible inclusion in the aforementioned draft law.

From an operating standpoint, the objective of reducing unknown shrinkages by three cents was maintained (preventive management of food waste) on the services market thanks to the following initiatives:

- Substitution of the Back Office management system with the new **ICG** (new IT application to manage suppliers and orders, which enables purchase history to be controlled and the shrinkage generated to be adjusted).
- Reactive management of food waste, through a partnership with the company **TooGoodToGo** to enable operators to be put into contact with

customers to sell leftovers from daily production at discounted prices. This initiative was suspended in March as a result of the COVID-19 and it will be retaken as soon as possible, with the necessary security measures.

Although the objective is maintained, it was not met in 2020, due to situation caused by COVID-19.

4.2.5. SPILLAGES

Sacyr's Management System has adequate systematics in place to identify, prevent and respond to possible incidents, accidents or potential emergencies that may have an impact on the environment. Also, all projects involve an exhaustive operational control through inspections that prevent the impact of a possible spillage of hazardous substances. Consequently, these types of incidents arise infrequently and do not have serious consequences.

No significant spillages occurred in 2020.

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However, Sacyr identifies small spillages on the ground which, in all cases, have been satisfactorily resolved, cleaning the polluted area and adequately managing the waste generated. Sacyr reported the following spillages in 2020, as compared with previous years:

	2018	2019	2020
NO. OF SPILLAGES	5	31	25
VOLUME (m³)	1.6	17.08	0.28

The following measures have been adopted to mitigate and manage these small spillages:

- Substitution of the generator fed by fuel by solar panels.
- Training of employees regarding the management of incidents.
- Withdraw polluted land and store it for its correct management with a haulier and authorised manager.
- Waterproofing of access land to the area for temporary waste storage.

None of these spillages led to soil pollution.

However, in Sacyr's projects, activities were conducted by third parties to recover polluted land, which may be summarised in the following table:

(CRE-5)

	2018	2019	2020
Polluted land on which recovery activities were performed (m²)	7,600	0	6,542.82



Waste management aims a transition of economic, production and consumption patterns towards sustainability

4.3. NATURAL CAPITAL



4.3.1. BIODIVERSITY PROTECTION

BIODIVERSITY IS ONE OF THE CENTRAL ELEMENTS OF OUR ENVIRONMENTAL MANAGEMENT AND WE INTEGRATE THE VALUE OF NATURAL CAPITAL AND THE ECOSYSTEMIC SERVICES INTO OUR STRATEGY

(103-1) (103-2) (103-3)

4.3.1.1. BIODIVERSITY MANAGEMENT

Biodiversity is crucial to human existence and, used sustainably, it is a limitless source of resources and services. For this reason, biodiversity conservation is a key element in Sacyr's decision-making process. We set targets that ensure the responsible management of natural capital in the performance of our activities.

The correct management of biodiversity and natural capital favours resistance and adaptation to the effects of climate change. It is important to take into account that biodiversity acts as a climate regulator, hence all procedures to mitigate the adverse effects of climate change require actions to be considered that preserve biodiversity.

The protection of biodiversity is a responsibility that Sacyr tackles from a global perspective, with an integrating approach and a proactive attitude. In June 2020, Sacyr's Board of Directors approved the Biodiversity Policy, which defines and establishes the principles and criteria that govern the procedures with respect to biodiversity. These principles are aimed at conservation, the restoration and sustainable use of ecosystems; the halting of biodiversity loss; the rehabilitation of degraded land and soil; and the mobilisation and increase in financial resources. Consult our Biodiversity Policy, at www.sacyr.com/en/shareholders-investors/corporate-governance/corporate-policies.

In line with the 2030 Agenda of the Sustainable Development Goals, Sacyr contributes to the attainment of SDG 15 "Life on land", adopting significant measures to reduce the impact on natural habitats, preventing a loss of biological diversity and protecting threatened species. In the same way, we abide by SDG 14 "Life below water" on adopting measures to protect aquatic ecosystems.

The company has just approved the Sacyr 2021-2025 Sustainable Plan, one of whose areas of action is to

protect biodiversity, with a specific objective: to set biodiversity conservation objectives in all contracts.

Sacyr's working framework is the mitigation hierarchy, which allows us to identify the impacts expected for projects from an environmental and social standpoint and help prevent them, avoid potential impacts, minimise those that cannot be avoided and, finally, carry out measures to restore and compensate for any effects caused. In this context, in 2020, we commenced work on the materiality analysis and on the assessment of natural capital.

4.3.1.2. PROTECTED AREAS

The activities that Sacyr carries out require the use of land, either on a temporary or permanent basis. In addition, the occupation of this land may take place within a protected area, of high biodiversity value, in its area of influence, or outside such areas altogether.



Natural capital is an essential element in **the fight against climate change**

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OPERATIONAL CENTRES OWNED, LEASED OR MANAGED INSIDE OR NEXT TO PROTECTED AREAS OR AREAS OF CONSIDERABLE IMPORTANCE IN TERMS OF BIODIVERSITY OUTSIDE PROTECTED AREAS

	2018	2019	2020
TOTAL SURFACE OF PROTECTED AREAS (km²)	1,684.05 km ²	4,037.10 km ²	6,898.36 km ²
AREA AFFECTED BY ACTIVITIES(km²) INCLUDING SECTIONS OF PROTECTED AREA	4.97 km ²	5.75 km ²	16.96 km ²
AREA AFFECTED BY ACTIVITIES (km²) INTERIOR	0.72 km ²	4.00 km ²	4.00 km ²
AREA AFFECTED BY ACTIVITIES (km²) ADJACENT	0.23 km ²	0 km ²	0 km ²



In 2020, Sacyr identified a total of 25 protected areas¹ (18 in 2019 and 13 in 2018), which correspond to 28 figures of protection (26 in 2019 and 19 in 2018), in which it carried out activities at several locations (inside, adjacent to or including sections of the protected area). Most of them

are land ecosystems, except in Castilla y León, Extremadura and Alicante, which are aquatic ecosystems. Construction, road maintenance, integral water cycle management and the maintenance and operation of desalination plants have all been carried out in these areas.

OPERATIONAL CENTRES OWNED, LEASED OR MANAGED INSIDE OR NEXT TO PROTECTED AREAS OR AREAS OF CONSIDERABLE IMPORTANCE IN TERMS OF BIODIVERSITY OUTSIDE PROTECTED AREAS

PROTECTION FIGURES			LOCATION OF PROTECTED AREAS	
	2019	2020	2019	2020
SITES OF COMMUNITY IMPORTANCE (SCI)	9	7	Spain: Jaén, Zaragoza, Isla de la Palma, Alicante and Cantabria	Spain: Jaén, Zaragoza, Alicante and Cantabria
SPECIAL BIRD PROTECTION AREA (SBPA)	5	7	Spain: Jaén, Isla de la Palma, Valencia, Zaragoza and Cantabria	Spain: Jaén, Valencia, Zaragoza, Cantabria, Castilla y León and Extremadura
SPECIAL CONSERVATION AREA (SCA)	4	3	Spain: Jaén and Isla de la Palma	Spain: Jaén, Extremadura and Almería
NATURAL PARK	3	2	Spain: Jaén, Isla de la Palma and Asturias	Spain: Jaén and Asturias
AREA PROTECTED BY THE SUSTAINABLE USE OF NATURAL RESOURCES	2	2	Colombia: Bolívar and Antioquía	Colombia: Bolívar and Antioquía
REGIONAL NATURAL PARK	1	1	Colombia: Nairiño	Colombia: Nairiño
ECOLOGICAL PROTECTION AREA	1	1	Colombia: Antioquía	Colombia: Antioquía
HUMID AREA OF SPECIAL INTEREST	-	1	-	Spain: Castilla y León
ECOLOGICAL BIODIVERSITY CORRIDOR	-	1	-	Spain: Extremadura
SPECIAL PROTECTION AREA (SPA)	-	1	-	Portugal: Évora
SITE OF COMMUNITY IMPORTANCE (SCI):	-	1	-	Portugal: Évora
IMPORTANT BIRD AND BIODIVERSITY AREA (IBA)	-	1	-	Portugal: Évora
PROTECTED LANDSCAPE	1	-	Spain: Isla de la Palma	-

1. The same protected area may contain more than one different protection status (SCI, SAC, SPA, SPA, etc.)

4.3.1.3. PROTECTED SPECIES

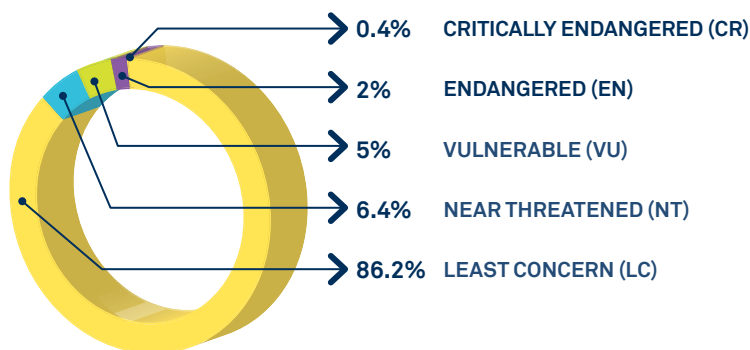
The company has also carried out activities in areas containing some protected species (on international, national or regional lists). In 2020, activities were carried out in the habitats of 1,211 species², with the following levels of protection: 3 critically endangered, 12 endangered, 35 vulnerable, 35 near threatened, 434 of least concern and 692 in others. Preventive measures were taken on all projects to minimise impacts on these species.

- Detection, rescue and relocation of wildlife.
- Transplantation and replanting of plant life
- Improving the connectivity of local communities using ecological corridors
- Tracking reports on the status of species.
- Environmental education workshops aimed at raising awareness of the need to preserve wildlife and flora.
- Restoration.

Species conservation and recovery plans **are a priority** in all our projects



CLASSIFICATION OF THE SPECIES ACCORDING TO THE IUCN RED LIST (2020)



(304-4)

Species conservation and recovery plans are a priority in all our projects. They aim to conserve existing flora and fauna and improve the populations of species and their habitats, while compensating for environmental disturbances caused by activities.

Actions carried out within these plans include:

- Compilation of inventories of affected species and areas of distribution.
- Procedures outside the period of nesting and rearing of the species.
- Research on areas likely to host new populations and relocations.

4.3.1.4. MOST SIGNIFICANT PROTECTION PROCEDURES

The performance of our contracts may impact biodiversity as a result of occupying, altering and fragmenting the habitat. Sacyr always takes all preventive, mitigatory and corrective measures necessary to reduce any possible impacts. In 2020, the most significant effects were the alteration/destruction of habitats, effects on animals and plants, and loss of plant cover. Measures adopted included maintenance of wildlife crossings, reforestation of felled species and the circulation of vehicles at moderate speeds (as in 2019).

2. A single protected area can contain more than one different protected species (SCI, SAC, SBPA, etc.)

(304-4)

SPECIES ON THE IUCN RED LIST AND ON NATIONAL CONSERVATION LISTS WHOSE HABITATS ARE LOCATED IN AREAS AFFECTED BY OPERATIONS**DEGREE OF
PROTECTION**

	IUCN RED LIST		NATIONAL LISTS		REGIONAL LISTS		LOCATION	
	2019	2020	2019	2020	2019	2020	2019	2020
Critically endangered (CR)	3	2	2	1	1	-	Colombia: Bolívar Spain: Huesca, Isla de la Palma, Jaén	Colombia: Nariño, Antioquía Spain: Huesca
Endangered (EN)	7	10	18	2	3	-	Colombia: Atlántico, Bolívar, Antioquía, Bogotá D.C. Chile: Copiapó Spain: Asturias, Huesca, Isla de la Palma, Jaén, Cádiz, Zaragoza	Colombia: Bolívar, Nariño, Norte de Santander, Antioquía, Bogotá D.C. Chile: Copiapó Spain: Asturias, Jaén, Almería, Salamanca
Vulnerable (VU)	17	25	21	3	11	7	Colombia: Atlántico, Bolívar, Antioquía, Bogotá D.C., Nariño Chile: Copiapó United States: Florida Spain: Cantabria, Jaén, Isla de la Palma, Huesca, Lugo, Zaragoza	Colombia: Bolívar, Antioquía, Bogotá D.C. Chile: Copiapó United States: Florida Spain: Cantabria, Almería, Salamanca, Extremadura, Zaragoza Portugal: Évora
Near threatened (NT)	19	32	2	3	-	-	Colombia: Atlántico, Nariño, Norte de Santander, Antioquía Chile: Copiapó Northern Ireland: Dungiven Spain: Asturias, Cantabria, Huesca, Isla de la Palma, Zaragoza	Colombia: Nariño, Norte de Santander, Antioquía Chile: Copiapó Northern Ireland: Dungiven United Kingdom: Edinburgh Spain: Asturias, Cantabria, Huesca, Zaragoza, Almería, Salamanca, Extremadura
Least concern (LC)	397	430	3	3	1	1	Colombia: Atlántico, Bolívar, Nariño, Norte de Santander, Antioquía Chile: Copiapó United States: Florida Northern Ireland: Dungiven Spain: Alicante, Asturias, Cádiz, Huesca, Jaén, Lugo, Zaragoza	Colombia: Bolívar, Nariño, Norte de Santander, Antioquía Chile: Copiapó United States: Florida Northern Ireland: Dungiven United Kingdom: Edinburgh Spain: Alicante, Asturias, Cádiz, Huesca, Jaén, Lugo, Zaragoza, Salamanca, Extremadura Portugal: Évora
Other	-	-	567	690	9	2	Spain: Huesca, Lugo, Zaragoza, Jaén, Cádiz, Isla de la Palma Colombia: Nariño, Norte de Santander, Amazonas, Antioquía	Colombia: Nariño, Norte de Santander, Amazonas, Antioquía

SIGNIFICANT IMPACTS OF ACTIVITIES, PRODUCTS AND SERVICES ON BIODIVERSITY

(304-2) (304-4)

IMPACTS	PROTECTIVE MEASURES
<ul style="list-style-type: none"> • Eradication of wildlife for the use of transport infrastructure • Destruction of habitat for the creation of the dam basin • Alteration of the habitat and effects on reproduction • Effects on wild animals and plants of habitat fragmentation • Effects on wild animals and plants of the loss of vegetation cover • Decline in population • Wildlife conservation through the building of fauna passages 	<ul style="list-style-type: none"> • Circulation of vehicles at moderate speed. • Diagnosis and analysis of information associated with registers regarding the running over of animals and an ecological connectivity analysis. • Monitoring of fauna populations, specific surveys of use of territory. • Maintenance and creation of fauna passages. • Wild fauna found within the area of influence of company activities scared off, rescued and relocated. • Protection of areas in proximity to activities in order to prevent any alteration of vegetation. • Transplanting of flora species to nurseries to be reused for project integration. • Transfer of flora species to adjoining areas unaffected by work. • Reforestation of felled species. • Monitoring plan for relocated flora and forest management plan. • Collection of seeds, experimental sowing and monitoring of germination/propagation rate etc. for sowing on completion of the project. • Sensibilisation of local communities regarding biodiversity protection and conservation.

All our projects comply with the applicable environmental regulations of each country. Sacyr carried out all monitoring of environmental surveillance plans (PVAs) or similar arising from these environmental authorisations. Furthermore, our Environmental Management System involves preventive inspections and procedures to minimise the effect on species and sensitive areas identified in the projects.

Activities generating impacts took place in an area of 122.051 km² (99.998 km² in 2019), where individuals belonging to 1,211 different species are present (1,081 in 2019). The majority of impacts are direct and reversible. Moreover, their duration is associated with the activity itself, and is in no way significant.

4.3.1.5. HABITAT RESTORATION AND PROTECTION

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At Sacyr we promote ecological restoration actions to mitigate the impacts of executing our contracts. If there is a definite restoration project, the guidelines set for it are followed; where no such project exists, the specific restoration actions that have the most potential for success under the contract are studied and developed.

In both cases, the measures compensate for the environmental impact the activities could have caused. These actions typically involve environmental restoration, with the aim of integrating the structure

with the landscape, restoring vegetation cover, restoring temporarily occupied areas, etc.

In 2020, a total of 3.05 hectares (129.83 hectares were restored in 2019) of the total area affected by the development of its projects. 100% of the actions were verified by independent external professionals. Furthermore, a total of 13.84 hectares were protected, performing the necessary procedures. In all cases, the results of the restoration and protection procedures were satisfactory.



As part of its projects, Sacyr protects over 1,200 species



NURSERY OF SCLEROPHYLLOUS FOREST SPECIES AT THE NOGALES - PUCHUNCAVÍ SITE, IN CHILE

Sacyr Engineering and Infrastructure implemented a project to recover water through the use of a treatment plant. Water is a limited resource and it is essential to carry on construction activities, with an estimated consumption of approximately 7,200 litres/day.

A water treatment plant was installed with a portable biological reactor that recovers water from offices and works laboratories. The water recovered feeds the irrigation of a nursery located at the same facility, at which native species are grown that form part of the typical sclerophyllous forests in the region.

This nursery has more than 3,400 specimens belonging to over 10 different species found in the area, whose objective is to have over 6,800 specimens to integrate them into areas throughout the project.

Another advantage of the nursery is that it is located at the works, forming part of the environmental sensibilisation of Sacyr employees. Furthermore, environmental education symposiums are being held with schools in the area to publicise the importance of these species.

VALORIZA MEDIOAMBIENTE PLEDGES FOR SUSTAINABILITY THROUGH BIOLOGICAL PLAGUE CONTROL

More than a decade ago Valoriza Medioambiente began to pledge for the use of non-chemical methods for pesticide treatments of urban woodland, compatibilising the application of phytosanitary products, together with biological plague control techniques.

Biological control is the use of natural enemies of a plague to control its population and extension. The application of this method in the conservation of green areas consists of releasing so-called “beneficial insects” to act as predators or parasitoids of those insects that cause a certain illness to the corresponding vegetable species.

The objective of this biological control is to increase the self-defence ability of plantations in a natural manner, with this type of technique providing the necessary support when no enough indigenous insects exist due to environmental factors (pollution, excess heat, etc.) or for handling errors (for example, excess insecticide treatments). The restoration of the balance, the self-regulation of spaces and public health are the main purposes pursued when choosing this type of procedure.

In 2020, Valoriza Medioambiente increased by nearly 30% the trees treated through biological control and 20% of the woodland surface area treated through this same method, managing to treat 5,600 trees and over 50,700m² of woodland surface area.

The experience and knowledge acquired in these years has allowed phytosanitary spray products to be avoided in the control of tree plagues and woodland surface areas in green zone conservation tasks.





4.3.1.6. NOISE POLLUTION

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Some activities carried on by Sacyr generate noise in the natural environment and also in the urban environment. In all these cases, acoustic measurements are made to ascertain whether it is necessary to adopt mitigating measures, in which case, the most appropriate courses of action are established in each contract, and any applicable legislation or regulations are complied with at all times.

Noise mitigation measures are also applied in areas in close proximity to nesting zones or areas inhabited by birds on project sites, mainly construction sites, as stipulated in environmental impact statements, in coordination with the environmental bodies concerned, and periodic monitoring is carried out to ascertain that the measures have been properly applied.

4.3.1.7. LIGHT POLLUTION

(103)

In contracts with a light pollution impact on the surroundings, mitigatory measures are established for the proper maintenance of lighting units, with checks to ensure they are working properly, and lighting is applied with lower intensity and directed to the work place (instead of towards the sky). Whenever possible, measures are also established to reduce or turn off lighting.

In the contracts in which **the environment is affected** by light pollution, mitigation measures are established



“RESCUE AND RELOCATION OF WILDLIFE SPECIES” – AUTOPISTA AL MAR 1 PROJECT, COLOMBIA

The Autopista al Mar 1 project is a backbone project, which will improve road safety in the Antioquía department (Colombia). The Autopista al Mar 1 will have a length of approximately 176 km and will improve connectivity between the Antioquían capital and the west and south-east of the department.

To prevent any effect on wildlife in the areas involved, species management activities are being conducted. In this process, the possible stress of individuals is minimised, endeavouring to ensure their maximum well-being to guarantee their survival.

Within the wildlife handling plan, procedures were included to banish, rescue, provide veterinary care and relocate species to their natural surroundings. In 2020, 69 individuals from 27 wildlife species were rescued and 68 inactive nests and 35 inactive lairs were detected in the intervention area.

Sacyr carries out all the **necessary actions to protect the habitats** where its contracts are executed



Progress of the Autopista al Mar 1 project (Colombia)

SENSIBILISATION OF LOCAL COMMUNITIES

Raising the awareness of rural communities in projects carried out by Sacyr is an important factor to conserve and protect species, since they interact directly with biodiversity. With this objective in mind, in 2020, the Mar 1 Consortium held five awareness-raising days aimed at children and young students, and at construction employees.

The matters dealt with revolve around wildlife protection and conservation, the importance of the protection of vascular epiphytes and biological corridors.



We collaborate with communities by planting 1000 trees.

4.3.2. SUSTAINABLE WATER MANAGEMENT



THE CONSERVATION AND EFFICIENT USE OF WATER RESOURCES IS AN ESSENTIAL COMPONENT OF SUSTAINABLE MANAGEMENT

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Water is an economic asset on which social development depends. Population growth, the transformation of lifestyles, economic development and climate change have greatly increased pressure on water resources.

The responsible management of water is not a new commitment for Sacyr. For years, it has been one of the principles of its Quality, Environmental and Energy Policy, but in 2020, it went a step further with Sacyr's Board of Directors approving a Water Policy in June, which defines and established the principles and criteria that govern procedures in the use and management of water. This policy enables the company's commitment in this area to be reinforced and strengthened. Sacyr's Water Policy can be consulted on www.sacyr.com/en/shareholders-investors/corporate-governance/corporate-policies.

Through its Water Policy, Sacyr wishes to provide a response to the demanding expectations of its stakeholders with regard to the use and management of its natural resources and, in short, its contribution to the protection of water resources as one of its values.

Most of Sacyr's activities generate liquid effluents, and disposal quality is guaranteed because it has water quality measurement systems at its treatment plants to ensure that water is returned to nature in the proper conditions, meeting the requirements of environmental legislation at all times and reducing the risk of pollution in disposal through preventive control tools. The company has just approved the Sacyr 2021-2025 Sustainable Plan, one of whose areas of action is the protection, conservation and restoration of natural resources, with two specific objectives: reduction of the water footprint by at least 10% and the improved governance and management of water resources.

The water treatment facilities managed by Sacyr have the most advanced technology, providing solutions to challenges such as water stress, promoting the use of renewable energy and efficient energy consumption for water production, as well as conserving biodiversity, always in line with the corresponding public policies in each case.

Moreover, all Sacyr contracts have an environmental management system in line with ISO 14001, to establish

water consumption reduction targets, improvements in waste quality and in the reduction of water loss as a result of supply shortages to the population, measures that enable the availability and quality of water to be reduced.

On a yearly basis, each Sacyr contract, in the framework of environmental management, identifies and assesses environmental aspects associate with its activities, identifying the probable impacts (e.g. fluvial ecosystems, water quality, etc.), which these aspects may have on the environment, establish operational controls for their correct management and monitoring. The assessments made, their frequency and methodology used, form part of the environmental management systems implemented, verified and certified by the company, in accordance with ISO 14001.

In this same framework, Sacyr identifies and assesses the risks and opportunities associated with its activities and the main water-related risks identified by the company are: shortage and limitation of water resources, extreme meteorological phenomena (e.g. droughts, heatwaves and floods) and changes in the regulation of capture and discharge authorisations, and in rates, which could lead to restrictions in the use or availability of water to execute activities and provide services and to increased costs. In this regard, procedures are established aimed at promoting efficiency in the management of water resources.

4.3.2.1. WATER USE AT SACYR

(303-1) (303-3) (303-5)

Sacyr, in the scope of its activities, makes two different uses of water:

- **Water for own consumption:** water is consumed at the company's facilities to perform its different activities and includes surface and underground water collection, water supplied by third parties, mainly municipal water and water from sources that do not endanger the availability of this resource, such as rainwater, water recycled in the grid and water reused or recycled onsite.
- **Water for customer consumption:** water that is collected to satisfy customer demand. This

business line is provided via Sacyr Water and focuses on the operation and maintenance of all types of water-related plants (drinking water and water purification plants, desalination plants, tertiary treatments and recycling, industrial waste water treatment, agricultural treatment, etc.), and the integral water cycle management under public sector concessions or in the private sector. The main characteristic of this activity is to condition its quality to levels apt for human consumption or to the depollution levels established.

Sacyr has the corresponding authorisations from the competent bodies of each country, which authorise and establish the permitted attraction volumes, ensuring that neither the water resources and related habitats nor the needs of the population are affected by such collection.

The Environmental Management System implemented in all projects executed by Sacyr establishes an exhaustive operational control that guarantees compliance with the requirements established. In addition, the bodies that grant this authorisation, undertake monitoring and control to ensure compliance with the conditions set.



SACYR CONTINUES TO WORK ON R&D PROJECTS ON THE TRANSFORMATION AND RECYCLING OF REVERSE OSMOSIS MEMBRANES

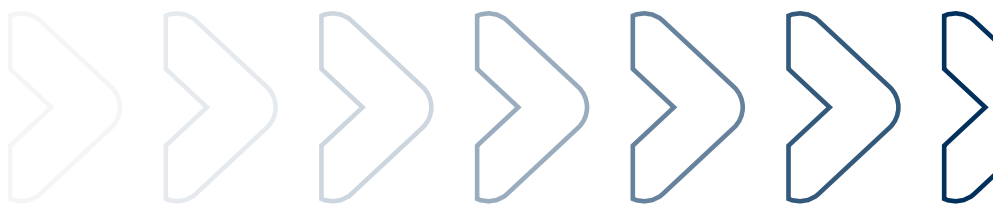
Following the success of the LIFE Transfomem and LIFE Deseacrop projects, Sacyr proposes to go into depth regarding the investigation of technology for the reverse osmosis of membranes expelled into nanofiltration membranes (NF) and ultrafiltration (UF), developing a technology optimisation pilot project.

On the one hand, the organisation seeks a sustainable alternative to the manufacture and use of membranes to treat water. Also, it wishes to boost UF since it is highly efficient in the elimination of suspended solids, the reduction of the value of the SDI (sediment density index, representative of the ability to dirty water), bacteria, viruses and other feedwater pathogens, to produce water of a high purity. In recent years, UF has been extended to pre-treat seawater prior to the membranes process, although one of its main disadvantages is the high cost of the technology investment. The use of recycled membranes would enable investment costs to be reduced, increasing sustainability and promoting the circular economy.

Significant data on the process:

- Materials: the recycling of membranes enables all raw materials used in the NF or UF membrane manufacture process to be reduced.
- Emissions: the carbon footprint of the transformation model is 95-99% inferior to commercial footprints.
- Waste: as a result of this technology, it is possible to recycle 70% of the membranes discarded.
- Water: direct and indirect water consumption could be reduced by over 90%. With regard to the water quality obtained in the UF process, the use of recycled UF membranes as a tertiary treatment leads to the eliminations of suspended solids (>99.8%), turbidity (87.7%) and coliform bacterium (>99.996% or LRV). The recycled NF membranes enable the elimination of calcium and magnesium ions exceeding 85% and 98% in the case of sulphates.
- Economics: the membrane recycling cost per m² of filtering surface area may be 90% lower.

This experiment will enable a contribution to the technological development of the transformation process and the reuse of membranes, increasing the sustainability of water treatment systems, improving the durability of membranes and reducing the environmental costs associated with this technology.



(303-3)

WATER WITHDRAWAL FOR OWN CONSUMPTION (MI)

TYPE OF SOURCE	2018	2019	2020
SURFACE WATER	232.45	254.04	531.01
GROUND WATER	83.05	10.55	21.05
THIRD-PARTY WATER	3,214.93	3,872.67	4,184.82
TOTAL	3,530.43	4,137.26	4,736.88

In the case of third-party water consumption, the breakdown corresponds to:

THIRD-PARTY WATER FOR OWN CONSUMPTION (MI)

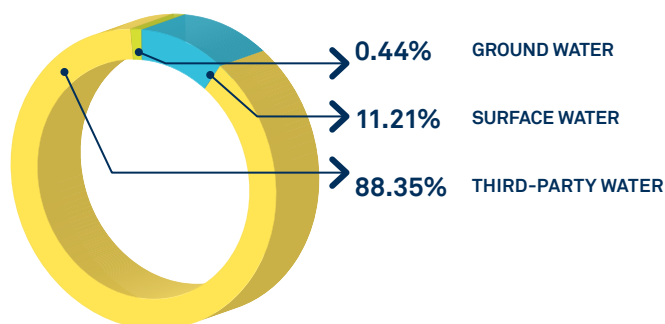
THIRD-PARTY DRINKING WATER	3,155.05
THIRD-PARTY RECYCLED WATER	1,029.77

Promote the consumption of recycled or reused water at facilities or in projects continues to be a basis objective for the company, thereby conserving the available natural reserves.

In 2020, the use of recycled or reused water accounted for 21.74% of the total water supply for own consumption, up on the previous year.

In 2020, Sacyr conducted an analysis for the first time to identify which of its contracts were in areas suffering from water stress. It is important to highlight that the water stress of an area is inherent therein and is not due to the performance of activities.

Water stress is assessed through the Aqueduct Water Risk Atlas public tool, from the World Resources Institute, in line with Global Reporting Initiative (GRI) recommendations.

**% OF TOTAL WATER WITHDRAWAL BY SOURCE****WATER WITHDRAWAL FOR OWN CONSUMPTION (MI) (AREAS WITH WATER STRESS)**

TYPE OF SOURCE	2020
SURFACE WATER	60.48
GROUNDWATER	21.05
THIRD-PARTY WATER	3,958.63
TOTAL	4,040.16

*In 2020, water produced and marine water was not reported, due to the non-existence of this type of consumption in the period reported.

** The full water volume for own consumption belongs to the "fresh water (<1000 mg/l)" category. The volume corresponding to the "other water" category is zero in all cases.

*** With respect to seawater, work is underway to improve the interpretation of this new indicator in the company's activities for consideration in future reports.

In 2020, we avoided the consumption of 1,029,770 m³ of drinking water, granting precedence to the use of recycled water

(303-5)

In 2020, water consumption is 4,448.36 ML and in water-stressed areas is 3,931.28 ML.

4.3.2.2. COLLECTION, TREATMENT AND DISTRIBUTION OF WATER FOR CUSTOMERS

Sacyr, through its subsidiary Sacyr Water, optimises water resources, producing freshwater through desalination, minimising distribution losses and making it possible for used water to be regenerated for new uses, or to be returned to nature in optimal conditions. Technology allows the company to provide human beings with the quantity of water they need, and with the required quality for each use, without generating waste or contaminants. It aims its solutions towards the development needs and opportunities of the **2030 Sustainable Agenda**, contributing to the attainment of **SDG 6** “Clean water and sanitation” and **SDG 14** “Life below water”.

USE OF WATER FOR CUSTOMERS (ML)

Use of supplies: distribution of water originating from a discharge network.	42,148.60
Use distribution: water for irrigation (drinking water, surface or underground water)	21,792.34
Use of supplies: distribution of water collected from surface or underground water.	71,274.75
Purification: use regenerated water	7,667.54
Purification: use purified seawater	10,227.04
Purification: use purified surface water	17,438.41
Desalination: use desalted water for supplies	140,037.48
Desalination: use desalted water for supplies	27,068.46

SACYR FOR THE CLIMATE YOU FORM PART OF THE CHALLENGE CAMPAIGN: CHALLENGE 2 WATERPRINT

Aware of the intrinsic relationship between climate change and water, Sacyr launched the waterprint reduction challenge within the framework of the campaign SACYR FOR THE CLIMATE – YOU FORM PART OF THE CHALLENGE. The main objective was the search for solutions to decrease direct and indirect consumption in the company's operations.

More than 50 experiences and innovative proposals have been included, great ideas using the most advanced technology and simple practices which can be integrated into the organisation's usual processes.

The winning proposal on the on-going mobile purification of hydrocarbonated waters is already in the process of being developed. The design of a reduced-size mobile purification system has already commenced, capable of circulating on a public road towed by a cleaning or hydroblasting machine, which purifies the dirty water separating the solid fraction and the fraction of hydrocarbons, purifying it so that it can be reused during 8-9 cycles, establishing a closed water cycle.

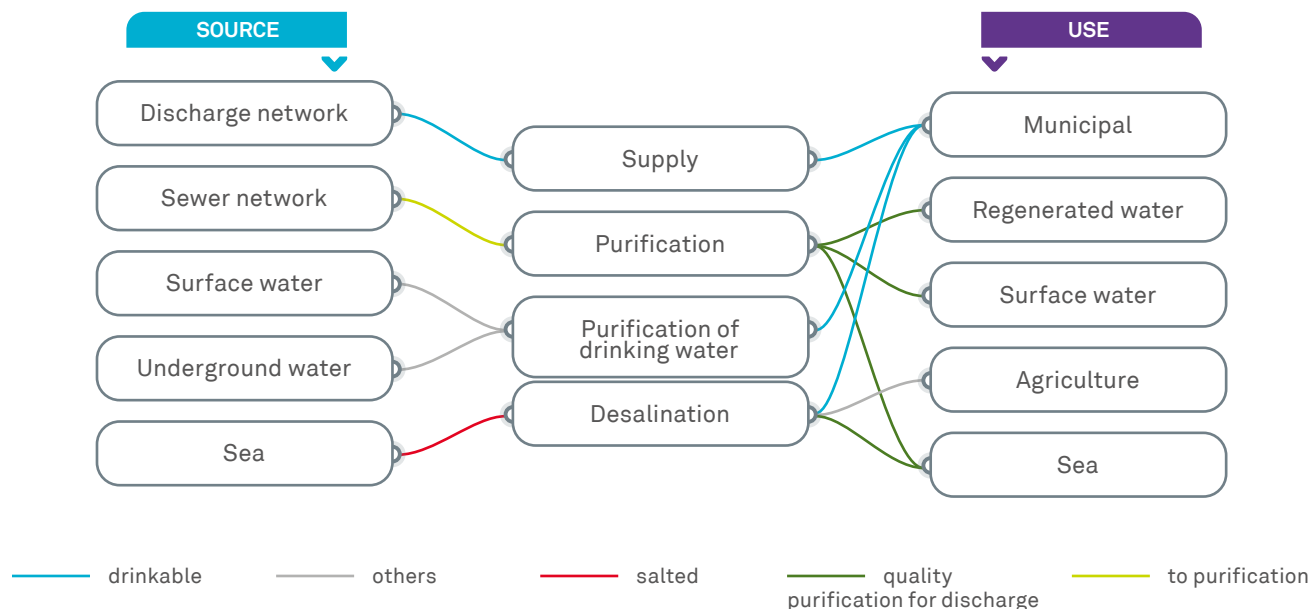
The launch of this challenge coincided with the holding of World Water Day on 22 March, which in 2020 focused on water ratios and climate change.

USE OF WATER FOR CUSTOMERS (ML) (areas with water stress)

Use of supplies: distribution of water originating from a discharge network.	41,237.36
Use distribution: water for irrigation (drinking water, surface or underground water)	21,792.34
Use of supplies: distribution of water collected from surface or underground water.	11,633.91
Purification: use regenerated water	7,667.54
Purification: use purified seawater	10,227.04
Purification: use purified surface water	17,164.39
Desalination: use desalted water for supplies	91,882.32
Desalination: use desalted water for supplies	27,068.46

The full water volume extracted at desalination plants for the production of drinking water for customers belongs to the “other water (<1000 mg/l)” category. The remaining volumes extracted for customers consist of freshwater.

*Discharges of brine into the sea are indicated in the Effluents and discharges section.



Use of reclaimed water and specific networks, **facilitating its distribution** to the population



Water Van Project volunteer project, Huancavelica, Peru

Sacyr deals with the needs of millions of people in the world, responding to one of the leading environmental challenges facing humanity, access to water and sanitation. Water collection in plant operations for its treatment and distribution to customers amounted to 135,215,690 m³, representing 74,663,611 m³ in areas with water stress.

Aware of the importance of taking care of water, a scant asset essential for life, and concerned about

efficiently managing its integral cycle, Sacyr has regenerated water production facilities and operates specific networks, which facilitate its distribution to irrigate green areas, wash down streets or for industrial purposes. Thanks to these activities carried on by the company, it has succeeded in reducing the consumption of drinking water, despite the increase in population and economic activities. In 2020, the water regenerated and distributed by Sacyr was 7,667,540 m³.

Also Sacyr offers its technology to obtain water for agricultural irrigation based on desalination, turning out to be suitable to obtain water, especially in areas in which it is scarce, and in which its application in recent years is giving good results as a complement for other water resources to guarantee the agricultural irrigation future. As a result of the development of efficient techniques, Sacyr succeeds in earmarking over 19% of the water generated at desalination plants to agriculture.

4.3.2.3. EFFLUENTS AND DISCHARGES

(303-2)

The water that reaches wastewater purification plants managed by Sacyr is treated and returned to the channels, the sea, or is earmarked for a new use following its regeneration, and the quality of the discharge is assured, always in line with applicable environmental legislation.



Américo Vespucio Oriente (AVO): Lamellar Plant



Américo Vespucio Oriente (AVO):
Decanting and Flocculation/Coagulation
System

REUSE OF PROCESS WATER IN THE AMÉRICO VESPUCIO ORIENTE PROJECT (AVO) (CHILE)

Aware of the country's water shortage, the project has implemented a series of treatment systems so that the water generated by the different construction work processes can be reused.

Initially, the lamellar plant was installed in the north mouth of the tunnel, which treats and recirculates rejected water from the perforation of the jumbo for the construction of the tunnel, designed to treat 65m³/day and to store its water in two 30m³ ponds. Also, two water treatment plants were installed, served from the north mouth and intermediate peak, capable of treating 15m³/day and 7.5 m³/day, respectively. This treated water is stored and reused to clean wheels.

Recently, it begun to install and enable another treatment system for the wash water of one of the concrete plants installed at the works. The system consists of applying a flocculant and a coagulant to accelerate the separation of the solid and liquid phase, with the latter passing to a third chamber for its storage and subsequent use. This system is designed to treat 30 m³/day.

The AVO project with its different treatment systems can generate 118 m³ per day of treated water, which is used both to recirculate the production processes and to moisten interior lorries and wheel washes.

Brine is also discharged in accordance with its dumping authorisations and with the project's environmental impact statements, which generally include prior dilution, discharge through diffusers for rapid mixing and rigorous environmental tracking to ensure there are no significant impacts on the marine environment.

Sacyr also has emergency plans and protocols available to provide a suitable rapid response in case of a discharge or spillage affecting the external environment, which encompass:

- Transparency of information and close collaboration with the relevant bodies until the incident is resolved.
- Subsequent analysis of the reason for the discharge or spill.
- Adoption of the appropriate preventive measures to reduce the chances of a reoccurrence.

(303-4) (306-1)

The total volume of Sacyr's disposals in 2020 was 213,193,470 m³. Of this volume, somewhat more than 99.9% relates to the brine produced in the seawater desalination process at desalination plants.

Increased activity at desalination plants was the main cause of the rise in discharges.

Receive further information on our [Water policy](#)

+ Sacyr Water, 25 years of Challenges Met

DESTINATION OF THE WATER DISCHARGED (MI)	2018	2019	2020*
BRINE DISCHARGES INTO THE SEA	11,213.88	23,082.17	212,904.95
DISCHARGES TO SURFACE WATER	56.2	64.13	11.06
DISCHARGES TO THIRD PARTIES	153	194.78	277.46
TOTAL	11,423.08	23,341.08	213,193.47

*In 2020, Discharges to underground water were not reported, due to the non-existence of this type of consumption in the period reported.

Discharges of brine have increased significantly mainly due to increased activity at desalination plants and to the number of desalination plants.

The full water volume discharged at desalination plants belongs to the "other water (<1000 mg/l)" category. The remaining volumes discharged relate to freshwater.



Water treatment, Batocho, Chile



(303-4)

WATER DISCHARGES (MI) (AREAS WITH WATER STRESS)

DESTINATION OF THE WATER DISCHARGED (MI)	2020
BRINE DISCHARGES INTO THE SEA	150,870.97
DISCHARGES TO SURFACE WATER	1.49
DISCHARGES TO THIRD PARTIES	107.39
TOTAL	150,979.85

(306-5)

No incidents involving liquid effluents generated by the organisation causing significant damage to water bodies and related habitats were recorded at Sacyr in 2020, nor were any reported in previous years.

Sohar Desalination Plant (Oman)



WORKERS CONFINE THEMSELVES TO THE SOHAR (OMAN) DESALINATION PLANT TO GUARANTEE THE WATER SUPPLY.

In light of the COVID-19 crisis in Sohar (Oman), colleagues lockdown at the plant to guarantee the provision of drinking water, since it is an essential service for the country.

Sacyr, through its subsidiary Sacyr Water, operate the Sohar seawater desalination plant, on the coast of Al Batinah (Oman). This reverse osmosis desalination plant is the second biggest in the country and has the capacity to produce 250,000 m³ of water per day, supplying almost one million people.

This has involved a huge personal effort on the part of our professionals, but in terms of logistics and due to the change in operation procedures, which have had to be organised in record time, with an excellent result.





IF WATER IS CORRECTLY TREATED, IT BECOMES A SOURCE OF RESOURCES. PAMPLONA – CÚCUTA CONSTRUCTION PROJECT (COLOMBIA)

The scarcity and pollution of water bodies are the two main environmental problems facing the world as a whole. Hence, in 2020, the Pamplona Cúcuta project involved the integral management of this water resource: the recirculation of non-domestic wastewater (nDWW) treated arising from the construction of the tunnel located in the municipality of Pamplona.

The construction activities of the Pamplonita tunnel required approximately 16,040 m³ of industrial water in 2020, which was supplied through water supply companies.

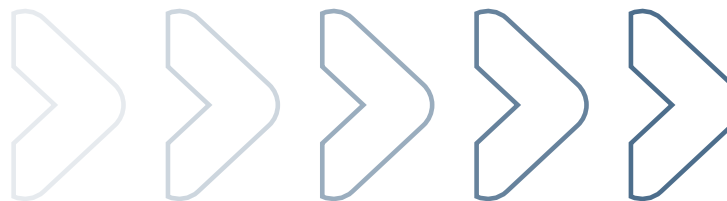
Wastewater from these activities was processed at a waste water treatment plant, whose objective is to decrease the pollutants present in water, thereby guaranteeing the quality standards required in the regulations, prior to its discharge, thus conserving the aquatic ecosystems.

In the year, almost 4,000 m³ of water was recirculated in the tunnel, achieving both economic and environmental benefits, an raising awareness among employees regarding the saving and adequate use of water.



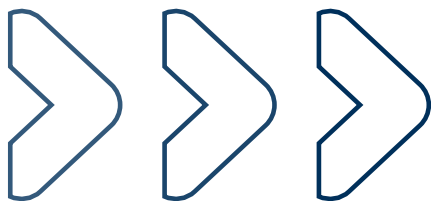
Cauca river, Anzá, Antioquia, Colombia

Sacyr Water manages 9 desalination facilities, **supplying over 6 million people**





Wastewater Treatment Plant, Batuco, Chile



Use of drones for the inspection of
submerged elements



4.4. SUSTAINABLE CITIES

OVER HALF OF THE GLOBAL POPULATION LIVE IN CITIES AND IT IS ESTIMATED THAT IN THE NEXT TWO DECADES, OVER ONE MILLION PEOPLE WILL BE TRANSFERRED TO CITIES EACH WEEK¹.

The growing development of cities and the concentration of the population therein means that the integration of the sustainability perspective is particularly important to attain SDG and contribute to a more sustainable world.

4.4.1. INNOVATIVE INFRASTRUCTURE

Infrastructure plays a key role here, where innovation and the inclusion of nature in urban infrastructures is increasingly demanded in the areas of homes, construction efficiency, mobility, water and sanitation.

In the framework of Sacyr's Sustainability policy, we are continuing to develop solutions to contribute to urban sustainability to reduce energy consumption and emissions from new infrastructure, understanding the needs of cities and placing our projects in an historical context. We build cities of the future - the so-called smart cities.

CLEANER AND MORE CONNECTED CITIES THANKS TO SMART LOGISTICS

Smart logistics are helping us to have urban areas with services that help to achieve cleaner and more connected towns. At Valoriza Medioambiente, we have developed a platform that helps us to manage all these services: **Sigolis**.

This platform enables lorries to collect industrial and urban solid waste (USW) in general, constantly geolocated, automating more the collection procedure, and helping customers to create service requests from the web page, which are included in the route to be covered by the vehicles, improving the traceability of the process.

Urban cleaning services and the collection of waste are designed and programmed on an autonomous basis. Afterwards, the algorithms that trace the routes communicate with the lorries via the app to execute these services and optimise the cleaning/collection system.

4.4.2. URBAN SUSTAINABILITY

THE FUTURE IS ALREADY HERE, SMART GUADALAJARA

The smart city is already a reality at Guadalajara, where a year ago Sacyr implemented a **Smart Guadalajara** platform, an application to manage street cleaning services and the collection of urban solid waste, in which the public has a leading role, thanks to the simple system that enable citizens to notify incidents and alerts instantly with regard to municipal services. Hence, a bi-directional channel is opened to improve communication between the public and the town council.

Thanks to the horizontal, flexible and open structure of Smart Guadalajara, the town council can opt to add other municipal services to attain a more efficient management, such as the maintenance and management of lighting, of roads or of green areas.

SACYR LAUNCHES THE 'LEAVE YOUR FOOTPRINT CHALLENGE' AT A TRANSPORT HUB TO REDUCE CO₂ EMISSIONS.

Sacyr Concessions, management company of the Moncloa Transport hub (Madrid), in collaboration with the Regional Transportation Consortium and the Ciclogreen start-up, has launched the "Leave your Footprint" challenge, a project aimed at promoting sustainable mobility in Madrid. The initiative, which commenced coinciding with the European Mobility Week, seeks to reduce the carbon footprint caused by daily frequent trips within the Spanish capital, Madrid.

The "Leave your Footprint" challenge aims to sensibilise the population regarding climate change, to encourage citizens to orient their transport habits towards sustainable mobility, and to improve the experience of users of the Moncloa hub, rewarding their environmental commitment.

¹ World Business Council for Sustainable Development

THE POSITIVE IMPACT OF ENERGY SERVICES

Sacyr's experience also covers diverse integral management projects involving energy services in various Spanish municipalities such as Sevilla la Nueva, Teruel or Madrid, and at two hospitals in the Madrid Autonomous Community, as well as in the Institute for Public Security of Catalonia.

Through its subsidiary Valoriza Facilities, which is commissioned with the integral management of common services at buildings and properties, Sacyr carries out the integral energy management of public lighting and various outbuildings of the municipality.

The energy efficiency plans implemented at these buildings and public spaces have contributed to a substantial reduction in energy and water consumption, leading to a cost saving for the respective municipal councils. For example, in Teruel, with the energy management of the Town Council, five public schools

and a sports centre, an annual electricity and fuel saving of 10% and 28%, respectively, was achieved, thereby reducing the costs of the municipal council by 11%.

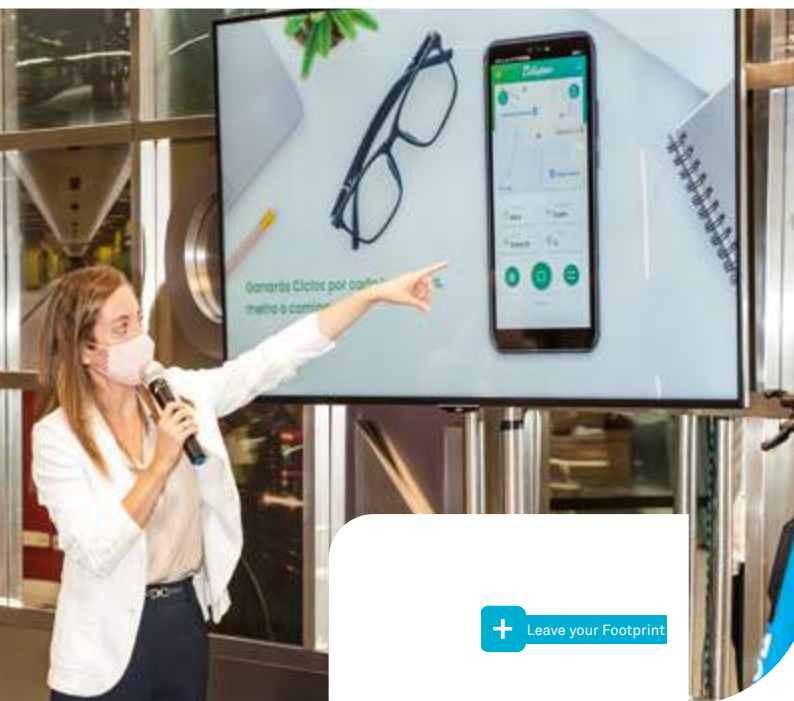
Another example is Sacyr's involvement in the development of more sustainable cities, basing itself on technology, is the agreement reached with the Malaga municipal council to implement projects related with the management and processing of waste, the conservation of heritage, construction and energy sustainability, among others.

HUELVA TRAFFIC MANAGEMENT SYSTEM

Driving in Huelva is easier thanks to Kompas, the system developed by Dinami-K Ingeniería and implemented by Valoriza Medioambiente in the city of Huelva, enabling city control teams to be supervised and the optimisation of traffic management.



Your Footprint Challenge Presentation, Moncloa Transportation Hub, Madrid, Spain



Sacyr Engineering and Infrastructure has obtained the sustainable certification BREEAM in the promotion of Badalona H²O homes

The BREEAM sustainable certification guarantees that during the design, construction and maintenance of a building, the environmental, economic and social impacts are taken into account that will be generated in its surroundings during its entire useful life. Moreover, this certification is closely aligned with the UN's Sustainable Development Goals (SDG).

For Sacyr, this certification consolidates its commitment to develop sustainable projects that contribute a value added to the company. Hence, Sacyr Engineering and Infrastructure has worked for years on construction projects under LEED, BREEAM, GREEN, CES HOSPITALS, GSAS DESIGN & BUILD and WELL certification requirements. Construction under these requirements brings environmental, economic and social benefits for all people involved in the life of a building.

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Letter from the
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Team Ambition

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Pumarejo Bridge construction team,
Barranquilla, Colombia

5.1. SAFETY

At Sacyr we have adopted the concept of integrated safety and, accordingly, we have an Occupational Health and Safety Policy aimed at improving working conditions and raising the level of protection, health and safety of our employees.

(403-1)

Management of the Sacyr Group believes knowledge of its Health and Safety Policy at all levels is essential as a fundamental step to perform all company activities. The policy is known by all our employees since it is available to them on our intranet and notice boards and in their contracts, and it is also available to all stakeholders on Sacyr's web page.

To this end, the Sacyr Group encourages all staff to discover the guidelines on which the Health and Safety Policy is based and to include them in their work approach; this Policy represents the pillar of the Management System, establishing the following operating procedures, among others:

- Foster leadership and the OHS culture.
- Assume that health and safety is as important as quality, productivity and excellence in its activities.
- Promotion of well-being and of a healthy lifestyle and the provision of safe and healthy working conditions.
- Identification of the possible risks in all phases of our activities, reducing them to the lowest possible practical levels.
- Guarantee that workers receive sufficient and appropriate occupational health and safety information and training to correctly perform their work.
- Compliance with legal requirements and other specific requirements in each country and contract.
- Encourage communications and relations with local communities and the Company.
- Facilitate the consultation and participation of the workers.
- Establish ambitious OHS objectives and adopt the best practices.
- Take measures for continuous improvement.

- Demand compliance with internal safety requirements for contractors and make them participate in preventive culture.

We consider it a priority objective that all Group activities incorporate, from their planning and during their implementation, all the necessary measures to avoid risks appearing at the beginning and the deployment of such activities and, in those risks considered inevitable, that all the security and protection measures required are implemented to prevent damage and a deterioration of the health of our workers and collaborators.

And we are taking one step further, integrating security, health and well-being into our business strategy. We are not content with having safe and protected workers: we want to include the promotion of health in the workplace to ensure our workers are happy at a healthy company with which they can identify.

Hence, we aspire to build a differential preventive culture, which makes it possible to achieve the highest security standards, by involving the entire organisation, our suppliers and contractors and partner companies, in all our activities and in all the countries in which we operate.

In line with prevailing Occupational Health and Safety regulations, preventative initiatives at the Group are carried out both through own resources and those arranged with an external risk prevention service.

- Health and Safety Department.
- Prevention officials assigned to the centres.
- Support structure.
- External Prevention Service.

5.1.1. CERTIFIED OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM

In addition to fully complying with all legal requirements, all Sacyr Group companies are implementing occupational health and safety management systems certified under the ISO 45001 Standard, the principal international benchmark for occupational health and safety, replacing the OHSAS 18001 standard.



**Sacyr
Digital
Cyber**

Information is an essential asset that forms part of all Sacyr's business activities. For this reason, an organisational culture has been created that considers the security of information to be particularly important and that, therefore, it must be jealously protected against any external or internal aggression aimed at its misappropriation or unauthorised use.

The Sacyr Group is committed to protecting information from a wide range of threats, in order to guarantee the continuity of information systems, minimising the risk of damage and ensuring the efficient fulfilment of the Group's objectives in all the countries where we operate. It is also committed to guaranteeing and preventing the loss of confidentiality, integrity and availability, considering that the lack of information security would be a critical security problem for the continuity of the organisation.

To this end, Sacyr has carried out a series of initiatives, establishing a set of preventive and reactive measures to safeguard and protect information, such as the development of a cybersecurity and cyberdefence programme at corporate level and the creation of a Cybersecurity Committee, among others.

Cybersecurity Decalogue

1. WORKPLACE	<ul style="list-style-type: none"> • Keep your desk "clean" of papers containing sensitive information • Lock your computer session when you leave your workstation 	6. NAVIGATION	<ul style="list-style-type: none"> • Avoid accessing untrusted websites • Do not click on suspicious links. • Try to write the address in the browser bar
2. DEVICES	<ul style="list-style-type: none"> • Do not modify the configuration of your devices • Do not install unauthorized applications • Do not connect untrusted USB devices • Set a password and auto lock option on your mobile devices 	7. EMAIL ACCOUNT	<ul style="list-style-type: none"> • Delete any suspicious emails you receive • Avoid chain emails (forwarding emails that are addressed to a large number of people)
3. USE OF NON-CORPORATE EQUIPMENT	<ul style="list-style-type: none"> • Do not handle information on public computers • If you access corporate email from your personal computer, do not download files to your computer 	8. PROTECTION OF INFORMATION	<ul style="list-style-type: none"> • Make backup copies of sensitive information that is only stored on your devices
4. INFORMATION LEAKS	<ul style="list-style-type: none"> • Do not provide sensitive information if you are not sure who is receiving it • Destroy sensitive information in paper format • Do not hold confidential conversations in places where they can be overheard by third parties 	9. SAFE TRAVELS	<ul style="list-style-type: none"> • Do not transport sensitive information on removable devices. • Do not handle sensitive information on untrusted WIFI networks
5. CREDENTIAL MANAGEMENT	<ul style="list-style-type: none"> • Don't share your login credentials (username and password) • Do not use your corporate login credentials in applications for personal use • Do not write your credentials in visible places 	10. YOU ARE SECURITY	<ul style="list-style-type: none"> • If you detect any suspicious activity or abnormal operation of your equipment, notify the security department

(403-1)

The internal requirements arising from this System exceed those legally stipulated in the countries in which the company is present, and from the activities performed. A Health and Safety Department has been put into place with more than 231 health and safety professionals charged with the on-going management and control of the System through the processes of monitoring and control, internal audit, management review or change management.

Therefore, during 2020, we have performed an inspection on the System once again, adapting it to the new needs of the Group in each country, transforming it into an international procedure protocol. As a result of this work, we have successfully passed ISO 45001 legal and compliance audits on the occupational health and safety management system implemented at the work centres of Sacyr Group companies.

Furthermore, both the Occupational Health and Safety Management System Manual, and the General Procedures, are accessible to all employees through the Sacyr Portal in the Health and Safety channel. Through this same channel Group employees may access occupational risk technical guides, prevention files and technical notes.

COVERAGE OF THE OHSMS (OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM)

The Management System is implemented at 242 Group Companies (197 in 2019), of which 54 have ISO 45001 certification (45 in 2019), under UKAS (international) or the Spanish National Accreditation Entity accreditation, which represents over 68% of the Group based on the total volume of workers (60% in 2019).

(403-8)

To obtain the ISO 45001 Certificate, internal audits were performed at a total of 144 work centres involving 9,640 workers, which represent a sampling of 19.53% of the total workforce, while for the external audit department, 60 work centres were sampled involving 4,393 workers (8.90%)

CRE6

5. 1. 2. IDENTIFICATION OF HAZARDS, RISK ASSESSMENT AND INCIDENT INVESTIGATION

This OHS Management System aims to contribute to correctly identify, review, manage and improve



Pirámides-Pachuca-Tulancingo Highway. Mexico

the control of the occupational risks to which Group company employees are exposed, which guarantee that all our work is performed in line with a strict initial analysis of the work and its associated risks, together with the implementation of preventive measures to eliminate or reduce them.

All our management systems have a procedure for hazard identification, risk assessment and incident investigation (PG 10.03) that is adapted to the legal requirements of the place of implementation, assessing the daily and non-daily work, planning the preventive measures derived from this assessment and assigning those responsible for its implementation.

In the same way, Sacyr had a procedure in place in all countries to investigate all manner of incidents that may arise in any of our contracts, for which we have opted to catalogue accidents under the US OSHA standard, which enables an equal internal standardisation of information and comparison with top-ranking rivals.

(403-2)

In such accident investigations, information is initially gathered on the basic elements of the accident, analyzing whether the risks and preventive measures were included in the risk assessment of the task being performed at the time of the accident, re-evaluating the risk if necessary. After the adoption of preventive measures, the effectiveness of these measures is monitored in case it is necessary to take any action to avoid a recurrence.

5. 1. 3. OCCUPATIONAL ACCIDENT INJURIES AND PROFESSIONAL ILLNESSES AND DISEASES

(403-9) (403-10)

The Sacyr Group's efforts in the field of Occupational Health and Safety has enabled significant progress in workplace quality, basing ourselves on an internal scoring system that serves as an indicator to verify the status of each work centre in relation to the fulfilment of our prevention obligations.

Thanks to the involvement and dedication of Senior Management, employees, suppliers, contractors and partner companies, the Sacyr Group has made progress towards forging the desired safety culture. Evidence of this can be seen in the downturn in accident rates in recent years, demonstrating that the

measures adopted are taking us in the right direction, having reduced our frequency rate per 200,000 hours by 10% compared to 2019, although we have suffered 42* serious accidents (30% less than in 2019) which oblige us to increase efforts until we achieve our "Zero Incidents" target.

*Own employees

(403-9)

In terms of accidents involving our subcontractors, 25 serious and 2 fatal accidents were recorded worldwide in 2020. The Prevention Service carried out the usual investigation for these cases, analysed the causes and took the necessary measures to prevent any reoccurrences.

In terms of types of accidents, the most significant ones that have occurred in recent years were those indicated in the table.

TYPE (%)	2020	2019	2018	2017	2016	2015
PHYSICAL OVER-EXERTION INVOLVING THE MUSCULOSKELETAL SYSTEM	30.49	40.5	44	41	47	38





In all countries in which it has a presence, **Sacyr has a procedure to investigate all manner of incidents** that may arise in any of our contracts

5. 1. 4. OBJECTIVES MET

- Obtainment of ISO 45001 certification at the previously mentioned companies.
- Development of the SMART computer application as an Occupational Health and Safety Management tool, developing new functionalities and adapting the application to the new OHSMS.
- Implementation of an external subcontractor validation system at Sacyr Water and Valoriza Servicios Medioambientales.
- Implementation of a preliminary contractor approval and assessment system. (Procur@)

FUTURE CHALLENGES

Short term:

- Maintaining the company's positioning in the area, through compliance standards and certifications.
- Globalise and reinforce reporting processes.
- Implementation of Sacyr's Healthy Programme through identification and action in key areas in health and well-being and promote programmes in each of them.
- Develop internal and external communication plans that encourage coordination between departments.
- Identify measurement indicators.
- Cooperation with entities of the third sector and other organisations that work in key areas.
- Guarantee confidentiality in the management of individual health data.

Medium term:

- Assessment and identification of risks tied to health and well-being in each of the key areas.
- Healthy Sacyr: Development of an action plan for on-going improvements in health and well-being.
- Annual training and awareness-raising plans and the promotion of culture in the area of health and safety (all employees).
- Implement health and well-being plans at global level linked to SDG 3 with specific objectives.
- Inclusion in initiatives and support in tools that show commitment and progress in the area.
- Improvement of the value chain through the integration of security in all company processes (design, offer, execution and conservation and operation).
- Design of strategies aimed at improving Road Safety.
- Measure the social impact of safety projects

Long term:

- Visible leadership at all hierarchical levels of the company.
- Increase of 20% in the number of companies certified in our Occupational Health and Safety Management Systems.
- Obtainment of recognition by a prestigious external body of the Sacyr Healthy Plan.
- Measure the social impact of health and well-being projects.
- Leadership in the value chain, through the promotion of health programmes of our collaborators, through participation in Sacyr Healthy initiatives.
- Achieve a 0 incident rate.

5.2. HEALTH AND WELL-BEING

5.2.1. OCCUPATIONAL HEALTH SERVICES

Sacyr guarantees the health protection of its employees through the hiring of competent professionals with acknowledged qualifications and accreditations, and which comply with the legal requirements and pertinent standards/guideline, scrupulously respecting the privacy and custody of their medical data and using them to improve the health of workers, eliminating those occupational risks that may worsen their state of health and if this is not possible the adaptation of the work post.

For this purpose, after analysing the risks in the workplace, medical protocols are established which, by means of a series of tests, establish the worker's aptitude for the performance of his/her tasks, or if any element must be taken into account so that the work does not have negative consequences for the worker, the adaptation of the workplace or even the relocation to another risk-free workplace.

(403-3)

5.2.2. PROMOTING EMPLOYEE HEALTH

Sacyr focuses on fostering the health of its workers at all levels. Accordingly, various departments implement initiatives to improve rest and reduce stress, nutrition and physical activity, interconnected with other health benefits that Sacyr has implemented for years.

The Sacyr's Health Program covers different areas such as sports, food and health:

- Sports Club.
- Physiotherapy and Back School at all offices.
- Medical Service.
- Training in healthy habits.
- Health campaigns in local communities.
- Anti-smoking campaigns.
- COVID-19 detection test.
- Measures aimed at early detection and at reducing the impact of COVID-19.

- Protocol Certification of Sacyr Facilities, S.A. (and subsidiaries) with regard to COVID-19 infections and to manage work centres included in this scenario.

- Reportability of KPIs GRI and SDG.

See chapter 6.3. section "Sacyr's Sports Club"

(403-6)

5.2.3. PARTICIPATION OF EMPLOYEES, CONSULTATION AND COMMUNICATION REGARDING OCCUPATIONAL HEALTH AND SAFETY

64.2% of all Sacyr Group employees are represented on health and safety committees (56.6% in 2019). There are also official agreements with trade unions with safety and health clauses for construction projects in Spain. The agreements signed contain specific stipulations, articles, chapters and titles regarding Occupational Health and Safety, with the assistance of 1,040 prevention officers (653 in 2019) in countries with a considerable number of employees on the payroll.

(403-4)

Our Management System has a procedure for communication, participation and consultation with workers that allows us not only to involve them in the company's health and safety decisions, but also to allow them to report risky or potentially harmful situations that may have escaped our risk identification and assessment.

5.2.4. OCCUPATIONAL HEALTH AND SAFETY TRAINING TO EMPLOYEES IN THE WORKPLACE

To guarantee and reinforce its preventive culture, Sacyr periodically provides training courses that include learning and awareness raising for employees on aspects of health and safety. During 2020 the Health and Safety Management training team managed a total of 49,650 training hours that are recorded in MVP.

This involved an investment in Spain of €211,535, of which €162,463 was subsidized.

To these hours must be added 526,868 hours of training corresponding to the training given by the Health and Safety Management at national and international level not reflected in MVP, making a total of 507,409 hours of training and a total of 821,757 employees trained.

(403-5)

5. 2. 5. PREVENTION AND MITIGATION OF THE IMPACTS ON HEALTH AND SAFETY OF EMPLOYEES DIRECTLY LINKED TO COMMERCIAL RELATIONS

The Sacyr Group also takes the necessary measures to ensure that employees, contractors, suppliers and associates constitute an active part of its Health and Safety Policy.

(403-7)

Accordingly, Sacyr has a specific “Purchasing and contracting management” procedure, the main objectives of which are as follows:

- Assess contractors and suppliers in the pre-hiring phases to ensure that they comply with the standards set by the Health and Safety Department.
- Ensure that subcontracted workers are fully informed about the risks to which they are exposed in their respective jobs and about the applicable protective and preventative measures.
- To ensure that subcontractors effectively assume their responsibilities, taking all necessary measures and providing their employees with the appropriate means to guarantee their safety.
- In 2020, Sacyr complied with construction industry subcontracting regulations, limiting the number of levels in the subcontracting chain by using subcontracting records and requiring subcontractors to produce evidence of compliance.



Rutas del Este, Paraguay

5.3. DIVERSITY AND EQUALITY

At Sacyr, we have a firm commitment to Diversity. Our teams are formed by people with different profiles, cultures and origins, including diversity factors such as: race, gender, ethnic groups, education, disability, religion, sexual orientation, etc. People are unique due to their differences and similarities, hence Sacyr recognises the value of diversity in its teams, which makes them more innovative, creative and efficient.

Our company also pledges for a culture of Inclusion, creating an employment environment in which each person can achieve their objectives and evolve. We are committed to creating work environments in which all our professionals are responsible for treating others with maximum respect.

Equality in the workplace is an unnegotiable motto for Sacyr. We have a policy of zero tolerance regarding harassment or any type of discrimination, be it as a result of gender, marital status, age, race, social condition, religious or political ideas, trade union membership, etc. For this reason, we have different company tools, such as:

- Corporate Protocol to prevent and act in cases of harassment and discrimination. Taking into account labor regulations and collective bargaining agreements, we apply the disciplinary procedures provided for, in the event that it is necessary to resort to appropriate measures to prevent or act against discrimination and promote diversity.
- Specific committee to prevent harassment, with members trained in the management of procedures arising from the protocol.
- Specific whistle-blower channel so that employees can notify or report harassment in writing to denunciaacoso@sacyr.com.

This commitment to diversity and its inclusion arises from the Sustainability and Corporate Governance Committee, created at the beginning of 2020, and delegated by the Board of Directors with the purpose of supervising and proposing corporate policies and by a Sustainability Committee, integrated by Senior Management, to boost the work that we have been developing in the area of sustainability, which includes diversity, equality and a work-life balance, among other aspects, holding monthly follow-up meetings. The Management Board oversees the sustainable development of the company and approves corporate policies.

A manifestation of the foregoing is the approval in July 2020 by the Board of Directors of the **Diversity and Inclusion Corporate Policy**, which marks our strategy at a global level, together with guidelines for its implementation and development in all countries. Our diversity and inclusion strategy focuses on the following areas:



Functional diversity: inclusion of the disabled.



Gender diversity: inclusive vision of sexual diversity and gender identity.



Social and cultural diversity: living in harmony of different cultures and the inclusion of groups at risk of social exclusion.



Generational diversity: convergence of people of different ages and competences.



Sacyr is built with a **diverse and inclusive workshop**

Risks and opportunities are analysed in each of them, taking into account the legal and social context, to establish cross-cutting and specific procedural objectives, which enable us to develop procedures and initiatives that ensure their compliances, with the cooperation of specialised public and private entities and organisations, and awareness-raising actions and training that contribute to the company's cultural change, sharing our best practices both internally and externally, which enable us to involve the whole organisation and our stakeholders.

A reflection of this commitment is Sacyr's inclusion in the Diversity Foundation's Diversity Charter, renewed in 2020, or the creation on our mysacr intranet of the diversity and work-life balance, a space to publish documentation and news (574 in 2020), or the formation of four diversity sub-committees, formed by company professionals, such as analysis forums and new proposals in the different areas in which we are working.

At Sacyr, we periodically update our Diversity map, which provides us with an x-ray of what point we are at, and which enables us to measure the effectiveness of our policies and projects in this regard. In 2020 we launched the Diversitylabs Sacyr initiative, creating working groups for each of the areas of diversity set out in our policy, as a forum for debate and analysis of needs and opportunities, with the aim of launching new initiatives.

OBJECTIVES MET



5.3.1. FUNCTIONAL DIVERSITY

(103) (405-1)

- We promote the employment inclusion of disabled people, by collaborating with foundations and entities such as Capacis, Inserta, Incorpora, A LA PAR and we have a presence at specialised employment exhibitions. In 2020*, we have 3.4% of people with disabilities (963 people with disabilities hired).
- We promote integral development, autonomy and independence, equal opportunities and the rights of the disabled. The Sacyr Group's corporate offices always take into account universal accessibility for people, and all of them are accessible by disabled people.
- Awareness-raising through campaigns aimed at social awareness with respect to the standardisation and inclusion of this group. As a result of the International Day of Persons with Disabilities (3 December), in 2020 Sacyr held a disabled persons week, with the diffusion of different actions to visualise our progress and commitment with the employment inclusion of this group.

*(1,026 in 2019) In the remaining countries where the group has a presence, data on employees with disabilities is not reported as it is not considered material information for these governments.



People with disabilities week - Collaboration with Capacis Foundation



5.3.2. GENDER DIVERSITY



- We have an equal presence of men and women in our workforce. 45% of our employees are women. In leadership and management roles, they represent 21%.
 - Sacyr is aware of the importance of balanced participation of women and men in the company's governance bodies, and to that end, in 2016, the Board of Directors approved a director selection policy. In 2020, more than 23% of the Board of Directors was formed by female directors.
 - We promote the increase in women in management posts and we boost female talent, through professional development programmes with leading business schools (ESADE and EOI). Also, Sacyr has signed the EJE&CON Good Practices Agreement, to contribute to the promotion of measures that facilitate the access of women to senior management and management committee posts, and it collaborates with the Chile Senior Management Network of Women (MAD) to share good practices. All of this, in order to achieve the company's objective of increasing the presence of women in management positions.
 - We have included gender perspective in all Human Resources processes, from selection, promotion, training and compensation, to ensure that all of the foregoing are carried out with objective criteria regardless of gender.
- We have Equality Plans in all business divisions (11 in total), negotiated with the employee's legal representatives that establish selection, training, promotion, remuneration, etc. processes with transparent and objective criteria, regardless of gender. Based on a diagnosis of the situation, objectives and actions were set, which are followed through the corresponding follow-up committees.
 - We monitor the salary gap between men and women, which does not exceed 6% in any of our professional categories.
 - We encourage the choice of STEM (Science, Technology, Engineering and Mathematics) degrees among women, through different initiatives:
 - » Sacyr Inspires: Participation in the International Student Exhibition CLASSROOM 20, together with the Women's Institute, to inspire students in the last year of secondary school to choose this type of degree.
 - » Awareness-raising day as a result of the International Women in Engineering Day (23 June) with thematic webinars for daughters of Sacyr employees and the broadcasting of Sacyr Engineering storytellings.



- We boost the **work-life-family** balance of our employees, with over 90 measures that have led us to merit FRE (Family Responsible Company), recognition granted by the MasFamilia Foundation and which has been compiled in a catalogue available to our workforce. The most noteworthy include:
 - » Flex Working Corporate Policy, for the flexible organisation of work time and space, including the right to digital disconnection as a principle.
 - » Sacyr Achieves a Balance:
 - » School Holidays: On working days when there is no school, activities are organised for employees' children aged between 3 and 14. More than 220 children and more than 130 parents have benefited from this initiative in 2020, the day was dedicated to the conservation of the planet.
 - » Facilitate childcare options: There are agreements with various nurseries and schools. In addition, leisure activities are often provided for employees' children during the summer and Christmas holidays.
 - » Design of the work calendar in line with the school calendar: We take into account the school calendar when drafting the company's work calendar.
- We have a leave guide for family care available to our workforce, regarding work-life leave that may be requested and the approval procedures. In 2020, more than 6,190 applications were handled.
- Sacyr is aware that corresponsibility plays an important role in the area of equal opportunities to allow women to assume posts of greater responsibility. Accordingly, we promote a corresponsable attitude to continue to make progress in a shared role society model, through awareness-raising days as a result of the International Women's Day (8 March) and Family Day (15 May), and of the Spanish National Day of Work-Life Balance and Co-responsibility (23 March).
- We provide training in equal treatment and opportunities, which we have included in the Onboarding Km0 Programme, with the firm wish that all new employees respect the principle of equal treatment in the workplace, are familiar with the Equality Plan and the Harassment Prevention and Procedure Protocol harassment, conciliation and diversity in general. We have given almost 7,400 hours of this type of training.
- We share our good practices with inclusion in the Target Gender Equality Global Pact, which is a 12-month programme that serves to identify strengths and areas of improvement.

Wage gap

**3.94%**

We encourage a corresponsable attitude to continue to make progress **in a shared roles society model**

(405-2)



5.3.3. SOCIAL AND CULTURAL DIVERSITY

- We promote multicultural presence as a source of knowledge and talent. The company has employees of over 86 nationalities and we are present in over 20 countries, which we emphasise in the different projects facing us and we hold as a result of the International Day of Cultural Diversity (21 May).
- We foster the inclusion of groups at risk of social exclusion through different initiatives.
 - » Alliances with the Integra Foundation, the La Caixa Foundation Incorpora programme and the “Companies free from gender violence” Agreement with the Ministry of Equality, through which 136 employees were included.
 - » Training and awareness-raising days as a result of the International Day for the Elimination of Violence against Women (25 November).

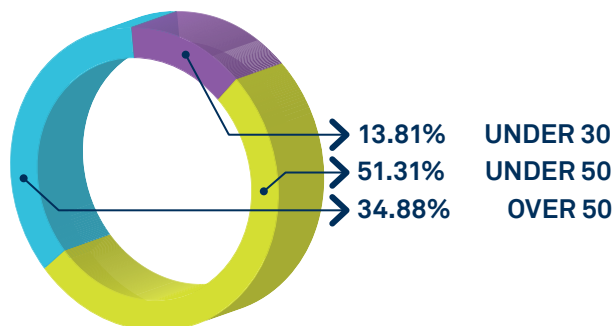


Sacyr, against Violence against Women



5.3.4. GENERATIONAL DIVERSITY

- We perform a workforce analysis by generation for an optimum harmonious work environment and the employment integration of the different generations.
- We form part of the network of companies of the Generation and Talent Observatory, and we comply with its Generational Diversity Principles Code.
- We have implemented specific programmes for each generation, in line with their needs:
 - » Sacyr Generation Senior.
 - » Sacyr Builds Future.



PRIZES AND RECOGNITION

- In 2019, we obtained FRE (Family Responsible Company) recognition, in force until 2020, granted by the MasFamilia, for our new socio-employment and business culture, based on flexibility, respect and commitment to achieve a work-life-family balance of our employees.
- Finalists in the 2020 XIV National Alares Prizes for a work-life balance, for our Flex Working Corporate Policy.
- Recognised as one of the 30 most committed companies to diversity in the Intrama D'21 Variable Annual Report (leading Human Resources Consultant in this area).
- Thomson Reuters recognises Sacyr as a diverse and inclusive company, placing it among the 100 leading firms in the world on the Diversity and Inclusion Index.
- Finalists in the III Edition of the Generation Prizes (Generation & Talent Observatory), with the "Sacyr Builds Future".



People with disabilities
week - Marta Martínez



Edinburg Tram, Scotland, United Kingdom

5.4. PROFESSIONAL DEVELOPMENT

5.4.1. DESCRIPTION OF THE WORK FORCE:

Our workforce is formed by the best talent, to whom we offer secure and attractive positions, leading opportunities for development and training, through a human resources policy oriented to the long term. This is possible thanks to achievement of a work-life balance.

(103-1) (103-2) (103-3)

In 2020, Sacyr's headcount comprised 44,623 workers (in 2019, 43,467 employees formed part of Sacyr). This represents an increase of 2.7% on the previous year. Of this total number of employees, 24,331 were men (22,609 in 2019) and 20,292 were women (20,858 in 2019).

(102-8) (405-1)

A 64% of the workforce carried on their activities in Spain, Sacyr has a significant presence in Chile, Colombia, Peru and Mexico, among other countries.

At December 31, 2020, Sacyr's workforce closed at 47,797 active employees (42,824 in 2019). Of this total number of workers, 27,913 are men (26,213 in 2019) and 19,884 are women (23,514 in 2019).

(102-8) (405-1)



Sacyr's comprehensive package encompasses measures ranging from professional training to high-potential programmes for managers

ONBOARDING DIGITAL KM 0 EMPLOYEE SATISFACTION PROGRAMME

The Human Resources corporate area carries out the Onboarding Digital Km 0 Programme questionnaire, which stands out for being the best indicator to measure personal and professional development opportunities. This programme is aimed at new Sacyr employees, with a digital identity and a level equal to or higher than 3 (excluding executive employees), both in Spain and in LATAM. Six months after joining the company, all new employees are sent a questionnaire in which they will find the following questions:

Questions:

1. The Sacyr Onboarding "Km 0" programme has been of use to me.
2. I recommend this programme for new inclusions. I consider that there is relevant information that would be worth knowing.
3. In relation to the post in which I perform my activity, I consider that I am fully integrated into the team/departament.
4. My direct head defines my objectives and helps me to monitor and comply with these objectives.
5. Generally, I am satisfied with my recruitment at Sacyr.
6. General observations that you wish to include.

Scale:

- 1. I completely disagree / Not at all satisfactory.
- 2. I disagree to a large extent / Quite unsatisfactory.
- 3. Neutral.
- 4. I agree to a large extent / Quite satisfactory.
- 5. I completely agree / Very satisfactory.

We consider that the question that best reflects what is intended to be measured is no. 5: **"Generally, I am satisfied with my recruitment at Sacyr."**

Narrowing down the responses to 2020, there are 131 responses, which are as follows:

RESPONSE 5	NO.	%
1. I COMPLETELY DISAGREE / NOT AT ALL SATISFACTORY	3	2.29%
2. I DISAGREE TO A LARGE EXTENT / QUITE UNSATISFACTORY	5	3.82%
3. NEUTRAL	5	3.82%
4. I AGREE TO A LARGE EXTENT / QUITE SATISFACTORY	30	22.90%
5. I COMPLETELY AGREE / VERY SATISFACTORY	88	67.18%
OVERALL TOTAL	131	100.00%

Thus, **90.08% of those interviewed state that they are quite satisfied or very satisfied with their recruitment at Sacyr**

If we include gender in these findings, the outcome is as follows:

RESPONSE 5	NO.		%.	
	Men	Women	Men	Women
1. I COMPLETELY DISAGREE / NOT AT ALL SATISFACTORY	2	1	2.27%	2.33%
2. I DISAGREE TO A LARGE EXTENT / QUITE UNSATISFACTORY	4	1	4.55%	2.33%
3. NEUTRAL	5		5.68%	0.00%
4. I AGREE TO A LARGE EXTENT / QUITE SATISFACTORY	20	10	22.73%	23.26%
5. I COMPLETELY AGREE / VERY SATISFACTORY	57	31	64.77%	72.09%
OVERALL TOTAL	88	43	100.00%	100.00%

5. 4. 2. ACQUISITION OF TALENT

We invest in continually attracting and training talent. This allows us to ensure that our human resources needs are met in a volatile environment.

The Sacyr Group's Global Package comprises a series of measures ranging from professional training to high-potential programs for executives. In this regard, in 2019* Performance Appraisals were carried out on 3,710 employees, of which 67% were men and 33% women. According to professional categories, this distribution was 0.2% senior management, 2.5% management, 23.5% middle management and 73.7% technical personnel.

Talent is acquired at Sacyr through a global shared methodology and model, that leads to transparent, confidential and rigorous processes to ensure compliance with the principles of equality and non-discrimination.

These procedures include objective tests to assess the merits, qualifications and skill profiles to optimise the job-person match. This methodology is the Smart Recruiting (SmartRec) model. Such attraction process intends to:

- Homogenise, provide rigor and objectivity, and optimise the efficiency of selection processes at global level (all businesses and all countries).
- Base the fundamental operating principles in the field of talent acquisition on diversity and equality.
- Provide those managers who need to recruit personnel with the necessary tools to make an appropriate choice of people for their team.

* As of the closing date of this Report, the information on the performance of Sacyr's employees was not available; therefore, the information corresponding to the fiscal year 2019 remains.

Our workforce is formed by **the best talent**, to which we offer safe and attractive work posts



5.4.3. TRAINING

(103-1) (103-2) (103-3) (404-1) (404-2)

With our training, we guarantee the continuous development of the people who are part of Sacyr, globally and aligning the training with the necessities that arise in the business strategy, within an innovation, integration and excellence business culture. To achieve it, we do not forget that our employees need to develop a training curriculum in an agile and accessible manner with the use of an online training tool "My Virtual Point", in every educative program for the training of professionals in the fields of action of the business units and Sacyr Group management, in every country in which we are present. With our training, we guarantee the continuous development of the people who are part of Sacyr.

This training is another sign of Sacyr's compromise to enhance the competencies and abilities of its collaborators and hence to retain the workforce with talent. The total number of training hours imparted in 2020 was 328,294 hours, whilst in 2019 was 284,302.

Training Hours by Genre:

	2020	2019	2018
MEN	229,780	186,717	142,533
WOMEN	98,514	97,585	58,683
TOTAL	328,294	284,302	201,216

Hours of Training by Staff Category

	2020	2019	2018
HIGH MANAGEMENT	4,090	3,808	4,547
MANAGEMENT	56,505	25,786	27,159
TECHNICIANS	137,651	93,097	81,942
SUPPORT	127,121	161,611	87,568
TOTAL	325,367*	244,190	201,216

*There are 2,927 training hours developed by collaborators whose staff category is not registered.

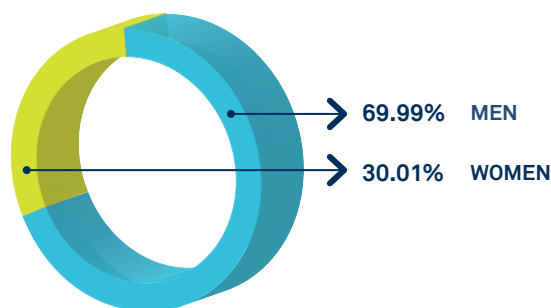
Through our training, we guarantee the professional development of the people forming Sacyr

Training hours in 2020

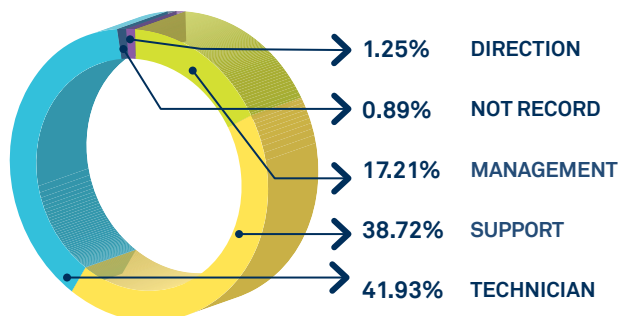


328,294
[+15.5%]

TRAINING HOURS PER YEAR, BY GENDER



TRAINING HOURS PER STAFF CATEGORY



We develop both external and internal training (53% of training hours), the latter by the hand of our expert collaborators.

During 2020 we have addressed a series of training itineraries:

SACYR SKILLS

1. Competence program

During 2020 we have continued to develop our Competency Model, having developed several training itineraries to work on the following competencies.

COMPETENCE	COLLECTIVE
Analysis and Summary Digital Competence	 TECHNICIANS
Planning and Organization Resilience – Adaptation to change	 SUPPORT
Analysis and Summary Digital Competence	 MANAGERS

For its development, the methodology used has been online, and our allies big experts in each of the topics.

SACYR BUILD FUTURE

2. Sacyr Build Future Program

Sacyr Build Future is an Employer branding and Young talent recruitment Program that we develop in collaboration with the School of Roads, Channels and Ports of the Polytechnic University of Madrid.

The program is made up of a series of sessions through which the participants can get to know both our Group in great detail, as well as the global role of the ICCP in our Organization.

During 2020 we have carried out the third edition of this program, in which 32 students from the second year of the master's degree have participated.

CORPORATIVE PROGRAMS

3. 2020 E-learning Language Training Program

Our e-Learning programs allow each collaborator to train from anywhere and at any time, at a pace that is fully adapted to their needs.

The language program, Learnlight, is made up of a study plan for each level, which includes between 20 and 40 units structured and aligned with the Common European Framework of Reference.

Students in turn have access to a weekly Magazine with fun and current content that gives them freedom and autonomy to learn with the topics they like the most.

It is a learning environment, awarded worldwide, and used by 50,000 students in more than 100 countries around the world.

4. Open Programs

Through this project we allow our collaborators to self-enrol in those courses they are interested in, so they may design their training plan or training passport.

At different times of the year we have offered titles

of different themes: office automation, working management, personal effectiveness, health and welfare at work, technical aspects, etc. And every user enrolls in those they need personalizing his training.

5. #ITrainAtHome Initiative

At Sacyr, we always try to visualize new opportunities in the most critical situations. This is why, as the pandemic started, that we continued to develop new training initiatives to enhance the efficiency and productivity of remote working.

#ITrainAtHome was a training initiative with a focus on continuing to contribute to the career development of our colleagues. This training was conducted with small learning capsules that included different tips, tools, and tricks to enhance productivity in the present context. Some of those capsules were:

- Communication on digital environments
- Optimization techniques for remote working
- Tools to improve our productivity and teamwork
- Useful tips about how to adapt to the new reality
- Tools to get organized
- Useful tips about continuous improvement

Our e-Learning programmes enable employees to undertake training **from any place and at any time**



6. Sacyr Financial Management Program

Training program in financial economics aimed at managers, which we develop in collaboration with ESIC and whose content has been custom developed by our Finance Department Corporate

During 2020, 2 editions have been developed through of which more than 150 managers have been trained Company.

With this program we want to train our professionals in a greater economic and financial knowledge linked to our business strategy, to who have a greater vision and can assume a better decision-making and contribute to the growth of the organization.

7. Internal training on the Criminal Liability of Legal Persons and Ethical Code of Conduct

In 2020, we started a new training program that we completely custom develop about the regulation on Sacyr's Criminal Liability of Legal Persons and Ethical Code of Conduct.

See section: 7.5.1. Code of Conduct on page 184.

5. 4. 4. PROMOTION OF PERSONAL AND PROFESSIONAL BALANCE

So that our teams can reconcile your professional, family and personal life, we offer flexibility tools that allow, to the extent where possible, manage time and place of work, striking a balance between the needs of the company and those of our professionals. Sacyr bet by objectives and results, pursuing productivity and efficiency in all its activities, and a culture of “no presenteeism”, based on confidence, productivity and responsibility of our collaborators.

(103-1) (103-2) (103-3) (401-2)

To favor the balance of family and work life we have implemented the following improvements:

- Flexible hours, both at the entrance and at the departure, as well as for the lunch break.
- Intensive day on Fridays and during the months of summer.
- Enjoy cumulative nursing leave.
- Granting reductions in working hours per guard legal, as well as leaves of absence and permits.

Likewise, the company promotes the reasonable use and responsible for digital technologies, with the objective of optimizing working time and promoting rationalization of the schedule. The right to disconnect digital is included in our Flex Working Policy approved in 2019.



MVP opens up Kilometers

5. 4. 5. LABOR RELATIONS

Social dialogue plays a key role in the development of labor relations, and in particular in achieving the sustainable development goals of the UN. Sacyr supports the rights of association, union representation and collective bargaining of all our employees, in accordance with the standards of each country, maintaining an interlocution and negotiation constant with the legal representation bodies of workers and unions, with the aim of having with cordial and peaceful labor relations.

(103)

In 2014, the Sacyr group signed a Framework Agreement with the International Federation of Building and Wood Workers and Comisiones Obreras (CC.OO.) of Construction and Services and UGT - MCA (decent wage, non-discrimination etc.). This agreement is based on the joint commitment of the signatories to respect and promote the principles defined in the Universal Declaration of Human Rights, the Tripartite Declaration of the International Labour Organisation (ILO), the OECD Guidelines for Multinational Companies, and the United Nations Global Compact. Among these commitments we wish to single out application of ILO Conventions 87, 89 and 98, focusing on ensuring freedom of association

and the right to collective bargaining for our employees. The scope of application of the agreement affects the Sacyr group and all its subsidiaries, irrespective of the company in which they work, and therefore it applies to the entire Group workforce.

(407-1)

The 292 (295 in 2019) Collective Bargaining Agreements for various sectors and provinces lay down the working conditions for Sacyr group employees in Spain in 2020.

99.5% (same as 2019) of the Group's employees in Spain are covered by Collective Bargaining Agreements, and there are no official employment agreements in other countries with a considerable number of employees. In any case Sacyr undertakes the commitment to adhere to any national legislation and/or agreements that may be applicable.

(102-41)

In the case of company restructuration, we generate the corresponding plans in which we take into account the workers and means assigned representatives.

sacyr Desafíos
cumplidos

sacyr.com

Leave guide.
Reconciliation



Sacyr's Permissions and Balance Guide



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Positive Impact Ambition

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Reforestation work by volunteers, in
Pasto, Nariño. Colombia

Social Value

Sacyr helps to generate sustainable value in the communities in which we operate by carrying out our activities and promoting sustainable initiatives.

We are in an unbeatable position to generate an important contribution to the economic and social development of over 20 countries. Our activity and business lines are closely linked to economic growth, the support for territories and the improvement of the quality of life of people.

Our **Sustainability Framework Policy** evidences the global commitment at the highest level to the companies at which we operate. Commitment based on the basic values of our business culture and on the origin of excellence-based management.

6.1. SOCIAL CONTRIBUTION

We wish to contribute to creating the society of the future by taking care of local communities. Accordingly, we focus our efforts on maintaining the best relationships with the different social players: users of infrastructures, communities in the catchment area of our projects, municipal authorities and educational institutions, amongst others. We also collaborate in initiatives that cover different needs

(102-12)

To define the social responsibility and community relations plans of the Sacyr Group, we have launched a dialogue process in which we ask our stakeholders about the most relevant topics that must inspire our strategies and decisions. This has helped us to focus on the role that we wish to fulfil as social and economic players.

As a result of this dialogue, we have been able to identify the goals and commitments that make up the basis of our Sustainability Policy; also, we have determined the courses of action that represent the



+1,620,000€

Social Contribution

+100,000

beneficiaries

+50

projects and partnerships

+600

volunteers

6

countries

SUSTAINABLE DEVELOPMENT GOALS





structure of our social contribution strategy, which we follow to respond to the challenges presented by the societies in which we operate.

Contributing to society through a responsible business model means situating sustainability at the centre of the organisation, pledging to develop the necessary mechanisms to respond to the needs and expectations of the group's stakeholders.

SACYR 2025 SUSTAINABLE PLAN, our Sustainability Action Plan for 2021 – 2025 enables us to lay the bases and objectives so that on the road to 2025 we consolidate ourselves as one of the reference points in the area of sustainability and in the generation of social wealth.

Also, the **17 UN Sustainable Development Goals (SDGs)** represent an integrated guide in the CSR strategy to focus the Sacyr Group's efforts on improving the development of our communities.

Monitoring system for CSR practices with stakeholders:

- The Sacyr Group's Sustainability Policy is developed and implemented through the Sustainability and Corporate Social Responsibility area, integrated into the General Communication Department.
- On a monthly basis, Sacyr monitors the implementation of the **Sustainability Plan**, which analyses the risks associated with the development of the initiatives derived from this plan and in which the results to be reported are established.

Likewise, since 2019, Sacyr Mexico's office has had a Business Social Responsibility Committee, comprising members of the different areas and of the Group's four divisions, which developed the documentation of the drive to comply with the standards proposed by the CEMEFI (Mexican Centre for Philanthropy) in order to obtain the **Socially Responsible Company Mark**.

6.2. SACYR SOCIAL FOOTPRINT

FUNDACIÓN
sacyr



The Sacyr Foundation, set up in 2008, enables Sacyr to maximise the impact of the company's social initiatives for its beneficiaries and to contribute more effectively to the well-being and development of the communities in which it conducts its activities.

The Sacyr Foundation implements a wide range of social initiatives, which can be divided into two categories: promoting innovation and social action.

The projects carried out by the Foundation in 2020 establish objective criteria to be used as reference points to select and prioritise activities:

+ Activities of the Sacyr Foundation in 2020

- Alignment of the project with the aims of the Sacyr Foundation set out in its Articles of Association.
- Social returns: assessment of the need for and urgency of aid, and of the number of potential beneficiaries.
- Regional balance: the Group seeks to prioritise projects in the areas in which it is active and to avoid distortions in the geographical distribution of aid.
- Funding balance: the Group aims to avoid excessive concentrations of aid in any one of its specific remits.
- Technical and financial solidity of the partner or beneficiary organisation.

Among the **agreements** and **partnerships** in the year we must highlight:

Total financing of the headquarters digitalisation project and promotion of the personal autonomy of the **Inclusive Foundation**.



Holding of different food collection campaigns in which over 8,000 kg of food has been donated to **Food Banks**.

Collection and donation of gifts for children and minors in a situation of vulnerability or poverty.



Collaboration with the **Spanish Cancer Association** in the **Campaign against Breast Cancer** to raise awareness and prevent the disease, accompanied by an economic donation for cancer research.

World Breast Cancer Day +



Collaboration with the **Spanish Red Cross** to finance programmes against loneliness in the elderly, for the socio-labour integration of people at risk of exclusion and aid for children in hospital.

Collaboration with the **Madrid Down's Syndrome Foundation** to finance an emotional, psychological and physical stimulation project for the users most affected by lockdown.



Collaboration with **ALEPH-TEA** for the donation of a vehicle adapted for PRM, earmarked to personal autonomy projects for users with ASD.

Acquisition and donation of sanitary material during the pandemic.



In 2020, Sacyr entered into different partnership agreements with tertiary-sector companies, and this commitment was reflected in contributions in excess of €1,620,000* (€200,000 in 2019). These partnerships have affected over 100,000 people (direct impacts and 300,000 indirect impacts) and involved over 600 Sacyr volunteers.

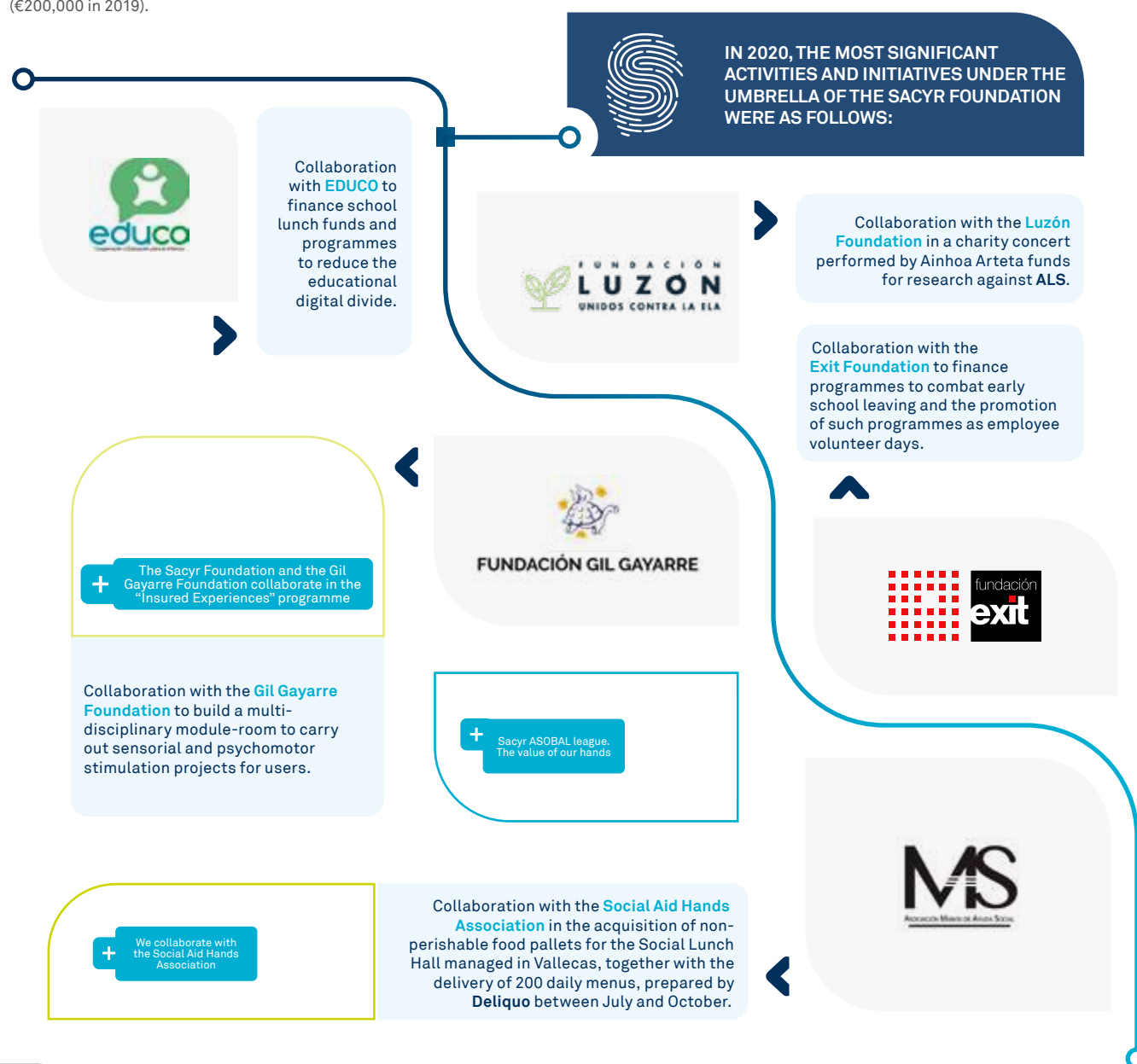
In 2020, as a result of the global COVID-19 pandemic, the Sustainable Development Goals most boosted by the Sacyr Foundation were those of No Poverty, Zero Hunger and Good Health and Well-being, highlighting around 50 projects in over 6 countries.

* €437,381.52 were donated to foundations or non-profit entities (€200,000 in 2019).

These initiatives include the sporting world, through the sponsorship of professional athletes, representing an amount of €318,000 (€152,000 in 2019).

In 2020, Sacyr sponsored different triathlon sportsmen and women such as Daniel Molina Martinez, Mario Mola and Carolina Routier. Furthermore, for the 2020-2021 season, we are the sponsors of the Sacyr ASOBAL league, the top male handball category which, in turn, is the most important handball competition in Spain.

(413-1)



Collaboration with the **Spanish Rubinstein-Taybi Syndrome Association** to finance children's stories through which to increase awareness regarding the illness.



Financing of the Extraordinary Aid Fund of the **Aladina Foundation**, aimed to help to cover the costs of adapting oncological treatment to the homes of minors.



Collaboration with the NGO **Help in Action** for the implementation of programmes in Mexico, Colombia and Peru in programmes aimed at combating the socio-sanitary consequences of the pandemic. Programmes for the delivery of hygiene-sanitary, food and water sanitation kits, education intervention programmes to reduce the digital divide, programmes to combat increased gender and domestic violence as a result of lockdown and programmes to combat loneliness, etc.



Collaboration with the **Mums in Action Association** to finance its "HealthyCure" Programme, aimed at accompanying hospitalised minors that have been abandoned or orphaned.

Financing of the purchase of sanitary materials and tests earmarked for users with intellectual disability at residences of **Full Inclusion Spain**.

Financing of a plantation for a **business forest in the Amazonia regions of Colombia**, to compensate the carbon footprint and boot the economic and social impulse of the indigenous communities..



Collaboration with **Aldeas Infantiles SOS Chile** to finance the educational programme "School in your Village" in the 11 villages that extend throughout the country to provide pedagogical support and aid for a successful school reintegration following the end of the pandemic. Also, a significant donation of sanitary and personal protection equipment was also made to all villages.



Collaboration with the **Tomillo Foundation** for the total financing of the digitalisation process of its headquarters to combat the educational digital divide of its beneficiaries.

As part of Sacyr's commitment to the sustainable development of the Communities in which the Group is present, we are implementing initiatives to generate social value tied to the Group's own economic activity.



PERU



Donation agreement between Concesionaria Vial Sierra Norte and Help in Action to donate **400 food kits** to two of the Concession's catchment areas.



Through the SIF Mollendo project, Sacyr donated **150 food hampers** to members of the Civil Construction trade union in the province of Islay, benefitting 1500 people.

Economic donation to purchase **mechanical ventilators** for the Ministry of Health, through the contribution to the Emergency Fund of the National Confederation of Private Business Institutions (CONFIEP), through the Association for the Development of National Infrastructure (AFIN).

Through its SIF Mollendo project, Sacyr donated **10 oximeters** to the Provincial Municipality of Islay to add to the medical campaign against COVID-19.

Donation of **400 Christmas kits among food and toys** for children in the catchment area of the projects in Ancash, Quellaveco and Mollendo.

Donation of **18 recycled computers** from completed projects for schools in the catchment area of the Mollendo and Chiclayo projects

Donation of alcoholic gels, surgical masks, liquid soap and paper towels to more than 70 communal leaders in Cajamarca, belonging to the Carretera Longitudinal de la Sierra project, Tranche 2 catchment area.



COLOMBIA



The agreement with the Help in Action Foundation to **improve educational quality** at the El Salado path, of El Carmen de Bolívar, executed through Concesionaria Vial Montes de María, in its Puerta de Hierro project. **The infrastructure of an Educational Institution was improved, tablets loaded with educational material were donated and days were held to stimulate reading.**



Through the Devimar Concession **a children's park was rebuilt and painted**, which benefitted 70 students from the Francisco Herrera Campuzano School in Vereda Llanos de San Juan, Antioquia.

The #TogetherForLife alliance, together with another 10 companies, for the donation of a **Field Hospital in the city of Bucaramanga**, at which **patients affected by COVID-19 suffering from slight complications are attended to**, has 30 beds and medical supplies required to exclusively provide basic care.

Through the Devimar Concession the **Los Almendros School** was built in the municipality of Sopetrán, Antioquia, which benefitted 70 children in the area. The school has 5 classrooms, a dining room, kitchen, storage cellar, administrative area, systems room, library, sports area with its respective micro-football, basketball and volleyball fields, sanitary facilities and staff.

Through the Unión del Sur concessionaire, as part of its Rumichaca-Pasto project, **2,950 trees were donated and a volunteer programme was implemented with the community to sew plants.**

Through Concession projects in Colombia (Montes de María, Devimar, Unión del Sur, Unión Vial Río Pamplonita) and the Sacyr Servicios project (Clean Area), over **7,000 packages of food aid were donated to communities and collaborators in position of vulnerability and affected by the pandemic.**

Donation of **7,253 biosecurity items** (alcoholic gel, surgical masks, anti-bacterial soap, gloves, anti-fluid suits) to hospitals and community councils of the catchment areas of the Concession projects (Devimar, Unión del Sur, Unión Vial Río Pamplonita) and Sacyr Servicios (Clean Area) project.





CHILE

Our colleagues in the construction works for the new Alto Hospicio hospital, run by Sacyr, made a contribution so that the children in the areas surrounding the construction had a happy Christmas.

The activities included the handing out of sweets and gifts for the children, together with food parcels for the homeless.



As part of its 2020 Christmas celebrations, Sacyr Concesiones Agua in Chile made different donations to homes for elderly adults of the Colina and Lampa communes, both in the Metropolitana region.

SOS Aldeas Infantiles Chile to ensure that the children of its 11 centres throughout the country received Christmas presents.

Within the framework of the health emergency as a result of COVID-19, we collaborate with the SOS Aldeas Infantiles Chile Foundation to implement the "School in your village" programme, which provides pedagogical support to children and young people to ensure a successful return to the classroom following the end of the pandemic.

This collaboration, through the Sacyr Foundation, also included the delivery of Personal Protection kits in different cities of Chile, in which Sacyr and SOS Aldeas Infantiles International are present.

Donation of 240 boxes to the commune of Peumo, in the region of O'Higgins (Chile), containing food and personal hygiene kits for 120 families in the area.

Peumo is one of the seven communes through which the new Ruta de la Fruta will pass, the concession and construction of which was awarded to Sacyr in 2019.



MEXICO

A programme was created to favour **school continuity** for primary, secondary and high school children in Tláhuac, through **school grants, together with individual attention**.

Support was provided to thirty youngsters from the CDMX, aged between 18-25, which received **formal education in their Nursing degree** from Marillac University, including private and theory lessons.



Sacyr and Ayuda en Acción Mexico joined forces to **buy and deliver food and personal hygiene kits for the Singuilucan community** in the state of Hidalgo. The objective of this donation is **to support the most vulnerable members of the community with food aid, which covers basic needs, and to promote hygiene and care habits for the fight against COVID-19**.

The communities supported were: La Gloria, La Lagunita, Las Palomas, Matías Rodríguez, Aguayutla, Tecoco and Jalapilla, located in the state of Hidalgo.

SHARE CASHFLOW

The generated economic value has made it possible to distribute wealth among our key stakeholders. In 2020, the economic value distributed among these communities was 2,293 million euros.

SACYR GROUP (millions of euros)	2018	2019	2020
OPERATING RECEIVABLES	412	510	545
DISPOSALS	48	318	227
CASH FLOWS FROM DIVIDENDS	115	120	119
CASH FLOWS FROM FINANCIAL ASSETS	2,013	1,916	1,087
ECONOMIC VALUE GENERATED	2,588	1,864	1,978

SACYR GROUP (millions of euros)	2018	2019	2020
ECONOMIC VALUE RETAINED	126	-	-
PAYMENTS FOR INVESTMENTS	1,160	1,339	1,336
FINANCIAL PAYMENTS	1,495	1,880	923
PAYMENT OF DIVIDENDS	59	22	34
ECONOMIC VALUE DISTRIBUTED	2,840	3,241	2,293

6.3. STAKEHOLDER RELATIONS

(102-40) (102-42)

At Sacyr, we base our management on excellence, responding to the needs of our stakeholders, contributing value to society and seeking economic and environmental sustainability.

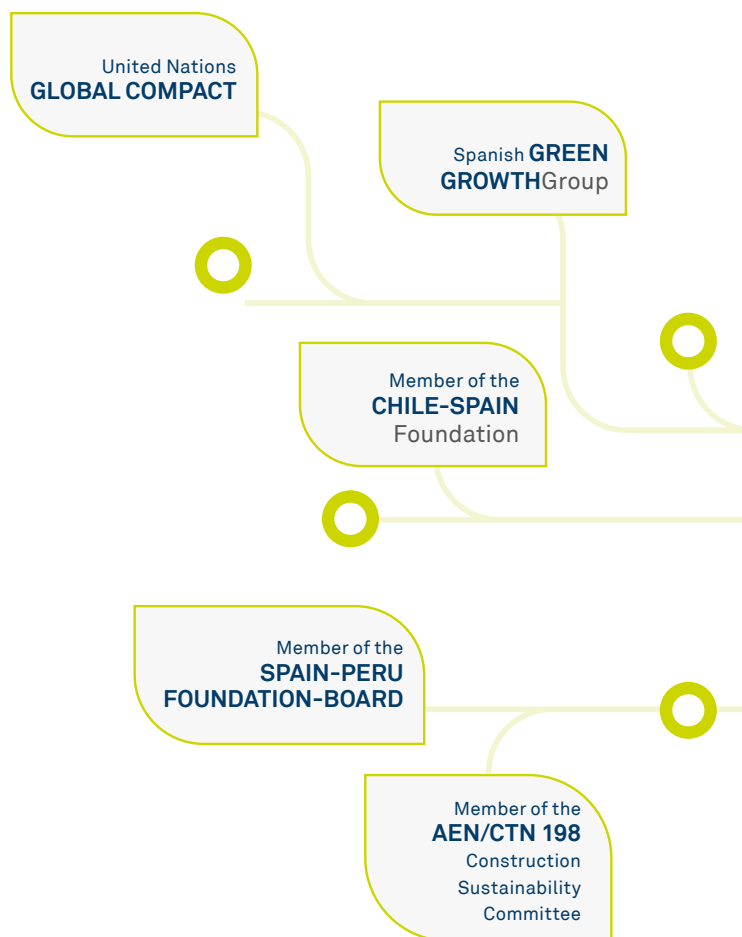
At Sacyr, we consider stakeholders to be any social group that is or may be affected by the Company's activity, now or in the future, and/or that legitimately affects or may affect the Company's activity and, therefore, our results.

- Employees
- ESG analysts, investors and rating agencies
- Shareholders
- Media
- Customers
- Local communities
- Public authorities
- NGOs and other members of civil society
- Suppliers and contractors

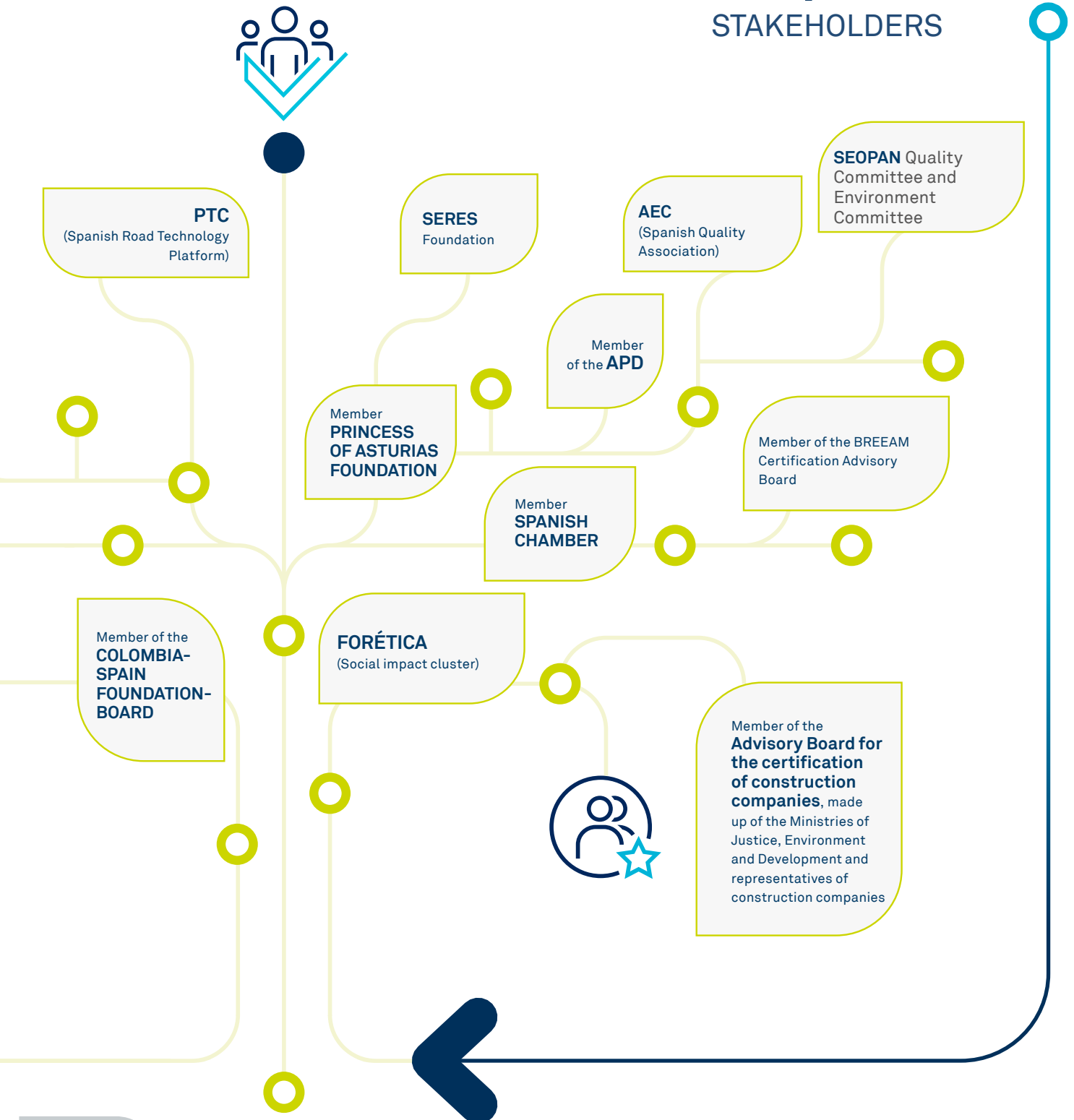
Transparency and dialogue with all our stakeholders are fundamental for the progress and performance of our Strategic Plan and for the Sustainability Plan in which we are committed to the four key pillars of Sacyr's future: Environment, People, Communities and Corporate Governance.

Sacyr is a member of several associations dedicated to promoting sustainable development to design methodologies and standards that serve as a guide for companies of the sector. The following stand out:

(102-13)



sacyr STAKEHOLDERS



SHAREHOLDERS, ANALYSTS AND INVESTORS

Personal assistance: Sacyr's Investor Relations Department provides minority shareholders, financial analysts and investors with a number of direct and personalised contact channels:

- ➔ Telephone - shareholder and investor hotline: **902 196 360**
- ➔ Website: www.sacyr.com/en/web/sacyr-corp/shareholders-investors/general-information
- ➔ E-mail: accionistas@sacyr.com - ir@sacyr.com



Know the Investor Relations team

Face-to-face and online meetings, telephone conferences, roadshows and conferences: with over 540 interactions in 2020, up 135% on the previous year, highlighting 527 meetings or telephone or virtual conferences and 18 roadshows or conferences, employees of the Investor Relations Department personally attend to both minority shareholders and the rest of the investors and analysts, and also maintain contact with various other financial stakeholders. It

is worth stressing the geographic diversity of Sacyr's investor interest, with a presence in countries such as the USA, the UK, France, Italy, Switzerland, Portugal, Germany and Spain, among others.

General Shareholders' Meeting: This is an excellent forum for exchanging information between company directors and shareholders. At these meetings, directors report on the progress of the company, its profits, and the main milestones reached and planned, while shareholders can request information and clarification and make any comments they deem appropriate. Further information is available at www.sacyr.com/en/web/sacyr-corp/shareholders-investors/corporate-governance/aggm.

Financial information: Pursuant to current regulations, the Sacyr Group regularly prepares the Annual Report, half-yearly and quarterly financial results, the Annual Corporate Governance Report and the Annual Directors' Remuneration Report. These reports may be viewed on the CNMV's website, www.cnmv.es, and on Sacyr's website, www.sacyr.com in the section on economic and financial information www.sacyr.com/en/web/sacyr-corp/shareholders-investors/economic-financial-information/financial-presentations/results-presentation.

Sacyr's website (www.sacyr.com) contains all relevant corporate and financial information regarding the company's performance, and all information made public through various financial and economic reports and communications (annual report, quarterly results, etc.).

sacyr
life
Social Media

The **Sacyr Life** application had been implemented within our commitment to provide daily and transparent communication to all our stakeholders. This tool, is another of our windows when **communicating everything with**

regard to international concessions, infrastructures and services, and acts as reinforcement in a time of expansion throughout the whole world.

The app is principally aimed at the more than 40,000 professionals that work at Sacyr, but it is open to anyone who is interested in the firm, who wants to download it and discover the latest about the company.

In Sacyr Life, the user can navigate using a menu which groups together the main areas of the app: Sustainability, People, Wellbeing at Work, News and Innovation.

Furthermore, **we are present in the main social networks** to maintain contact with our different audiences.

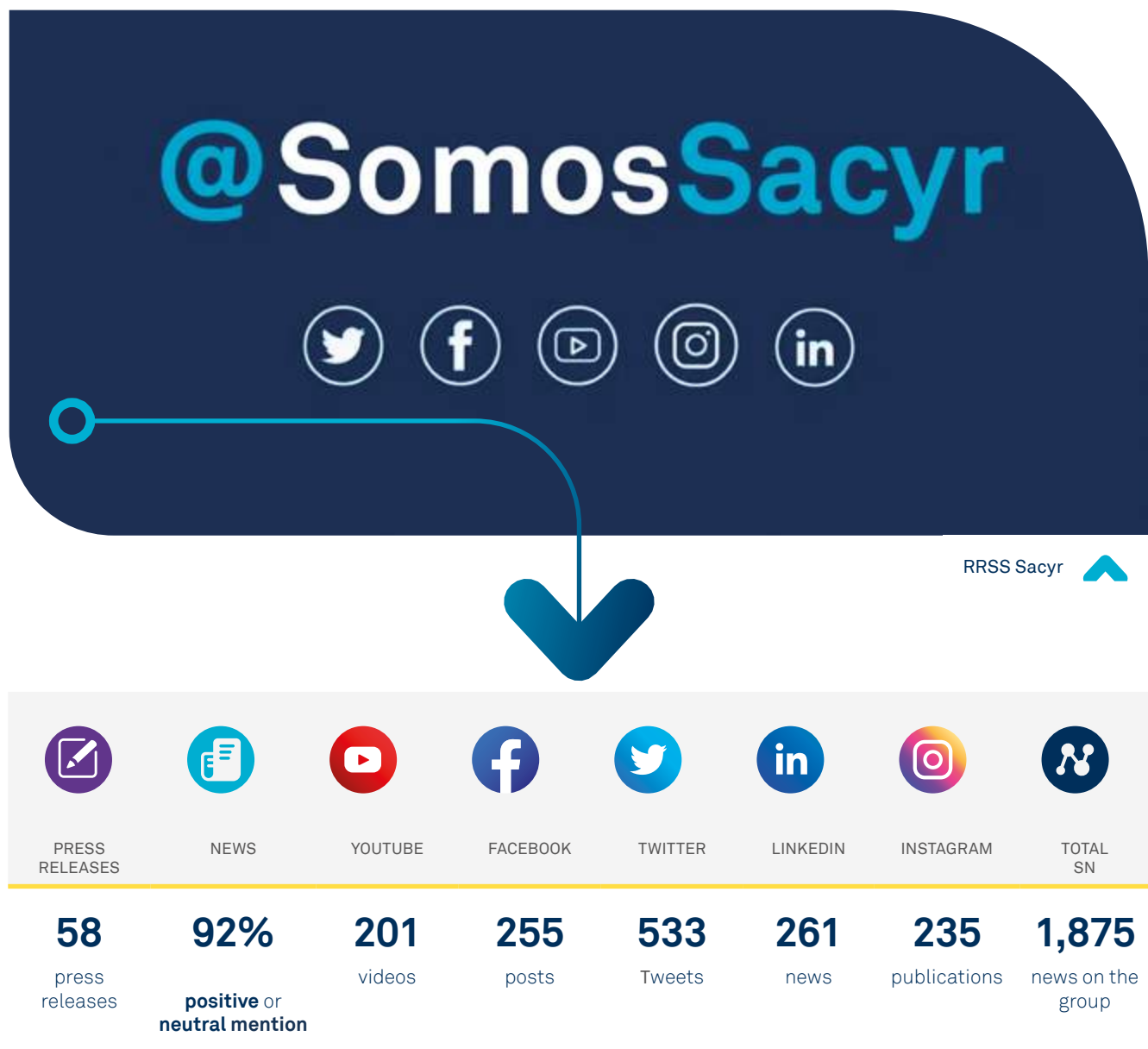
Facebook, LinkedIn, YouTube, Twitter and Instagram.



ACTIVITIES IN SOCIAL NETWORKS

In 2020, we sent 58 press releases to the Spanish media. Furthermore, we have published them all on our corporate web page both in English and in Spanish. With respect to the news that has been published with respect to us in the written or digital media, more than 92% were positive or neutral news items of the 10,262 in which the Sacyr Group has been mentioned.

We are present in all social networks. On YouTube we have published 201 videos on the company, providing audio-visual visibility to all our business lines and all the work performed. In Facebook, we have published 255 posts, in Twitter 533 tweets, in LinkedIn 261 news items and in Instagram 235 publications on Sacyr. In total, we have published 1,875 news items on the group.



EMPLOYEES: THE SOUL OF SACYR

CORPORATE VOLUNTEERING CLUB

In 2019, as part of the Sacyr Foundation, the Corporate Volunteer Club was formed which, in 2020, took part in different social and environmental projects, aided by over 600 volunteers throughout the world.

From Sacyr, we wish to support the volunteering activities of the Group's employees by helping them develop greater awareness of and involvement in the world around them, increasing their personal motivation and creating a link with the company that goes beyond work and its monetary rewards. This Volunteer Club has a web page on the Group's Intranet and a platform (HelpUp), which serves as the main communication channel between the Foundation and its volunteers. Despite the fact that 2020 has been marked by the pandemic and the impossibility of implementing corporate volunteer initiatives, the Volunteer Club and the Sacyr Foundation have organised:



Support day for breast cancer study



Participation in Forética's volunteer week (of which we are partners), called Give and Gain



Volunteering Day with the Reforest Association to repopulate the Cuenca Alta del Manzanares Regional Park.

Food Collection campaigns in which over 8,000 kg of food has been donated to Food Banks.

FUNDACIÓN
sacyr



Corporate Volunteer Plan

+ 600 volunteers
+300,000
indirect beneficiaries



Volunteering Day to **plant trees** in Pasto Nariño, Colombia.

Donation of toys to the Nazaret Association

Donation of gifts for children and minors in a situation of vulnerability or poverty.



Donation of over 2,000 menus to people at risk of exclusion



Support to child education in Corregimiento El Salado, Colombia, through the delivery of 63 tablets.

Donation of tablets in Colombia +



Training **days on biosecurity protocols** to support the economic recovery of 60 restaurants in Pasto, Colombia.

SACYR'S SPORTS CLUB

The Sacyr Sports Club was born with the great objective of being a meeting point for many Sacyr employees who see their quality of life and their relationship with other colleagues favoured. In addition, this project achieves a real link between the elite athletes that Sacyr sponsors and the company's employees, during the meeting days and trainings that are organized each season, promoting Sacyr's values.

This year, due to COVID-19, sports activities between colleagues have been limited. However, we have adapted to the situation, committed to the good physical and mental health of our employees and guaranteeing safety measures at all times.

From March onwards, online activities began, allowing us to train during the whole lockdown in different activities such as Pilates, Yoga, Zumba...

Football activity, Club Deportivo Sacyr



Padel activity, Club Deportivo Sacyr



We have adapted to **COVID-19**, committed to the good **physical and mental health** of our employees and guaranteeing **safety measures** at all times

Once it is allowed to go outside to do sports, we launch different training plans for beginners as well as for those who are already initiated, accompanied by a specific stretching plan. We restarted all possible activities, always guaranteeing the safety of our employees.

The main objective is intended to make sports practice a habit for the largest number of Sacyr employees, in order to ensure that their health is the best possible, in addition to promoting treatment between employees in activities outside the work environment favouring the creation of corporate culture and increasing pride of belonging.

For more information visit the Club's website:
<https://clubdeportivo.sacyr.com/en/>.



SACYR AMBASSADORS

At Sacyr, we are aware of the real impact that internal communication has on the people who are part of the organization and that it is a reality in their daily work. Everything has happened very quickly and it has become more than evident that the capacity to respond to a situation such as the COVID-19 with agility and creativity requires previous work an integral vision of communication.

As part of the Internal Communication Plan, we have developed the **Internal Communication Ambassadors** network project, which consists of a diplomatic body in charge of promoting the Internal Communication actions we develop.

After two editions, we have a group of more than 100 members distributed in: Australia, Bolivia, Brazil, Chile, Colombia, Spain, USA, Italy, Mexico, Peru, Portugal, United Kingdom, Uruguay.

This year, we have adapted to the digital environment and online meetings are here to stay. For the first time, we held an international virtual event for all employees with a positive response in all the countries where we are located.



Sacyr
ambassadors
material

Hiking activity, Club
Deportivo Sacyr

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Construction of Pumarejo Bridge,
Barranquilla, Colombia

7.1. PURPOSE AND VALUES

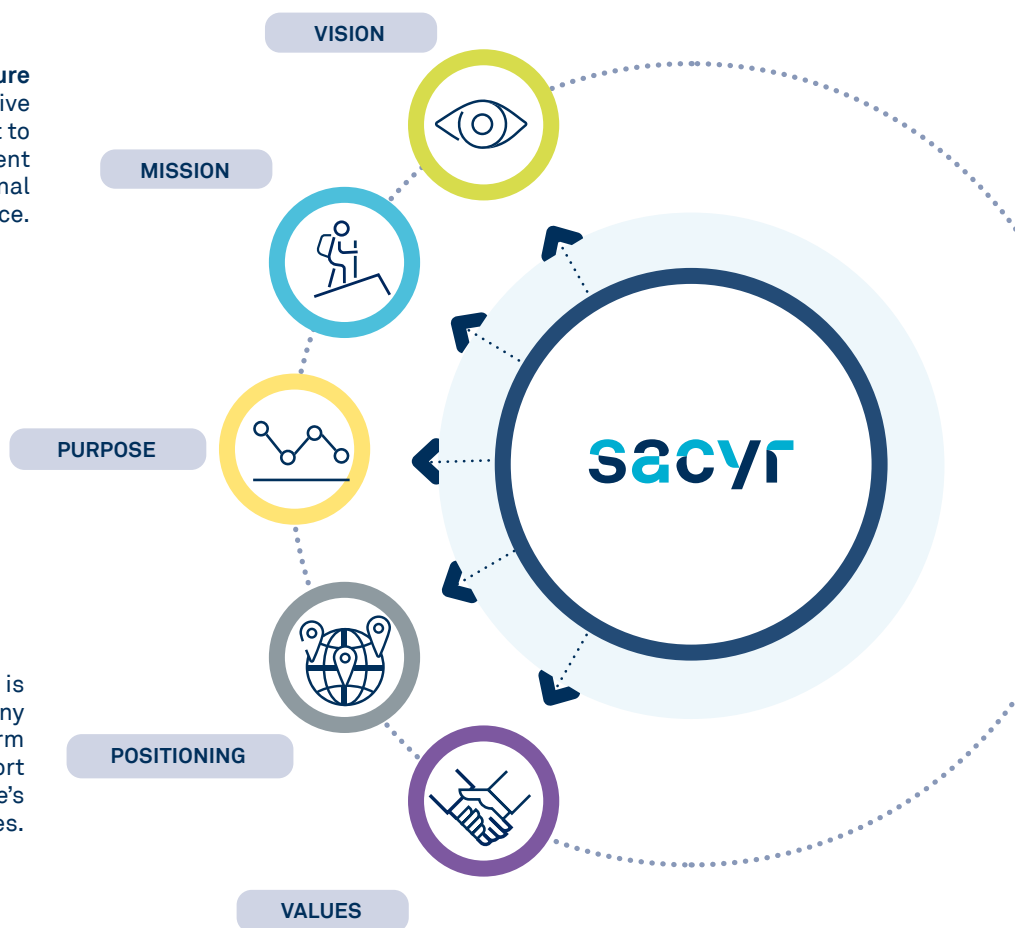
(102-16)/(102-4)

Develop infrastructures that promote the well-being and sustainable development of the regions where we operate, creating value for all our stakeholders

Be a benchmark in infrastructure development thanks to our innovative value proposition, our commitment to the environment and our commitment to the professional and personal development of a diverse workforce.

Move society forwards to a sustainable future through the development and management of infrastructures that generate a positive social, economic and environmental impact for the benefit of all our stakeholders.

We are a global group that is committed to meeting any challenge in order to transform our society; working with effort and passion to improve people's infrastructure and services.

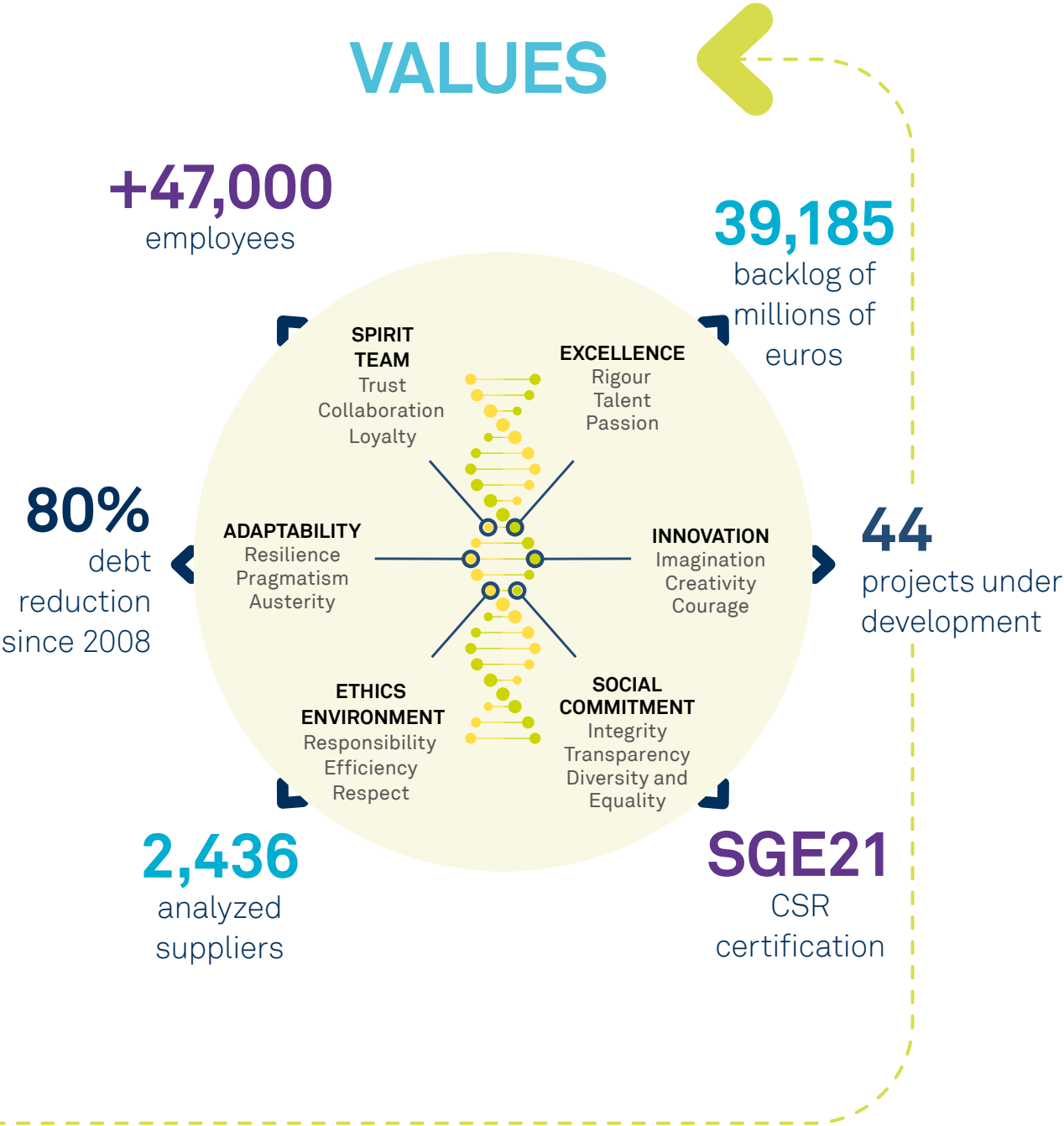


Values guide us internally and with our external audiences to build our competitive position and define us in the marketplace.



We seek to strengthen a culture based on **ethics and commitment to sustainable development**

VALUES



7.2. GOVERNING BODIES

7.2.1. GENERAL SHAREHOLDERS' MEETING

(102-18) (102-19) (102-20) (102-22) (102-24) (102-33) (405-1)

The General Shareholders' Meeting is the sovereign body in which all the duly convened shareholders of the Company meet and participate in order to decide on matters within their competence.

The General Shareholders' Meeting is responsible for deciding on matters attributed to it by law or the Company's bylaws, and in particular, and by way of example only, for approving the annual financial statements, the allocation of profits and the approval of corporate management, as well as the appointment and removal of directors, the amendment of the Company's bylaws, and the approval of the directors' compensation policy.

7.2.1.1. MANAGEMENT BOARD

(102-26) (102-27)

Except in matters reserved to the competence of the General Shareholders' Meeting, the Management Board is the highest decision-making body of the Company. Its main responsibilities are to formulate the Company's strategy and general policies, supervise their execution and exercise such other powers as are attributed to it by law, the Company's Bylaws and the Regulations of the Management Board.

The Management Board shall perform its duties in accordance with the corporate interest, seeking to maximize the long-term value of the company and of the shares representing its ownership.

Sacyr's corporate interest is conceived as the common interest of all the shareholders of an independent and listed public limited company, aimed at creating sustainable value and reflected in the value of its shares, through the development of the activities included in its corporate purpose, in accordance with a balanced, profitable, innovative and excellence-oriented business management model in all its lines of business, taking into consideration the other stakeholders related to its business activity and its institutional reality, in accordance not only with current legislation, the Company's Bylaws and other rules and regulations, but also with other stakeholders related to its business activity and its institutional reality,

innovative and oriented towards excellence in all its lines of business, taking into consideration the other stakeholders related to its business activity and its institutional reality, in accordance not only with the legislation in force, its Bylaws and the other rules comprising its Corporate Governance System, but especially with its Purpose and its Mission, Vision and Values.

As of December 31, 2020, Sacyr's Management Board is comprised of thirteen members, of which one is executive, five are proprietary, six are independent and one is external.

Executive directors are those who perform management functions for the Company or its group, regardless of their legal relationship with the Company.

Non-executive directors are all other directors of the company, and may be proprietary, independent or other external directors:

- Proprietary directors are those directors who hold a shareholding interest equal to or greater than 3 percent of the capital stock, or who have been appointed due to their status as shareholders, even if their shareholding interest does not reach such amount, as well as those who represent the aforementioned shareholders.
- Independent directors are those who, appointed on the basis of their personal and professional qualifications, may perform their duties without being conditioned by relationships with the Company, its significant shareholders or its officers. A director who holds a shareholding interest in the Company may have the status of independent director, provided that he/she satisfies all the conditions established by law and, in addition, his/her interest is not significant.
- Other external directors shall be those non-executive directors who cannot be considered proprietary directors or independent directors in accordance with the requirements established by law.



Sustainability leadership

NAME/POSITION	REPRESENTATIVE	DIRECTORSHIP	REPRESENTING	% DIRECT VOTING RIGHTS ATTRIBUTED TO SHARES	% INDIRECT VOTING RIGHTS ATTRIBUTED TO SHARES	% TOTAL VOTING RIGHTS
Manuel Manrique Cecilia Chairman and CEO		Executive		0.00	1.382	1.382
Demetrio Carceller Arce First Vice-Chairman		Proprietary	Disa Corporación Petrólifera, S.A.	0.001	0.133	0.134
Isabel Martín Castella Director		Independent		0.00	0.00	0.00
Grupo Satocán Desarrollos, S.L. Director	Juan Miguel Sanjuán Jover	Proprietary	Grupo Satocán S.A.	0.00	0.00	0.00
Luis Javier Cortés Domínguez Director		Other external		0.00	0.00	0.00
María Jesús de Jaén Beltrá Director		Independent		0.00	0.00	0.00
José Joaquín Güell Ampuero Director		Independent		0.00	0.00	0.00
Prilou, S.L. Director	José Manuel Loureda Mantiñán (1)	Proprietary		3.576	4.696	8.272
Elena Jiménez de Andrade Astorqui Director		Independent		0.00	0.00	0.00
Grupo Corporativo Fuertes, S.L. Director	Tomás Fuertes Fernández	Proprietary	Gr. Empresarial Fuertes S.L.	6.330	0.00	6.330
Francisco Javier Adroher Biosca Director		Proprietary	Disa Corporación Petrólifera, S.A.	0.006	0.00	0.006
Augusto Delkader Teig Director		Independent		0.00	0.00	0.00
Juan María Aguirre Gonzalo Lead Director		Independent		0.015	0.004	0.019
Ana María Sala Andrés Non-Director Secretary						
Alfonso Aguirre Díaz- Guardamino Non-Director Vice-Secretary						

The information contained in this section is that recorded at 31 December 2020, with the Spanish securities register and clearing house "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. ("Iberclear").

(1) José Manuel Loureda Mantiñán owns 49% of the share capital of Prilou, S.L. and Prilou, S.L. owns 86% of the share capital of Prilomi, S.L.

The significant shareholdings represented on the Board of Directors and shown in the financial statements are as follows:

	2020
DISA CORPORACIÓN PETROLÍFERA, S.A.	12.66%
GRUPO CORPORATIVO FUERTES, S.L.	6.33%
PRILOMI, S.L.	4.70%
PRIOU, S.L	3.58%

7.2.1.2. COMMISSIONS

In accordance with the provisions of the Board Regulations governing its organization and operation, the Board of Directors is supported by delegated and consultative bodies, which assist it in the exercise of its functions: Executive Committee, the Audit Committee, the Appointments and Remuneration Committee and the Sustainability and Corporate Governance Committee.

7.2.1.3. BOARD OF DIRECTORS

In accordance with the Board Regulations, in general, the Board's policy is to delegate the ordinary management of the company to the executive bodies and the management team, and to concentrate its activity on the general supervisory function.

At the business level, the Chief Executive Officers of the different business units are responsible for the day-to-day management of the company's activities and, at the corporate level, the Chief Executive Officer with the assistance of the Management Committee.

EXECUTIVE COMMITTEE



7.2.2. GOOD GOVERNANCE PRACTICES

(102-5) (102-21) (102-23) (102-25) (102-34) (102-45)

Our corporate governance practices are aimed at ensuring the proper management of the company, guaranteeing the involvement and exercise of the rights of all shareholders, and reporting with maximum transparency on the operation and economic and financial situation and non-financial information of the Company, maximizing the sustainable value of the company under the Purpose, Mission, Values, Vision and Principles determined by the company.

Sacyr complies with all legally imposed corporate governance obligations, and takes as its main reference to ensure the updating and incorporation of best practices the recommendations of the Good Governance Code of the National Securities Market Commission (CNMV).

Sacyr has developed a Corporate Governance System which, in the exercise of the corporate autonomy protected by law, is projected on the Company and its group, systematically ensuring the best development of the corporate contract, the corporate purpose and the corporate interest.

The Corporate Governance System consists of: i) the Company's Bylaws, ii) the Purpose, Mission, Values, Vision and Principles; iii) the Code of Conduct; iv) the Regulations of the General Shareholders' Meeting and of the Management Board, v) the Corporate Policies and vi) the Internal Code of Conduct in the area of the securities markets of Sacyr and its group of companies, documents published on the group's website.

Sacyr thus complies with the best corporate governance practices. In this sense, among the actions carried out recently, we can highlight the following:

- **Sacyr has created a Sustainability and Corporate Governance Committee** and a Sustainability Committee.

With this, Sacyr wants to promote and make visible the work it is already carrying out in terms of sustainability and collaboration with all its stakeholders in the fight against climate change, the promotion of diversity and conciliation, ensuring health and safety and promoting the positive social impact of its activities.

Sacyr complies with **corporate governance** best practices



The Sustainability and Corporate Governance Committee is mainly responsible for supervising and proposing corporate environmental, social and governance policies, known by the acronym ESG (Environmental, Social and Governance). The committee is made up of the following directors, most of whom are independent: María Jesús de Jaén (chairman), Elena Jiménez de Andrade, Augusto Delkáder, Tomás Fuertes and Luis Javier Cortés.

- The **Sustainability Committee** is responsible for developing and executing actions related to sustainability within a strategy aligned with the SDGs (Sustainable Development Goals). This Committee is chaired by Manuel Manrique, Chairman and CEO of the group, and is made up of the Corporate General Management, the Talent Management and HR General Management, the Communication and Sustainability General Management, the Business Legal Department, the Secretary of the Board of Directors and a rotating CEO from the business areas.

The creation of the Sustainability and Corporate Governance Committee entailed the modification of the company's internal regulations, such as its Bylaws, in order to include its creation, as well as to expressly recognize, in accordance with current legislation, the competence of the General Meeting to approve non-financial information, reflecting the creation of sustainable value that the activity of Sacyr and its group entails for all stakeholders, thus enhancing the performance, management and transparency of the actions carried out by the company in the social, environmental and sustainability fields. The Regulations of the General

Shareholders' Meeting were also modified in order to update and review their content to adapt them to the modification of the Company's Bylaws. Likewise, the Board Regulations were modified to, among other matters, include a new article 16 bis which regulates the rules of competence and operation of the Sustainability and Corporate Governance Committee, as well as its functions.

- A complete review of Sacyr's compliance with the recommendations of the Code of Good Governance (CBG) has been carried out as a result of the partial amendment of the Code by the CNMV in June 2020. As a result of this review and within the continuous updating process carried out by the Company in relation to its internal corporate governance rules, the internal regulations have been reviewed in order to adapt them even more to certain recommendations of the CBG for a better monitoring of them by the Company.

This entailed a new partial amendment to the Board Regulations which consisted of: (i) including the age of the directors as a further criterion of diversity on the boards of directors, together with the criteria of knowledge, experience and gender, which were already included previously, in order to have an appropriate composition of the board, as established in the new Recommendation no. 14 of the CBG, (ii) transferring the function of supervising and evaluating the process of preparing and the integrity of the non-financial information, as well as the Company's non-financial risk control and management systems, from the Sustainability and Corporate Governance Committee, which has had it since its incorporation, to the Audit Committee, as

For further information, visit our website:
www.sacyr.com or the CNMV's website and
download our Corporate Governance Report

+ www.sacyr.com

established in the new Recommendation no. 42 of the CBG, (iii) to include the maximum number of boards of listed companies on which Sacyr's directors may sit, as established in Recommendation no. 25 of the CBG. It has also led to the approval of a set of Corporate Policies included in this Recommendation, such as Sacyr's Policy for the Communication of Non-Financial and Corporate Information and the Policy for the Communication of Financial Information.

- During the year, the Board of Directors has updated and reviewed the existing Corporate Policies, and has also approved the following Policies:

1. Biodiversity Policy.
2. Water Policy.
3. Climate Change Policy.
4. Information Security Policy.
5. Occupational health and safety Policy.
6. Human Rights Policy.
7. Quality, environment and energy management Policy.
8. Sustainability Framework Policy.
9. Innovation Policy.
10. Diversity and Inclusion Policy.
11. Financial Information Communication Policy.
12. Sacyr's Non-Financial and Corporate Information Communication Policy
13. Supply Chain Management Policy.
14. Anticorruption Policy and Relationship with Public Officials.
15. Gifts and Hospitality Policy and its development procedure.
16. Sponsorship and Donations Policy and its development Procedure.
17. Personal Data Protection Policy.
18. Crime Prevention Compliance Policy.
19. Regulatory Compliance Policy on Antitrust.

- Sacyr has increased the percentage of compliance with the recommendations of the Code of Good Governance applicable to it. Compliance with these amounted to 91.23%, an increase of 20% with respect to the previous year.
- Sacyr is aware of the importance of having a balanced participation of women and men in the organization's governing bodies. In this sense, female participation has been progressively increasing in the Company's Management Board.
- The Company's Board of Directors has a balanced composition, with an ample majority of non-executive directors (1 out of 13 directors) and an appropriate proportion between proprietary directors (5 out of 13 directors) and independent directors (6 out of 13 directors), thus complying with recommendation no. 17 of the Company's Code of Good Governance.
- The governing bodies have carried out a real and intense activity throughout the 2020 financial year, with ten meetings of the Board of Directors, ten meetings of the Executive Committee, eight meetings of the Audit Committee, four meetings of the Sustainability and Corporate Governance Committee and six meetings of the Appointments and Remuneration Committee.

(102-32)

- The Audit Committee (composed of three independent directors and one proprietary director), in the exercise of its functions, carries out different actions aimed at reinforcing the transparency of corporate management. As in previous years, during 2020 the Audit Committee continued to supervise corporate policies and the effectiveness of the Company's internal control systems and units, the supervision of risk management systems, as well as the process of preparation and presentation of the mandatory financial information, among others. This year, it has also been assigned the function of supervising and evaluating the preparation process and the integrity of non-financial information, as well as the control and management systems for non-financial risks. and management of non-financial risk management and control systems of the Company.
- We have continued to use and improve the procedures for delegating the right to attend the General Shareholders' Meetings, as well as those for participating in them, by means of proxy and voting by electronic and postal means, as well as the maintenance of the Electronic Shareholders' Forum.

GOOD GOVERNANCE PRACTICES GENERATE VALUE FOR OUR STAKEHOLDERS

(102-28)

- Sacyr's Management Board adopts self-monitoring guidelines and annually evaluates the quality and efficiency of its own operation and that of its committees, based on the reports they submit to it. In addition, the Appointments and Remuneration Committee evaluates the activity of the Chairman.
- In 2020, an external advisor, the law firm of Ramón y Cajal, carried out the annual evaluation of the functioning of the Management Board, its committees, as well as its Chairman and Chief Executive Officer and the Secretary of the Board, during the fiscal year 2019.
- The "Gobertia" software tool continued to be used to improve the efficiency of the management of the meetings of the Management Board and its committees.
- The risk control and management policy is formally presented to the Board of Directors, which supervises and approves it.
- The company has a Code of Conduct, the latest revision of which was carried out in December 2020, as well as a body responsible for its monitoring and application throughout the group, which is the Regulatory Compliance Unit.



Sacyr General Shareholders' Meeting

7.3. INNOVATION

INNOVATION AS A DRIVER OF SUSTAINABLE DEVELOPMENT

At Sacyr, we innovate to support the sustainable development of the planet and enhance people's quality of life through the implementation of major infrastructure and services projects, for and by citizens.

Innovation is the cornerstone that supports our transformation process. A vision based on four major premises that enable us to be leaders in most of the countries where we operate through an innovative and sustainable commitment:

- A clear **business focus** that allows us to prioritise those innovation projects that most contribute to improving the infrastructure users' experience and to reducing funding costs.
- An **active governance** of innovation, where the various Innovation Departments and Committees are responsible for establishing innovation and R&D guidelines, coordinating initiatives between the different business areas and structuring initiatives that incentivise innovation.
- An **innovation culture** that promotes an open innovation model, based on cooperation between external agents, such as entrepreneurs, scientists, universities and business partners; and the intrapreneurs that form part of Sacyr success.
- A solid process of **enhancing** innovation, by obtaining project certificates from public authorities and by seeking out more advanced patents for our R&D+i developments.



At **Sacyr** creativity and innovation increase with each of the projects we undertake

Number of certified companies



13

Number of projects under development 2020



44

Employees involved in innovation initiatives



261

Number of employees in Innovation



32

Number of projects launched 2020



10

Number of training hours in innovation



+7,000 hours

+ Innovation Channel

7.3.1. INNOVATION AS A STRATEGIC PILLAR FOR SUSTAINABILITY AT SACYR

INNOVATION STRATEGY

At Sacyr, we define innovation as new ideas that, when applied to our business, create value. Value for our customers, shareholders, employees and society.

Our commitment to innovation is one of the company's strategic pillars with the aim of ensuring our company's competitiveness in the short, medium and long term through sustainable growth.

Similarly, Sacyr's development of innovative solutions is the engine of growth and transformation essential to improve our operations, processes, services and business models in complex and changing market conditions.

The implementation of innovation projects that have an impact and add value to the business and the provision of a common management system for the entire group are also key factors in the achievement of our strategy.

THE INNOVATION STRATEGY ESTABLISHED BY THE MANAGEMENT IS BASED ON:



7. 3. 2. INNOVATION MODEL AT SACYR

1. GOVERNANCE: R&D MANAGEMENT SYSTEM AND CERTIFICATIONS

Governance in our open innovation model is key to ensure the correct performance of the initiatives and projects we carry out.

Our innovation management process has two governing bodies (Innovation Investment Committee and Innovation Operating Committee) that direct and monitor the definition of strategic priorities, investment, technological and market alliances, alongside compliance with and deployment of the Innovation Policy throughout the company.

At Sacyr, we regularly conduct a review of strategic priorities and annually capture the challenges and

opportunities of the different areas of the group. Likewise, we provide the economic and human resources necessary for the effective development of our innovation strategy.

Likewise, we protect the results of our innovation process, properly and ethically managing intellectual and industrial property in the company.

2. OPEN INNOVATION

Teamwork is our key to success. For this reason, we seek the best talent, internal and external, with which to drive forward new ideas that contribute to building a better, more sustainable and safer world. New ideas that, developed jointly, can solve the Group's strategic challenges.



Artificial vision model for infrastructure inspection



+ Sacyr iChallenges 2020
Call for Proposals

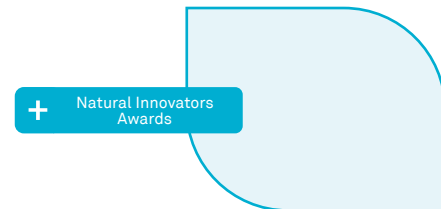
Teamwork is our key to success



From the Open Innovation area, we promote a technological observation and foresight system that identifies opportunities and challenges for Sacyr and detects innovation needs in processes or services. We encourage cooperation and co-creation with external agents of the innovative ecosystem and with our employees to develop new solutions that rise to the challenges and needs of the business.

Our commitment to open innovation takes the form of two new editions of Sacyr Ingenium, our ideation programme for employees, and Sacyr iChallenges, our open innovation programme with the innovative ecosystem.

For us, our employees are agents of change and, as such, drive the transformation and ongoing evolution of our company. For this reason, they are a central pillar in our innovation initiatives.



Sacyr Ingenium's latest campaign, "You are part of the challenge. Sacyr for the climate" involved more than 130 employees in 10 countries who, through their 241 proposals, supported the company in its sustainable performance in the short and long term. Hence we promote and strengthen existing knowledge at Sacyr and among the people who form part of it so as to enhance its development and continue creating value for and by the company.

At Sacyr iChallenges, this year we launched the third edition of this programme that seeks, among the talent of the innovative ecosystem, to encourage collaboration and co-creation between our experts and new fellow travellers, to implement new solutions that rise to the challenges and needs of the company's businesses.

In its third edition, we received around three hundred proposals from nearly forty countries to solve the four challenges posed in the programme, providing new ideas and new business models.

Countries

39
nationalities

Sacyr Innovation Summit

+300
attendees

Uses

264
solutions

Innovative agents

+930
impacted



Internal involvement

+65
people

Through open innovation, we generate new competitive advantages that enable us to remain at the forefront of the industry.

These initiatives, coupled with our technology scouting system and active involvement in platforms, forums and associations enable us to identify trends and areas of opportunity both for the company's operations and for the strategic vision of our activities, in addition to generating synergies with other agents in the ecosystem to multiply our innovative capacity.

Further information on previous editions of the awards and new calls for entries can be found on the Sacyr iChallenges website: www.sacyrichallenges.com/en/

3. PROJECTS

We drive forward projects that seek the **implementation of the proposals** that have been identified in the open innovation programs and provide valuable answers to our challenges.

We accordingly manage these innovation initiatives through **agile methodologies** that allow us to demonstrate the value contributed by the projects in a short period, making decisions on their evolution flexibly, scaling projects that prove successful and iterating and redefining the hypotheses for the rest.

To implement these projects we work in **multidisciplinary teams** between different members of Sacyr's business teams, members of the innovation teams and different agents of the innovative ecosystem (startups, other corporations, universities, research centres, etc.) to ensure the creation of joint value and the sharing of learning in the process.

In 2020, we worked on initiatives aimed at **predicting the deterioration of the infrastructures** we manage using machine learning models based on the variables of the infrastructure itself, its usage and the environment where it is located.

We have also been working on the development of **artificial vision models for the dynamic inspection** of our infrastructures. Combined with other information collected by different sensors, this data allows us to know the state and evolution of our roads.

Similarly, we implemented initiatives based on the Internet of Things for the management of our plants and machinery on site, generating real-time knowledge of the status of our assets that allows us to make more agile and efficient decisions.

4. CULTURE

At Sacyr, we innovate to improve people's quality of life. We are transforming ourselves because we believe in a **better, safer and more sustainable planet**.

But, this transformation would not be possible without people. **Innovation is everyone's responsibility**. Without people, without their talent, commitment, knowledge and know-how, our success would not be possible.

As a committed innovative company, **we involve our employees in this whole transformation process**. Accordingly, we promote an **innovation culture** that generates a context of ongoing change in the organisation that is permeable at all company levels.



We have celebrated a new edition of the **Natural Innovators Awards** in different countries, recognizing 99 employees in 6 categories

Culture is the starting point of our transformation strategy and the seed of change

To activate the innovation gene, and extend it to all employees, it is essential to devise, communicate, collaborate and implement various initiatives involving all people and to make innovation throughout the group viral.

For this purpose, we carry out a range of initiatives that focus on boosting such innovation culture, through:

- **Inspirational innovation sessions:** This year we have yet again brought the latest trends in innovation and digital transformation to all Sacyr's employees through our iFridays. A new digital format adapted to the current circumstances to continue to explore new horizons month by month and to continue to discover how to transform the world.
- **Training and awareness-raising:** Training and awareness-raising: Innovation forms part of the training itineraries of Sacyr's employees and is integrated with various formats (courses, podcasts, videos) in the skill development programmes and in our online training platform.
- **Internal recognition:** at Sacyr, we recognise and reward talent, effort and devotion to innovation at the company. We have held the **fifth edition** of the **Natural Innovators Prizes** in Spain. In the same vein, we have continued to consolidate the implementation of this initiative in countries such as Mexico, Colombia, Peru and Chile. In 2020, we recognised 99 Natural Innovators throughout the world.
- **Sacyr Innovation Awards:** The Sacyr Foundation maintains its objective of providing incentives to and promoting the development of high potential start-ups oriented towards the infrastructure and services sectors, granting them with all the support necessary during their maturation and market launch.

The winning start-up of the **10th edition of the Prizes** in Spain was the English firm Emitwise, which received €50,000 to implement its solution to measure carbon emissions for Scope 3. Furthermore, this year, the Foundation awarded a second prize to the Spanish company Detektia to support it in its internationalisation, with the implementation of a project to anticipate land movements in Colombia, one of our home markets.

Communication is an essential component to **transform** a company. Any initiative, project or solution requires an effective distribution strategy that channels information and makes it available to all employees.

At Sacyr, **we use different** channels, such as our quarterly **Newsletters**, which include the **most important news** in the Innovation area. We have also **distributed screens through all our offices** that offer updated information on projects, press releases, innovation blog contents, innovation initiatives performed by the company, etc. Furthermore, we make use of our Internet and web page as communication channels, both internal and external, on which information can be found regarding our most innovative projects and most significant initiatives.

7.4. RISKS

7.4.1. COMPREHENSIVE RISK MANAGEMENT SYSTEM (CRMS)

(102-15) (102-29)

The Sacyr group has a Comprehensive Risk Management System (CRMS), based on the internal control and risk management standards of the COSO ERM (Committee of Sponsoring Organisations of the Treadway Commission) and ISO 31000 (International Organisation for Standardisation), to facilitate the taking of key decisions at the business, under a common risks culture, through a systematic structured analysis of the risks inherent to its business activities.

The CRMS has been implemented and consolidated in all its operations and provides support to the group's Risk Control and Management Policy, approved by the Board of Directors, establishing the scope, values, principles, governance model and operational bases of its Comprehensive Risk Management System (CRMS). This Policy is implemented through the Risk Analysis Regulations ("RAR"), the objectives of which are as follows:

- To establish the process of risk identification, analysis, treatment, monitoring and control, together with the activities to be performed in this phase
- To define the distribution of roles and responsibilities in the risk control and management process to guarantee escalation in decision-making to the appropriate level, based on the type of decision and risk implications.
- To promote continuous improvement in the taking of key business decisions.
- Reinforce the Sacyr group's risk culture, based on the principles of transparency, responsibility, involvement ("risk property"), aimed at the business, to encourage informed responsible decision-making at all organisational levels.

The Risk Control and Management Policy aims to guarantee the obtainment of a reasonable degree of certainty regarding the attainment of the company's strategic objectives, considering the efficiency of its operations and the commitment to its different stakeholders.

The risk management process through the Comprehensive Risk Management System (CRMS) is divided into six phases:

1. **Planning:** taking the company's strategy and objectives as a reference, in this stage, the necessary management tools are activated and the parties responsible and risk owners involved in the taking of key business decisions are designated.
2. **Identification:** activities are carried out to identify the critical risks associated with each key decision, considering both the risks associated with the strategic plan and the potential critical risks that may negatively affect the attainment of the objectives envisaged.
3. **Assessment:** activities are conducted enabling the critical risks previously identified to be assessed, filtered and prioritised, in accordance with impact scales, tolerance thresholds and the remaining support metrics defined to establish the significance of these risks.
4. **Treatment:** the purpose of the activities carried out during this stage is to define the response strategy to each specific risk (accept, avoid, mitigate or transfer), and to implement the adequate response plans (Mitigation and/or Contingency Plans), in line with the exposure and tolerance established in this regard.
5. **Monitoring:** this stage identifies the tendency of pre-existing risks and new risks, assessing the effectiveness of the response plans, recalibrating tolerance and risk assessment scales and commencing Contingency Plans if maximum tolerance thresholds are exceeded.
6. **Control:** this phase includes internal control and assurance activities carried out by the Risk Management and Control Department, and the securing of lessons learned for the ongoing improvement of the group's Risk Control and Management Policy and system.

The main bodies at the company responsible for Sacyr's Risk Management and Control System are: the Board of Directors, the Risk Committee, the Audit Committee and the Risk Management and Control Department.



Risk management is a key component of **good management and governance**

AEDAS project in Alcalá de Henares, Madrid, Spain



It is the responsibility of the Board of Directors to formally approve the group's Risk Control and Management Policy. With the assistance of the Audit Committee, which supervises the Risk Committee, it oversees information and control systems. This guarantees the Board of Director's direct involvement in overseeing the risk identification process and implementation and monitoring of proper control and information systems.

The Risk Committee is the most senior body responsible for Sacry's Risk Control and Management System and for all decisions associated with it. It is led by the company's chief executive and its functions include establishing risk tolerance levels and defining and promoting a risk culture within the organisation.

The Corporate Risk Control and Management Department assists the Risk Committee and they coordinate with the Risk Control and Management Departments of the group's different business areas, monitoring and reporting on the conclusions of the risk analysis and facilitating the taking of key business decisions.

Additionally, the general objective of the Internal Audit Department, which reports directly to the Sacry group Chairman and is supervised by the Audit Committee, is the systematic assessment of the efficiency of risk identification, control and management procedures. To do this, an Internal Audit Plan is drawn up annually and submitted to the Audit Committee for approval.

The Risk Committee is the most senior body responsible for Sacry's Risk Control and Management System and for all decisions associated with it. It is designated by the company's chief executive and its functions include establishing risk tolerance levels and defining and promoting a risk culture within the organisation.

The Risk Control and Management Department assists the Risk Committee and, with the assistance of the Risk Control and Management Departments of the group's different business areas, it monitors risk assessments and supports the CEO and Business division in taking critical decisions.

7.4.2. MAIN RISK FACTORS

(102-30) (102-31)

Due to its considerable international presence, the Sacyr group carries out its activity in a number of sectors, social and economic environments, and regulatory frameworks. Accordingly, the Company is exposed to a variety of risks related to the businesses and sectors in which it operates.

As part of its CRMS, the Sacyr group has established a Risk Catalogue, which is frequently updated and enables unified consolidated reporting, which includes the type of risks on a structured basis, classified into four categories: strategic, financial, operating, reporting and regulatory compliance, which includes tax risks and those derived from corruption, among others.

Within each category, the Catalogue includes the main critical risks identified by the business, distinguishing the root cause generating them, to guarantee their accurate assessment, treatment and control, along with the designation of their appropriate owners. In addition, the Catalogue has been structured taking into account the areas in which these critical risks could have a negative impact.

Likewise, the Catalogue facilitates risk classification, per its impact on the following risk areas:

- **Economic and financial:** Refers to the impact of risks on economic and financial aspects (cash generation, cash, earnings, application of funds, etc.).
- **Timeframe:** refers to the impact of risks on a project's timeframe and/or on the achievement of key milestones.
- **Quality:** refers to the impact of risks on quality indicators, the adequacy or inadequacy of the

Sacyr is committed to respectful compliance with all legal obligation to which it is subject in any country in which it carries out its activities

resources, human resources and materials allocated.

- **Third parties:** refers to the impact of risks on the relationship with customers, partners and the supply chain.
- **ESG:** refers to the impact of environmental, social, corporate governance or reputational risks (sustainability).

The critical risks identified are prioritised based on their level of criticality, obtained from the combination of impact assessments (considering the previously described impact areas) and the probability of risk occurrence.

The group has a set of specific policies and procedures for the management and control of the main risks inherent to its activity, of which the following are of particular note:

7.4.3. ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE (ESG) RISKS

This category of risks relating to environmental aspects, good governance, social responsibility, sustainability and reputation and/or corporate image has grown in importance in recent years, as it has the potential to affect companies' objectives and their relationship with stakeholders. For this reason, identification and prioritisation of the material issues of the group's three areas of business single out the need to control this type of risk, for example, social initiatives entailing extraordinary investment not contemplated at the outset of a project, action taken with local communities, adverse climate conditions and/or external elements affecting the project, geotechnical risks, industrial conflict, non-compliance with quality specifications, S&H and environmental issues and non-compliance with good governance guidelines, among others.

The group has a number of policies (Climate Change Policy; Quality, Environment and Energy Management Policy; Sustainability Framework Policy; Human Rights Policy; Supply Chain Management Policy; Occupational Health and Safety Policy; Information Security Policy, etc.) and specific procedures to manage and control this type of risk.

Also included within the catalogue of the main business risks applicable at project level, established in the CRMS, are Environmental, Social and Corporate

Governance risks (commonly known as “ESG” or “sustainability” risks), and this helps to assess the responsible management of operations, the supply chain and the services of the Sacyr Group.

7.4.4. REGULATORY COMPLIANCE RISKS

One of the essential elements of the Sacyr group’s Regulatory Compliance, Crime Prevention and Fair Competition Model, whose basis and foundation is the Code of Conduct, are the Criminal Risk and Competence Maps, with associated controls by business units, which analyse the exposure of each of the divisions to criminal (which includes the corruption risk) and competence risks, together with the control and management measures implemented at the group to prevent and detect the previously identified risks.

TAX RISKS

Sacyr’s Tax Policy consists of ensuring compliance with the applicable tax regulations in each territory in which the group operates and an adequate coordination of the tax policy followed by the entities belonging to its group of companies, all in accordance with its long-term business strategy, avoiding tax risks and inefficiencies in operations.

One of the principles of this policy is to mitigate significant tax risks, ensuring that taxation has an adequate relationship with the business activity performed. Also, the Annual Corporate Governance Report will notify the functioning of tax risk control systems.

7.4.5. OTHER RISKS:

Likewise, control and communication mechanisms are established for the remaining risks to which the group’s activities are exposed, including the following:

- Risk of inadequate adaptation to the evolving political and regulatory environment.
- Climate change risk: direct and indirect effect on operations due to the consequences of climate change.
- Human resources risks: talent management, positioning, training, flexibility, dependence on key personnel, work climate, necessary capabilities in a changing context, etc.
- Financial risks: credit, interest rate, exchange rate and liquidity risks.
- Technological and information system risks: network management, digital security and information integrity.
- Risks that may damage our image and reputation (publication of manipulated news that generates unfavourable opinions about the company, negative influence of stakeholders, etc.)

7.4.6. RISK CONTROL AND MANAGEMENT ACTIVITIES CARRIED OUT IN 2020

Our efforts during 2020 have remained focused on consolidating the effective implementation of the CRMS in all business areas, during the entire life cycle of a contract, on updating the existing risk maps and on preparing the Group’s consolidated risk map.

In addition to this, high level risk maps have been updated, assessing the risks of new regulations appearing and the mechanisms for the Audit Committee’s oversight of Internal Control over Financial Reporting have been reviewed.



Runway maintenance Adolfo Suárez Madrid Barajas Airport, Madrid, Spain



Seville's "Setas" during COVID-19, Seville, Spain

In general, the Sacyr group continues to have plans in place to oversee the main risks inherent to its activities, for example:

- Impairment testing of all its non-financial assets at the end of each reporting period.
- Analysis of the group's exposure to financial risk. To a greater or lesser extent depending on the business area, Sacyr Group is exposed to the risks discussed below, especially credit risk, liquidity risk and market risk, particularly changes in interest rates and less so foreign exchange rates:

- **Credit risk:** the group is exposed through its operating activities, mainly trade receivables, and its financing activities. Each business unit performs an assessment with customers before entering into any contracts, which includes a study of their solvency. A large part of the revenues coming from these customers come directly from State, Autonomic and Local Administrations of the countries where the group operates, with a high level of solvency and reduced collection period. During the execution phase of the contracts, it monitors its receivables on an ongoing basis and reviews recoverable amounts, recognising impairment as necessary.
- **Liquidity risk:** to deal with liquidity risks, the group has identified probable scenarios through monitoring and control of the annual budget and daily updates of its cash flow forecasts, enabling it to take decisions early.

Factors that help mitigate this risk are: (i) the recurring cash generation of the businesses on which the group bases its activity, arranging credit lines when necessary; (ii) in the case of infrastructure concessions, the projects themselves guarantee and self-finance their investments through the cash-flow they generate; (iii) the group's ability to sell assets. The asset rotation strategy allows the Sacyr group to unlock value from the maturity of top-quality investments and manage the liquidity raised in an attempt to enhance its competitiveness and profitability.

- **Market risk (interest rate, exchange rate):** the underlying borrowings that require the greatest

degree of hedging against interest rate fluctuations are project financing loans and those associated with specific assets, because of their exposure for longer periods of time given the terms involved and the strong correlation with the cash flows of the projects. The group arranges financial hedging instruments, such as interest rate swaps, which reduce the exposure of businesses to upward changes in interest rates or exchange rate hedging instruments.

- **Customer concentration risk:** the group has a diversified customer portfolio backed by public entities.
- **Insurable risks:** the group, in line with industry practice, maintains insurance coverage against certain insurable risks as part of its policy of arranging and maintaining insurance policies.
- **Demand risk for concession projects:** the group has measured the recoverability of the investment by continuously reviewing its valuation models based on trends in traffic flows and the economic growth outlook for the market where each concession operates.

Sacyr group also intends to continue expanding its business into other countries, which carries an implicit risk as it involves markets in which the Group does not have the same degree of experience as it has in its current markets. For this reason, within the CRMS, the group has established how to identify, analyse, control and respond to this type of risk, in such a way that it can be minimised or avoided.

To sum up, the Sacyr group's social activities are carried out through its sustainable and profitable business management model, which adds value for all stakeholders, through the application of innovation, technological development and performance excellence, to all activities carried out by the different business areas.

7.5. REGULATORY COMPLIANCE

ANTI-CORRUPTION

7.5.1. CODE OF CONDUCT

(103) (102-16) (102-17) (205-2)

Our activities are governed at all times by the values, principles and conduct guidelines established in the Sacyr group's Code of Conduct, which was approved by the Board of Directors of Sacyr, S.A. on 26 February 2015, substituting that which had been in force until 2010, and which was updated for the last time on 17 December 2020, with this latter version being the version in force.

This Code, aside from including our commitments to the ethical values and principles that must guide our involvement, and that of the third parties with which we have dealings:

- I. Establishes the conduct guidelines which, inspired by the foregoing values and

principles, regulate our internal relations with the market, society and nature.

- II. Describe those bodies responsible for verifying compliance with the Code, for which the Audit Committee, charged with supervising its correct functioning, has the support of the Regulatory Compliance Unit, the body that has delegated the operating powers to achieve its effectiveness.
- III. The Queries and Complaints Line has been put into place (codigoconducta@sacyr.com), a confidential, secure and even anonymous channel to file a claim regarding possible breaches of the Code, as well as enquiries thereon.
- IV. The consequences of breaching this Code are detailed, and may involve the imposition of penalties envisaged in the applicable disciplinary system, including the termination of the relationship with the Group.



Sacyr's code of conduct

The Code of Conduct is directly applied to all the subsidiaries or majority-owned companies over which Sacyr, S.A. exercises effective control, either directly or indirectly, and to its Foundation. It also applies to the directors and all employees (including executives) of all Sacyr group companies detailed previously, together with related third parties and those from which the group demands conduct consistent therewith with respect to that applicable to them.

The Code of Conduct is suitably distributed so that not only our directors and our employees, but also our customers, suppliers, partners and all our stakeholders, are aware of and share the values, commitments and standards that must guide our actions. Therefore, our Code of Conduct and its implementing policies are available on our Intranet and also on the group's web page ([www.sacyr.com/en/Regulatory compliance section](http://www.sacyr.com/en/Regulatory-compliance-section) →), and are also distributed to people subject thereto through other additional means, such as the placing of posters at work centres, the distribution of paper copies or by email, both to members of the organisation and to third parties.

Furthermore, over the year, informative campaigns are held on the Code of Conduct, and in relation to specific areas of it, as is the case of those conducted in the area of compliance with criminal, anti-corruption, fair competition, personal data protection, prevention of money laundering and terrorist financing regulations.

Those joining the Sacyr group must stick to the values, principle and conduct guidelines expressed in this Code, and it is stated that **8,318 serving employees** at 2020 year-end have confirmed their compliance commitment therewith.

Training was provided in regulatory compliance, **on different areas such as the Code of Conduct**, the criminal liability of legal entities, data protection, fair competition, etc. in 2020, a total of 3,290 employees (554 in 2019) of all levels received training in this area, which is equivalent to 2,007 training hours (848 hours in 2019). Since 2018, a total of 6,141 employees were trained in this area (equivalent to 7,803 hours).

7. 5. 2. ADVICE AND COMPLIANT LINE (WHISTLEBLOWER CHANNEL)

(103) (102-16) (102-17) (205-3) (206-1) (406-1) (411-1)

The Advice and Compliant Line (codigoconducta@sacyr.com) is the channel created by the Sacyr Group so that the members of the organisation or third parties can denounce, in a safe confidential manner, any possible breach of the Code of Conduct and in, general, of our Regulatory Compliance, Crime Prevention and Fair Competition Model, as well as any other applicable internal or external regulations, as is the case of any corrupt, anti-competitive or criminal conduct that may be detected. This channel is also enabled to file queries regarding all these matters.

In addition to this Line, as an example of our commitment to prevent and act against any sexual, occupational or gender-based harassment in the workplace, the Sacyr Group has a second line of complaint, in this case, an Anti-harassment Hotline (denunciaacoso@sacyr.com), specific to this area and which co-exists with the Advice and Compliant Line.

The complaints on matters included in the area of application of this Lines will be appropriately investigated (even in the case of those complaints and queries raised anonymously, provide that they contain sufficient information to enable such investigation). The Regulatory Compliance Unit, with the supervision of the Audit Department, is the body responsible for receiving, processing and managing both Lines, safeguarding confidentiality and the rights of the affected parties and guaranteeing the protection of the complainant.

In 2020, 77 communications were made through these Lines corresponding to areas included in the scope of such Lines. The remaining notifications received in these Lines were shelved since they did not relate to these areas rather to matters such as the search for employment or advertising communications and therefore were outside of the scope of competence of the regulatory compliance bodies. Of the 77 communications mentioned, (i) 34 were classified as complaints for different causes, without, following investigation, any case of a breach of human rights or corruption with significant consequences for the Sacyr Group from a criminal, economic or reputational viewpoint being confirmed through this channel; and (ii) 34 were classified as alleged harassment cases, which have also led to the appropriate internal investigation, leading all of them to be dismissed (one of them is in the examining

phase), without prejudice to the fact that the Group has implemented all measures deemed appropriate in line with the specific circumstances of each case.

COMMUNICATIONS RECEIVED	2018*	2019*	2020
Queries on matters included in the scope of the Lines	3	3	9
Complaints on matters included in the scope of the Lines	14	27	34
Harassment complaints	24	36	34
TOTAL NUMBER OF COMMUNICATIONS RECEIVED	38	66	77

(*) The 2020 figures do not include those notification received through the Lines that were not included in their scope of application. To make figures for 2018 and 2019 comparable, the figures for both years were adjusted in line with this same criteria.

7.5.3. REGULATORY COMPLIANCE, CRIME PREVENTION AND FAIR COMPETITION MODEL

(103) (102-16) (102-17) (205-1) (205-2) (206-1)

The Code of Conduct is based and founded on the Sacyr Group's Regulatory Compliance, Crime Prevention and Fair Competition Model, which reflects the firm commitment of Sacyr, S.A.'s Board of Directors, transmitted to the whole organisation, with respect to the laws and the prevention, detection and eradication of any illegal procedure in the area of its responsibilities, maintaining a specific zero tolerance commitment, among others, with criminal offences (particularly rejecting corruption) and anti-trust conduct, due to the specific seriousness of such violations.

To comply with these commitments, the Sacyr Group has the *Criminal Risk and Competence Maps with associated controls by business units*, essential elements of the Compliance Model, which identify and analyse the risks in both areas to which each Group division may be exposed, together with the control and management measures implemented by each business unit to prevent and detect the criminal and competence risks identified.

Supervision of the correct functioning of our Regulatory Compliance Model corresponds to the Audit Committee, which is supported by the Regulatory Compliance Unit for its operational management.

The Group's Regulatory Compliance Unit, in coordination with other areas of it or external experts from which cooperation may be requested, is responsible for investigating any possible signs of infringements of our Regulatory Compliance Model. If an internal investigation proves an offence has been committed, the appropriate action will be taken, duly imposing penalties in accordance with the applicable disciplinary system based on collective labour force agreements or prevailing regulations and reviewing the Model to implement improvements aimed at avoiding further breaches.

Among the activities performed in 2020 in relation to this Regulatory Compliance Model are the update of the essential elements of such model, including the approval by Sacyr, S.A.'s Board of Directors of the new version of the base document, **the Code of Conduct and of its enacting policies in the area of compliance**, which formalise the Group's commitment to comply with the regulations relating to the main areas in which our Compliance Model is implemented: criminal, anti-corruption and fair competition regulations.

All updated regulations, which enact the values of integrity and transparency of the Code of Conduct, have been appropriately distributed both internally (including executive employees and members of the governing bodies), and among the third parties that we engage with, which are also bound to comply with all matters applicable to them. Specifically, **in 2020, it was distributed to a total of 16,195 Group suppliers.**

CRIME PREVENTION MEASURES

The *Crime Prevention Regulatory Compliance Policy* approved by the Board of Directors of Sacyr, S.A., constitutes the enactment of one of the guidelines for market conduct imposed by our Code of Conduct: with respect to the law in force in the territories in which the Group operates. This Policy formally includes the Sacyr Group's firm will to comply with the applicable prevailing regulations, in particular, those of a criminal nature, building a solid corporate culture of regulatory compliance and crime prevention. Likewise,

the Policy details the general principles followed by the Group to fulfil such commitment.

In 2020, **3,114 employees** (1,583 hours) carried out the **training** devised by the Group **in the area of criminal liability** for legal entities. These figures are included in the calculation of the aforementioned regulatory compliance training data.

ANTI-CORRUPTION AND BRIBERY MEASURES

The Group has implemented various anti-corruption policies and procedures in which the Sacyr, S.A.'s Board of Directors expresses its firm commitment and formally reveals its zero-tolerance policy regarding any forms of corruption, extortion or bribery, not allowing, authorising or consenting, in any way or under any circumstances, any type of corrupt act within the framework of the Group's activities and its relations with public and private entities.

Specifically, our *Anti-corruption and Relationship with Public Servants and Authorities* Policy and its different enacting policies and procedures complement two market conduct guidelines reflected in our Code of Conduct: that relating to anti-corruption measures and that referring to the Group's relationship with governments and authorities. Thus, these internal



Pirámides-Tulancingo-Pachuca Highway, Mexico

regulations enact, in depth, the control measures implemented at the Group to comply with the prohibitions included in the Code of Conduct to prevent corruption:

- Prohibition of the offering or acceptance of bribes.
- Prohibition of the use of donations and sponsorship and gifts as a means of concealment to carry out bribes.
- Prohibition of contributions for political means that contravene applicable local regulations.
- Prohibition of facilitation payments.
- Prohibition from making any expenses, payment or transaction without the corresponding authorisation, under the Group's internal regulations, together with fraud in the accounting records due to the absence of records, incorrect records or undue payments.

Aside from the employees that received training on **the Code of Conduct (which includes the Group's anti-corruption measures)**, in 2020, the anti-corruption policies and procedures were notified to a total of **8,617 employees** of all levels (including executives) and from all countries in which the Group has a presence, without affecting the distribution of them to related third parties as previously set forth. Of these 8,617 people: 4,872 are employees from Spain, 1,208 from Chile, 1,049 from Colombia, 287 from Peru, 267 from Portugal, 224 from Mexico, 144 from the United States, 124 from Uruguay, 94 from the United Kingdom, 84 from Qatar, 66 from Brazil, 42 from Angola, 40 from Australia, 40 from Paraguay, 21 from Mozambique, 12 from Italy, 12 from Oman, 8 from Panama, 7 from Ireland, 6 from Bolivia, 5 from Cape Verde, 4 from Canada and 1 from Algeria.

ANTITRUST MEASURES

As an expression of the Group's commitment to respect competition regulations, the Board of Directors of Sacyr, S.A. has approved the *Regulatory Antitrust Compliance Policy*, which is a development of one of the guidelines for behaviour with the market imposed by our Code of Conduct: the guideline concerning fair competition and antitrust.

Likewise, during 2020, all the essential elements of our Regulatory Compliance Model in Spain have been adapted to the *Guide for compliance programmes in relation to antitrust published by the National Commission for Markets and Competition (CNMC) on 10 June 2020*.

In addition to the employees who have received training on the Code of Conduct (which includes guidelines for antitrust behaviour), specific training has been provided to 130 employees in various categories, totalling 260 hours of training on competition law and on the main risks of infringement of this legislation in terms of the scope of their respective duties, as well as on the appropriate control measures to be implemented in their positions. These figures are included in the calculation of the aforementioned compliance training data.

DUE DILIGENCE OF THIRD PARTIES

The relationships that the Sacyr Group establishes with third parties in the development of its activity are aimed at establishing a framework of transparent collaboration that allows the achievement of mutual objectives, always in compliance with current legislation.

The Group requires its third parties to behave in a manner that is in line with the organisation's ethical culture. Therefore, our Code of Conduct and its implementing policies, including those issued in the area of regulatory compliance (crime prevention, anti-corruption and antitrust), are mandatory for the third parties we engage with, and are therefore duly transmitted and communicated to them. They are also available on our website ([Regulatory compliance section](#) ➔).

Likewise, the Group has measures in place to prevent key third parties from being selected without complying with the minimum due diligence duties in getting to know these parties, aimed at ensuring that they maintain behavioural guidelines aligned with our Code of Conduct, among other areas, in anti-corruption or antitrust matters. It also has measures to prevent the selection of third parties from being based on personal interests or those related to corrupt or anti-competitive practices, with this being based on technical and professional criteria instead.

7.5.4. ANTI-MONEY LAUNDERING MEASURES

(103) (102-16) (102-17)

The measures described above are also applicable to the prevention of money laundering and terrorist financing, but the Group also has specific policies and procedures for the prevention of this risk, especially in those companies that are liable parties concerning the regulations in this area. The main measures it has in place are:

- Designation of a specific Internal Control Body responsible for the supervision and enforcement of measures to prevent breaches of these regulations.
- Information and dissemination of the Internal Protocol in which the policy and procedures are developed.
- Existence of a system of IT alerts to detect possible risky transactions.
- Specific training in this area for employees and external collaborators.
- Existence of a specific hotline for this area, available both to members of the Organisation and to third parties (sacyr.prevencionbc@sacyr.com). One communication was received through this channel during 2020, and no money laundering or terrorist financing offences were detected as a result.
- Audits by independent external experts.
- Third-party due diligence processes.
- Annual risk self-assessment analyses.



Seville mushrooms during COVID-19, Seville, Spain

7.5.5. RESPECT FOR HUMAN RIGHTS

COMMITMENT

Protecting the human rights of our employees and those who work with us has been paramount to our way of doing things and our values, and is ultimately an integral part of our business model.

At Sacyr, we understand the potential environmental, social and good governance impacts of the projects we carry out in many countries and we engage in regular dialogue with our stakeholders to identify the most significant issues on which to focus our efforts with the aim of managing the company responsibly and sustainably.

Our determination to reflect our commitment to respect Human Rights in our activities is demonstrated in our Human Rights Policy, Sustainability Framework Policy and Responsible Supply Chain Management Policy, Diversity and Inclusion Policy, as well as in our corporate strategy, ESG risk management and in our internal and external publications. We therefore make a public commitment to respect Human Rights, led by the Board of Directors, which reviews the company's management in all matters related to this critical issue.

(103) (102-16)

DUE DILIGENCE

Our approach to project due diligence is to identify high-risk performance areas, prevent and remedy negative social and environmental impacts that may arise from the company's operations, going far beyond responding to complaints and taking a proactive approach to business conduct.

This process includes measures such as approval processes for third parties involved in some or all activities, audits, termination of contracts for non-compliance with agreements and mitigation of potential impacts caused.

In contracts with our partners, customers and suppliers, we include clauses to ensure that these stakeholders take on board and respect our regulations and corporate policies, including our code of conduct.

As a preventive measure, we have established a training and awareness-raising programme on the code of conduct for our main stakeholders, available both online and through a corporate mobile application (See section 7.5.1. Code of Conduct).

The Conduct Hotline that allows all our stakeholders to ask questions to clarify doubts about the Code of Conduct and the company's policies, as well as to report possible breaches of these regulations. This allows us to monitor the progress of corrective actions and the establishment of sanctions (See section 7.5.2. Advice and Compliant Line (Whistleblower channel)).

These policies, regulations and procedures are made available to all our stakeholders on the intranet, on the website, in newsletters, mobile applications and on notice boards, depending on ongoing projects and workplaces.

We participate in several international initiatives such as the Tripartite Declaration (International Labour Organisation), the OECD Guidelines and the United Nations Universal Declaration of Human Rights.

In order to put this commitment into practice, Sacyr and the other companies belonging to its Group will be guided by the following principles:

- a. Identify, prevent, mitigate and account for how it addresses its human rights impacts in all its operations and activities.
- b. Remedy, to the extent possible, the adverse human rights impact they have caused or contributed to.



2020 HIGHLIGHTS

- Approval of the **Sustainability Framework Policy**, which replaces the previous Corporate Social Responsibility Policy.
- Approval of the **Human Rights Policy**
- Approval of the **Supply chain management policy**



6th edition of South Summit, Madrid, Spain

- c. Promote training and awareness-raising initiatives for Sacyr's stakeholders in the area of Human Rights.
- d. Actively foster a culture that promotes respect for human rights, as well as behaviours that encourage this respect.
- e. Voluntary adhesion to public or private agreements in order to make commitments and define actions with the aim of reducing behaviour that contravenes this Policy.
- f. Obtaining and maintaining certifications in accordance with internationally recognised standards.
- g. Encourage suppliers to adopt policies that are in line with this Policy.
- h. Compliance with the applicable requirements related to respect for human rights, as well as the monitoring of recommendations in this field, at a national and international level.
- i. Active and continuous communication on Sacyr's actions with regard to respect for Human Rights.

(102-9) (103-1) (103-2) (103-3) (408-1) (409-1) (411-1)

In 2014, the Sacyr group signed a Framework Agreement with the International Federation of Building and Wood Workers and Comisiones Obreras (CC.OO.) of Construction and Services and UGT-MCA (decent wage, non-discrimination, etc.).



There is a **Code of Conduct** and a body responsible for monitoring its application across the entire Group. It is also expected that third parties with whom Sacyr maintains relations respect it too

This agreement is based on the joint commitment of the signatories to respect and promote the principles defined in the Universal Declaration of Human Rights, the Tripartite Declaration of the International Labour Organisation (ILO), the OECD Guidelines for Multinational Companies, and the 10 principles of the United Nations Global Compact. Through this agreement the following guidelines are established:

1. Freedom of association and the right to collective bargaining is respected

All the workers have the right to set up and join trade unions if they choose to.

2. Employment is freely chosen

There is no forced, bonded or involuntary prison labour.

3. Non-discrimination

All workers will have the right to equal opportunities and treatment without consideration of their ethnic origin, religion, political views, nationality or social origin (ILO Conventions 100 and 111).

4. Protection of migrant workers

Migrant and expatriate workers enjoy the protection and conditions established by the existing national legislation. Agencies that send workers to other countries will be required to repatriate these workers when their employment terminates.

5. Child labour is not used

Child labour shall not be used. Only workers above the age of 15 years, or over the compulsory school-leaving age, if higher, shall be employed (ILO Convention 138). Sacyr ensures compliance with the provisions of the ILO, particularly those related to child labour and forced or compulsory labour, and makes a commitment to developing its business and professional activities in accordance with the prevailing legislation in each of the locations where it operates.

6. Living wages are paid

Workers shall be paid wages and benefits that must conform, at least, with the conditions of the national legislation or the collective bargain applicable to the sector or industry in question.

7. Hours of work are not excessive

Hours of work shall be in accordance with legislation and national agreements. All workers shall receive, a minimum of one day-off per week or its equivalent if an irregular working time distribution is the case, always as permitted by the valid legislation of each country.

8. Health and Safety of the workers

A safe and healthy working environment shall be provided.

9. Workers' welfare

At every work place the company shall provide adequate facilities for the provision of work.

10. Specialised training

Sacyr undertakes to provide the means to contribute to learning and training of its employees and to update their knowledge and skills.

11. Employment relationship

Sacyr will respect obligations towards all the workers established under the labour and social security laws and regulations and the regulations relating to the employment contract.

(102-15) (412-1) (412-3) Risks

Regarding the management of human rights-related risks, in the risk maps (operational) all existing risks have been identified (which are managed via the control procedures established to mitigate them), such as relationships with local communities or social instability, which also include those related to human rights in the company's actions.

Results

In 2020, as in 2019, no operations were identified as subject to assessment of human rights, agreements were however carried through that had clauses or were subject to assessment concerning human rights.

7. 5. 6. MODERN SLAVERY STATEMENT

(409-1)

7. 5. 6. 1. SACYR'S COMMITMENT TO THE FIGHT AGAINST SLAVERY AND HUMAN TRAFFICKING

At Sacyr, we are committed to taking all necessary measures to combat slavery and human trafficking, wherever we conduct our business, and this applies to all subsidiaries or majority-owned companies over which we have direct or indirect effective control.

We are proud of the steps already taken and we are continuously improving our practices to combat these illegal activities.

We carry out our activities in a way that strictly respects Human and Social Rights, based on transparency and continuous dialogue with the company's stakeholders (customers, suppliers, employees, shareholders, investors, etc.).

Through our *Code of Conduct*, *Sustainability Framework Policy*, *Human Rights Policy*, *Supply Chain Management Policy and Statement Against Modern Slavery*, we are committed to the fight against slavery and human trafficking. These regulations apply to all Group companies.

7. 5. 6. 2. HUMAN RIGHTS IN THE SUPPLY CHAIN

(414-1) (414-2)

Suppliers are a strategic part of Sacyr's performance and therefore, when contracting their services, we evaluate their degree of alignment with our ethical standards and values, and we encourage said

suppliers to comply with them, promoting respect among contractors, subcontractors and suppliers.

At Sacyr, we undertake supply chain management as an integral part of our responsibility in relation to the sustainable development of our activities, respect for the environment, good corporate governance, regulatory compliance, health care, the promotion of diversity and inclusion and respect for human rights, and we also encourage our suppliers to act in the same way.

As part of this commitment, the **Supply Chain Management Policy** sets out the means to assess the risks and opportunities associated with the contracting, procurement and supplying of supplies and services at the corporate and project level. At Sacyr we consider it to be a priority to prevent any risks arising from its supply chain and in the goods and services produced or provided by the companies forming part of this chain.

We regularly review our due diligence processes to ensure we are properly monitoring our subcontractors.

Suppliers are expected not only to comply with current regulations, conventions and core recommendations of the International Labour Organisation (ILO), but also to take proactive measures based on:

- The adoption of the UN **Global Compact Principles**.
- The alignment of suppliers' Codes of Conduct with our own.
- The adoption of certifications in the field of Ethical and Socially Responsible Management (see page 16).
- Providing a safe, healthy and organised working environment to prevent accidents and injuries.

(408-1) Child labour

It shall not use child labour, nor shall it incorporate into its business activity any product or service derived from child labour in any of the countries in which it operates, ensuring compliance throughout

its supply chain with the provisions of the International Labour Organisation (ILO) in relation to child labour.

(409-1) Forced labour

It shall not use forced or compulsory labour and will avoid engaging suppliers, contractors or external collaborators at risk of carrying out such practices, as set out in our *Supply Chain Management Policy*.

SLAVERY

We are committed to implementing all necessary measures to combat slavery and human trafficking. In the Group's *Statement Against Modern Slavery*, we set out the steps we have taken to ensure that slavery and human trafficking do not take place in our supply chain.

MIGRANT WORKERS

We respect the rights of all workers, especially migrants in particularly vulnerable situations.

HEALTH AND SAFETY

We also ensure the application of occupational Health and Safety standards and policies by the suppliers, contractors and partners with we operate with, as set out in our *Supply Chain Management Policy*, which extends the Group's commitments to the entire value chain.

WORKERS' CONDITIONS

At Sacyr, we ensure compliance with the rights and decent conditions of workers in the supply chain:

- We prevent violations of the basic rights of subcontracted employees.
- We establish contractual terms of fair payment and delivery times that enable our suppliers to meet basic labour standards.
- We promote the reduction of excessive working hours.

- We support the right to a minimum or living wage and monitor compliance with local minimum wage laws.

LOCAL COMMUNITIES

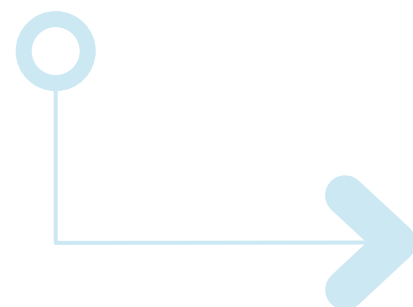
We prevent involvement in land rights violations.

TRAINING

We have developed a training programme on the Code of Conduct which specifically details issues relating to forced labour, highlighting zero tolerance towards situations that go against Sacyr's values and policies. During 2020, 3,157 employees have been trained, with a total of 1,390 hours (See section 7.5.1. Code of Conduct on page/página 184).

WHISTLEBLOWER CHANNEL

All employees are aware that there is a confidential whistleblower channel for the reporting of incidents or problems related to human rights violations (See section 7.5.2. Advice and Compliant Line).





Recognition of 2 million accident-free hours, Al Meshaf, Qatar

7.6. TRANSPARENCY

(103-1) (103-2) (103-3) (201-4)

7.6.1. TAX TRANSPARENCY

In this chapter, we break down Sacyr's Total Tax Contribution (TTC) in 2020 for all the regions in which the Group operates.

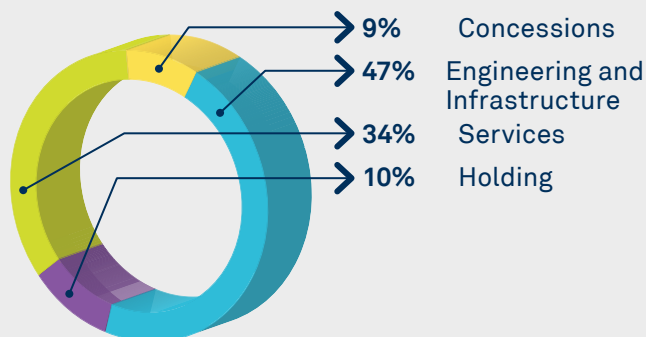
Total Tax
Contribution
in 2020



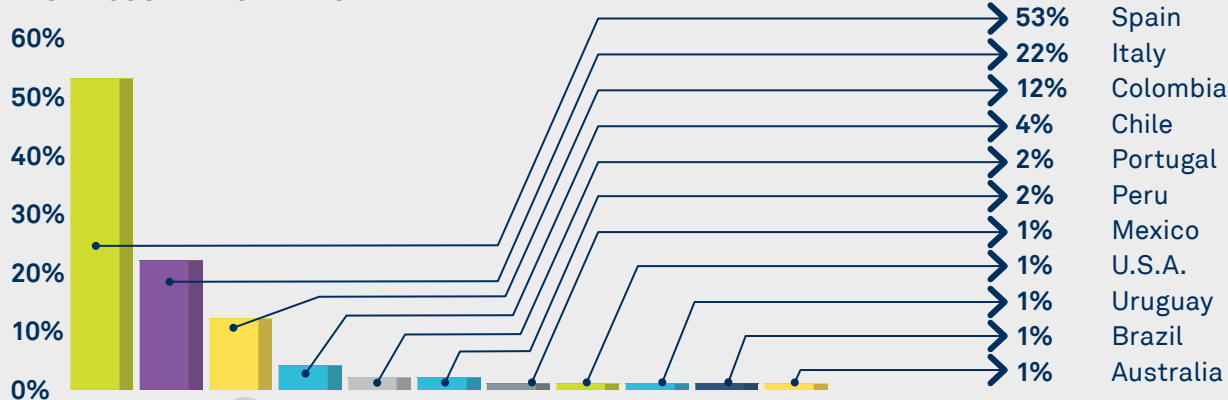
+725
Millions of euros
[+9.85%]

TAX CATEGORY (€ million)	TAXES BORNE			TAXES COLLECTED		
	2018	2019	2020	2018	2019	2020
I. INCOME TAX	37	48	47	6	12	8
II. PROPERTY TAX	7	5	7	0	0	0
III. EMPLOYMENT RELATED TAXES	192	228	211	129	138	162
IV. PRODUCT AND SERVICE TAXES	36	34	27	155	170	251
V. SPECIAL TAXES	14	18	11	8	9	1
TOTAL	286	333	302	299	328	423

TTC BY BUSINESS GRAPHIC



TTC BY COUNTRY GRAPHIC



7.6.2. TOTAL TAX CONTRIBUTION TABLE

(207-4)

	PRE-TAX PROFIT			INCOME TAX			OTHER TAX PAID			TAX COLLECTED			PUBLIC SUBSIDIES RECEIVED		
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
EUROPE	202.89	-268.96	116.03	16.09	15.86	12.88	222.03	222.87	207.69	261.14	253.40	337.68	2.47	0.96	0.93
Spain	167.63	-350.93	11.16	12.90	9.32	6.14	205.43	195.27	186.21	198.93	200.78	193.14	2.47	0.96	0.93
Ireland	2.08	2.25	0.90	0.00	0.10	0.08	0.00	3.38	0.06	0.19	0.48	0.47	0.00	0.00	0.00
Italy	62.22	100.89	139.52	2.46	6.07	5.95	10.82	12.58	14.90	51.23	41.15	135.45	0.00	0.00	0.00
Portugal	-24.92	-17.59	-33.39	0.62	0.37	0.71	5.30	11.11	5.87	9.31	8.52	5.39	0.00	0.00	0.00
UK	-1.84	-3.11	-2.15	0.00	0.00	0.00	0.14	0.43	0.48	1.24	2.31	3.09	0.00	0.00	0.00
Other	-2.28	-0.46	-0.01	0.11	0.00	0.00	0.34	0.11	0.17	0.25	0.16	0.14	0.00	0.00	0.00
NORTH AND SOUTH AMERICA	75.79	81.16	121.51	8.27	11.00	19.85	33.28	77.63	58.45	33.50	71.22	84.20	0.09	0.08	0.05
Bolivia	-0.54	-2.15	-1.39	0.00	0.00	0.01	1.21	1.32	0.15	0.82	0.00	0.00	0.00	0.00	0.00
Brazil	-0.04	-0.16	-0.52	0.25	0.02	0.20	2.64	1.95	4.58	0.20	0.65	0.63	0.00	0.00	0.00
Canada	-	-2.14	-1.74	-	0.00	0.00	-	0.05	0.22	-	0.03	0.00	-	0.00	0.00
Chile	25.53	10.37	32.58	5.34	1.03	3.23	5.43	4.17	2.68	5.79	15.93	25.58	0.09	0.08	0.05
Colombia	34.38	67.89	70.13	0.00	1.17	9.34	19.45	62.27	41.68	11.07	33.55	38.94	0.00	0.00	0.00
Ecuador	0.01	0.19	-0.04	0.10	0.05	0.00	0.09	0.02	0.01	0.90	0.05	0.03	0.00	0.00	0.00
USA	-5.92	-11.74	1.42	0.00	0.00	0.00	0.19	0.97	3.41	0.08	1.27	3.04	0.00	0.00	0.00
Mexico	12.07	6.40	4.47	0.90	1.26	2.88	0.70	1.44	0.92	5.16	8.14	5.54	0.00	0.00	0.00
Paraguay	1.07	3.52	1.96	0.00	0.38	1.19	0.14	0.85	0.36	2.63	0.24	0.15	0.00	0.00	0.00
Peru	22.61	5.65	7.19	1.68	6.94	2.79	2.35	4.43	2.39	5.09	11.08	5.74	0.00	0.00	0.00
Uruguay	-1.23	3.33	7.67	0.00	0.16	0.20	0.62	0.16	1.49	1.25	0.29	4.56	0.00	0.00	0.00
Other	-12.16	-0.18	-0.23	0.00	0.00	0.00	0.47	0.76	0.57	0.52	0.07	0.00	0.00	0.00	0.00
AFRICA AND MIDDLE EAST	2.90	-1.13	-3.73	4.17	0.82	0.48	1.26	0.84	0.19	1.57	2.04	0.13	0.00	0.00	0.00
Oman	2.88	-0.89	-3.69	4.11	0.00	0.25	0.79	0.00	0.15	0.82	0.00	0.09	0.00	0.00	0.00
Other	0.02	-0.24	-0.04	0.06	0.82	0.23	0.47	0.84	0.04	0.75	2.04	0.04	0.00	0.00	0.00
OCEANIA AND ASIA	3.95	5.25	2.44	0.50	1.23	2.04	0.16	1.96	0.79	3.06	1.00	0.85	0.00	0.00	0.00
Australia	3.96	4.91	2.44	0.50	1.23	2.04	0.16	1.96	0.79	3.06	1.00	0.85	0.00	0.00	0.00
Other	-0.01	0.34	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	285.52	-183.68	236.25	29.04	28.92	35.25	256.72	303.30	267.12	299.27	327.67	422.85	2.56	1.04	0.98

(*) All tax actually paid in the year is included. This does not include income tax accrued during the period but payable in the future. The income tax item includes both the amount of instalment payments, tax paid for the year, and corporate income tax assessments or penalties.

(**) The amount of other taxes paid includes employee contributions to Social Security and other taxes, among other items.

(***) The amount of taxes collected includes VAT collected, employment tax and contributions to employees' Social Security.

7. 6. 3. REMUNERATION AND INCENTIVES

The individual breakdown of the amounts received by directors for the exercise of their duties in 2020 may be found in the Annual Remuneration Report on our website www.sacyr.com^{**} and on the website of the CNMV.

DIRECTORS' REMUNERATION

(102-36) (102-37) (102-35)

The remuneration system for directors acting as such requires that it meet the following characteristics:

- It must be in line with Corporate Governance standards and market circumstances based on the Company's characteristics and its business activities.
- It must provide incentives and compensate dedication, ability and responsibility, based on the positions and responsibilities assumed by each director on the Board of Directors and in its Committees.
- The directors acting as such should not receive variable remuneration, in accordance with Recommendations on Good Corporate Governance and the Sacyr Remuneration Policy.

The General Shareholder's Meeting of 11 June 2019 approved the new Remuneration Policy for directors 2020-2022 at the proposal of the Board of Directors, following a specific report from the Appointments and Remuneration Committee.

Pursuant to the Company Bylaws, members of the Sacyr, S.A. Board of Directors are entitled to receive remuneration from the Company consisting of a fixed annual amount.

For the year 2020, the remuneration accrued in favour of the Board of Directors (in thousands of euros) was 7,642 (8,497 in 2019), including: (i) Gross amounts collected by directors in their capacity as members of the Board of Directors and, (ii) total remuneration of the executive director (fixed, variable, life insurance, health insurance and ILP plan), (iii) the amount of non-vested accrued pension rights of the executive director.

The total amount has taken into account the remuneration of all board members during the financial year 2020.

Total remuneration received by senior management (thousand euros) came to 3,522.

At the end of the year the Group had no commitments to members of the Board of Directors acting as such in respect of pension obligations, life insurance premiums or any share-based payments.

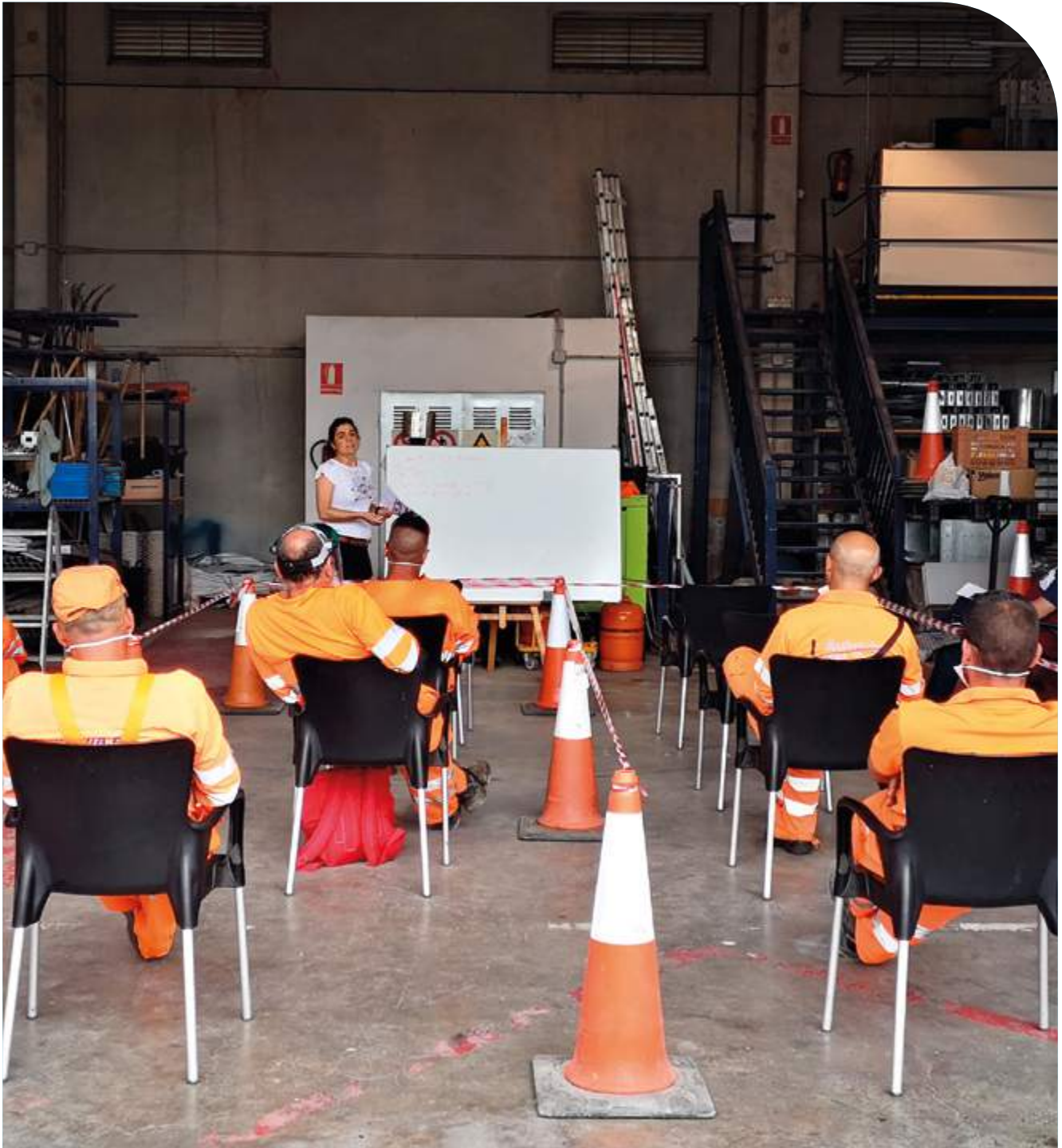
The Executive Director Remuneration Policy, therefore, is oriented towards generating value for the Company, with a view to bringing this aspect in line with the interests of shareholders, with prudent risk management and strict compliance with the regulations in force in terms of director remuneration.



The Directors' Compensation Policy is oriented **towards the generation of value for the Company**



^{**}More information can be found in the Remuneration Report published at the following [link](#).



Training of workers in relation to COVID-19, Autovía del Turia, Valencia, Spain

1

Main
indicators

2

Chairman's
letter

3

Business
Model

4

Planet
Ambition

5

Team
Ambition

6

Positive Impact
Ambition

7

Ambition at the
Highest Level

8



Appendices

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Appendix III. Traceability of the indicators with the regulations and benchmark standards	206
Appendix IV. Contact information	236
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Porto Metro, Portugal

Appendix I. About this report

(102-46) (102-48) (102-49) (102-50) (102-51) (102-52) (102-53) (102-54) (102-55) (102-56)

This is the eighth INTEGRATED REPORT published by Sacyr. It corresponds to the 2020 financial year and the Group's position at 31 December 2020.

This document was drawn up in accordance with the standard published by the International Integrated Reporting Council (IIRC). It was also drawn up in line with the Global Reporting Initiative's Corporate Responsibility directives (GRI Guidelines), in accordance with its comprehensive option; it identifies the standards of the Sustainability Accounting Standards Board (SASB), and its financial information has been set out pursuant to the International Financial Reporting Standards adopted by the European Union.

The information regarding Sacyr's Statement of Non-Financial Information 2020, the preparation of which is based on Law 11/2018 on Non-Financial Information and Diversity, has been included in Sacyr's Integrated Sustainability Report 2020. The traceability of Law 11/2018 in said Report can be consulted in the Annexes.

This report has been externally verified by an independent entity (PricewaterhouseCoopers) pursuant to the ISAE 3000 standard. Its financial content (consolidated financial statements of the parent and its subsidiaries) has also been verified by the independent entity Ernst & Young.

The information contained in this report is balanced, including the achievements attained during the year and the objectives set for the future.

To facilitate comparability, quantitative data from previous years are included, without prejudice to the information supplied in the previous year's report. The data provided are as precise as possible and are given in sufficient detail to meet stakeholders' expectations. Clarity is one of our requirements in writing this report, so as to avoid explanations or ambiguities.

(102-48) (102-49)

To ensure reliability, the content of this report has been reviewed by all internal departments and divisions responsible for managing the entity's stakeholders and for the information reported. In

some cases, and generally owing to an absence of comprehensive data, the information contained in this report cannot refer to the Group overall. This circumstance has been expressly reflected in the corresponding sections of the report.

Nevertheless, Sacyr management aims to establish the necessary mechanisms to gradually eliminate these limitations to available information.

(102-32)

Any additional information, consultation, suggestions for improvement and comments may be sent to:

(102-53)

SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY DEPARTMENT

E-mail: rcorporativa@sacyr.com

Corporate Responsibility Sacyr, S.A.

Calle Condesa de Venadito, 7, 28027, Madrid

Telephone: +34.91.545.50.00

Shareholder hotline: 900.101.930



Appendix II. Materiality analysis



The objective is to identify the issues that can have an impact on Sacyr and on which **we should focus our communication and social commitment efforts** with the company's key stakeholders

1. Objective of the Materiality Analysis

In line with the guidelines of the International Integrated Reporting Framework and the requirements of the Global Reporting Initiative (GRI) for drawing up sustainability reports. For the preparation of this report, Sacyr has reviewed the materiality analysis conducted in 2018 with the aim of representing in its report the most relevant issues for the company and its stakeholders.

Material aspects are those that affect the company's capacity to create value in the short, medium and long-term, and that allow our stakeholders to obtain a true and fair view of Sacyr's performance in the corporate sphere and with regard to sustainability.

2. Methodology

The methodology decided on by Sacyr to carry out the materiality analysis and define the material issues to be dealt with in its 2020 Integrated Annual Report involves five phases.

(102-43)



Australis Tower, Madrid, España



Materiality Analysis of the Group 2020

INTERNAL PERSPECTIVE

Overall trends

Key commitments

Management Committee Interviews

Differential qualities of Sacyr according to the **Internal Vision**

EXTERNAL PERSPECTIVE

Analysts:
RobecoSAM

SASB
Sustainability Accounting
Standards Board (USA)

Law 11/2018
and correspondence with GRI

Media analysis
Negative news
analysis

Relationship with SDGs



Extra financial matters that ESG* analysis take into account for the DJSI



Material issues in the **scope of Sustainability Reporting (USA)**



Material issues in the **scope of CSR Reporting in Spain**



Review of possible **reputational crises and relevant controversies**



Global **Sustainable Development Goals**

**Environmental, Social and Governance*



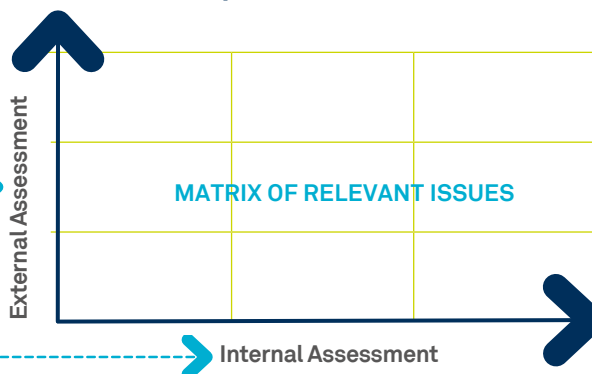
Material issues are identified and prioritised

1

Media analysis
RobecoSAM analysis
SASB analysis
Law 11/2018 analysis
SDG analysis

2

Interviews with corporate
and business managers
Country managers:
13 countries



3



4

**Relevant issues
by business division**

Results by country



5

**Matrix of relevant
issues**





3. Outcome of the process

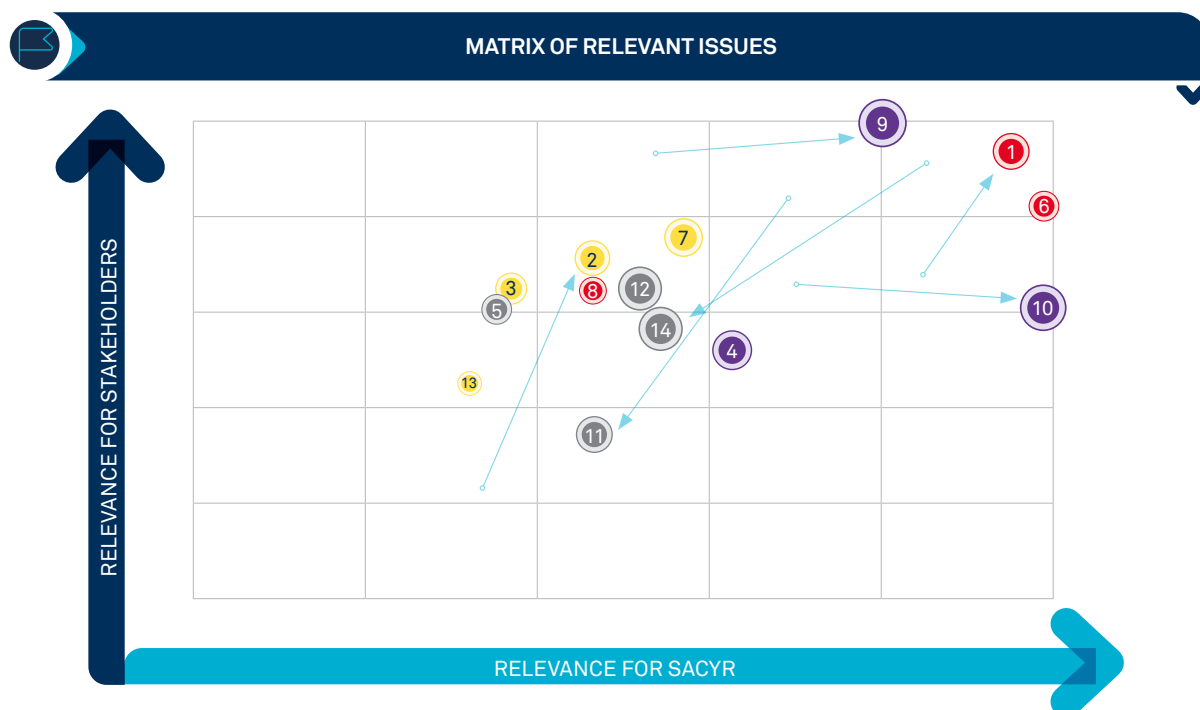
(102-44) (102-47)

Below is the final listing of material issues, ordered according to their relevance, that guide the contents to include in Sacyr's 2020 Integrated Sustainability Report.

 1. Occupational health and safety (i)	 8. Employee equality and diversity (i)
 2. Climate change and energy efficiency	 9. Ethics, compliance and governance (i)
 3. Water resources	 10. Solvency and economic performance (i)
 4. Innovation (i)	 11. Social and economic contribution to development
 5. Supply chain management	 12. Human and employment rights
 6. Human capital, talent retention, training and development (i)	 13. Consumption of raw materials
 7. Environmental impact	 14. Local community relations

* INTERNAL COVERAGE (i) | EXTERNAL COVERAGE

 Economics and good governance
 Employees
 Environment
 Company



* The size of the spheres indicates the relative impact of the issue on Sacyr's value chain. "Energy efficiency" and "climate change" have been divided into priorities, with greater internal relevance given to energy efficiency and greater external relevance to climate change.

Our report is in line with the results obtained, so as to faithfully reflect all material issues for the company in the corporate and sustainability sphere and thus satisfy

the reporting expectations of our stakeholders and facilitate their decision-making.

Appendix III. Traceability of the indicators with the regulations and benchmark standards

Appendix III.a. GRI indicator tables – NFIL*

DETAILS OF RECRUITMENTS, DISMISSALS AND TURNOVER

(401-1)

	ADDITIONS			DISMISSALS			TURNOVER		
	MEN	WOMEN	OVERALL TOTAL	MEN	WOMEN	OVERALL TOTAL	MEN	WOMEN	OVERALL TOTAL
SENIOR EXECUTIVES	2	0	2	8	1	9	0	0	0
<50	1	0	1	2	1	3	0	0	0
>50	1	0	1	6	0	6	0	0	0
MANAGEMENT	61	11	72	49	2	51	36	8	44
<30	0	1	1	1	0	1	3	0	3
<50	43	9	52	22	1	23	20	7	27
>50	18	1	19	26	1	27	13	1	14
TECHNICIANS	752	294	1,046	212	89	301	209	131	340
<30	203	121	324	28	21	49	50	35	85
<50	452	162	614	142	63	205	140	92	232
>50	97	11	108	42	5	47	19	4	23
SUPPORT	8,574	4,001	12,575	3,273	1,173	4,446	2,370	1,489	3,859
<30	2,477	875	3,352	950	354	1,304	837	352	1,189
<50	4,765	2,025	6,790	1,682	512	2,194	1,234	756	1,990
>50	1,332	1,101	2,433	641	307	948	299	381	680
OVERALL TOTAL	9,389	4,306	13,695	3,542	1,265	4,807	2,615	1,628	4,243

*Global Reporting Initiative – Law 11/2018 Non-Financial Information

2019

	ADDITIONS			DISMISSALS			TURNOVER		
	MEN	WOMEN	OVERALL TOTAL	MEN	WOMEN	OVERALL TOTAL	MEN	WOMEN	OVERALL TOTAL
SENIOR EXECUTIVES	3	0	3	4	0	4	3	0	3
<50	3	0	3	3	0	3	3	0	3
>50	0	0	0	1	0	1	0	0	0
MANAGEMENT	138	17	155	21	4	25	36	9	45
<30	3	2	5	3	1	4	1	0	1
<50	92	13	105	11	2	13	27	9	36
>50	43	2	45	7	1	8	8	0	8
TECHNICIANS	8,857	5,131	13,988	127	56	183	312	153	465
<30	2,527	1,007	3,534	12	13	25	75	60	135
<50	4,809	2,696	7,505	85	43	128	207	91	298
>50	1,521	1,428	2,949	30	0	30	30	2	32
SUPPORT	962	427	1,389	1,729	775	2,504	2,387	1,702	4,089
<30	254	164	418	588	200	788	869	400	1,269
<50	605	258	863	848	405	1,253	1,235	890	2,125
>50	103	5	108	293	170	463	283	412	695
OVERALL TOTAL	9,960	5,575	15,535	1,881	835	2,716	2,738	1,864	4,602

TURNOVER*

(401-1)

	2018	2019	2020	%19/20
Consolidated average headcount	27,972	43,466.55	44,622.70	2.7%
TOTAL DEPARTURES	2,629	7,318	9,050	23.7%

* In 2019, the scope of this information was extended globally.

DETAILS OF MATERNITY/PATERNITY LEAVE IN SPAIN

(401-3)

	PATERNITY			MATERNITY			TOTAL		
	2019	2020	%19/20	2019	2020	%19/20	2019	2020	%19/20
Men	353	474	34.3 %	7	2	-71.4 %	360	476	32.2 %
Women	4	9	125.0 %	219	211	-3.7 %	223	220	-1.3 %
TOTAL	357	483	35.3 %	226	213	-5.8 %	583	696	19.4 %

RETURN RATE AFTER MATERNITY/PATERNITY LEAVE IN SPAIN

(401-3)

	ASSETS				DEPARTED				TOTAL		
	2018	2019	2020	%19/20	2018	2019	2020	%19/20	2019	2020	%19/20
Men	260	355	472	33.2 %	6	5	4	-40.0 %	360	476	32.2 %
Women	237	215	206	-4.2 %	5	8	14	75.0 %	223	220	-1.3 %
TOTAL	497	570	679	19.1 %	11	13	17	30.8 %	583	696	19.4 %

INFORMATION ON EMPLOYEES AND OTHER WORKERS. EMPLOYEE DISTRIBUTION TABLE BY GENDER AND COUNTRY

(102-8)

COUNTRIES	MEN				WOMEN				TOTAL CONSOLIDATED AVERAGE WORKFORCE			
	2018	2019	2020	%19/20	2018	2019	2020	%19/20	2018	2019	2020	%19/20
SPAIN	10,814	10,813.15	11,353.53	5.0 %	17,158	17,901.09	17,302.63	-3.3 %	27,972	28,714.25	28,656.16	-0.2 %
ANGOLA	192	170.07	104.01	-38.8 %	38	29.2	19.89	-31.9 %	230	199.27	123.90	-37.8 %
SAUDI ARABIA	1	1	0	-100.0 %	0	0	0	0.0 %	1	1	0	-100.0 %
ALGERIA	32	26.97	62.95	133.4 %	2	1.5	3.00	100.0 %	34	28.47	65.95	131.7 %
AUSTRALIA	28	49.42	41.97	-15.1 %	4	7.35	8.43	14.7 %	32	56.77	50.40	-11.2 %
BOLIVIA	170	111.41	16.09	-85.6 %	20	17.28	8.56	-50.5 %	190	128.69	24.65	-80.8 %
BRAZIL	11	36.33	1,153.98	3076.4 %	5	8.31	58.49	603.9 %	16	44.64	1,212.47	2616.1 %
CAPE VERDE	15	8.1	5.34	-34.1 %	5	1.76	2.02	14.7 %	20	9.87	7.36	-25.5 %
CANADA	1	5.51	4.58	-16.8 %	1	0	0	0.0 %	2	5.51	4.58	-16.8 %
QATAR	384	313.32	277.72	-11.4 %	7	6.28	8.60	36.9 %	391	319.58	286.32	-10.4 %
CHILE	1,926	1,898.32	2,303.83	21.4 %	944	1,299.52	1,403.68	8.0 %	2,870	3,197.84	3,707.51	15.9 %
COLOMBIA	1,866	6,356.14	6,337.90	-0.3 %	507	1,085.29	959.57	-11.6 %	2,373	7,441.42	7,297.47	-1.9 %
COSTARICA	1	1	0.58	-41.7 %	0	0	0	0.0 %	1	1	0.58	-41.7 %
ECUADOR	47	11.04	0	-100.0 %	17	6.17	0	-100.0 %	64	17.21	0	-100.0 %
USA	29	205.83	356.12	73.0 %	6	35.58	46.01	29.3 %	35	241.41	402.13	66.6 %
NETHERLANDS	1	0	0	0.0 %	0	0	0	0.0 %	1	0	0	0.0 %
IRELAND	6	6.73	5.97	-11.3 %	4	1.58	1.75	10.8 %	10	8.31	7.72	-7.1 %
ISRAEL	2	0.25	0	-100.0 %	0	0	0	0.0 %	2	0.25	0	-100.0 %
ITALY	839	8.72	9.48	8.7 %	22	1.23	1.94	58.1 %	861	9.95	11.42	14.8 %
LIBYA	4	0	0	0.0 %	1	0	0	0.0 %	5	0	0	0.0 %
MEXICO	197	375.08	301.00	-19.8 %	45	80.38	135.63	68.7 %	242	455.45	436.63	-4.1 %
MOZAMBIQUE	18	71.89	68.19	-5.2 %	5	10.56	11.37	7.6 %	23	82.45	79.55	-3.5 %
OMAN	19	33.61	25.55	-24.0 %	8	6.11	6.06	-0.9 %	27	39.73	31.60	-20.5 %
PANAMA	0	6.94	6.35	-8.5 %	1	4	3.85	-3.8 %	1	10.94	10.20	-6.8 %
PARAGUAY	75	99.13	118.76	19.8 %	34	39.83	46.04	15.6 %	109	138.96	164.80	18.6 %
PERU	1,280	1,231.17	1,123.49	-8.7 %	99	135.16	139.07	2.9 %	1,380	1,366.33	1,262.56	-7.6 %
PORTUGAL	665	616.44	381.49	-38.1 %	134	148	63.35	-57.2 %	199	764.44	444.84	-41.8 %
UNITED KINGDOM	0	49.56	82.45	66.4 %	0	18.78	26.49	41.1 %	0	68.34	108.94	59.4 %
URUGUAY	35	101.46	189.36	86.6 %	5	13.01	35.59	173.6 %	40	114.48	224.96	96.5 %
TOTAL	18,658	22,608.57	24,330.7	7.6 %	19,072	20,857.98	20,292.0	-2.7 %	37,330.00	43,466.55	44,622.7	2.7 %

The total average workforce with fixed contracts stood at 32,810.8 (29,631.04 in 2019) and 11,811.9 (13,835.81 in 2019) had temporary contracts. 12,318.8 employees were working on a part-time basis (12,901.22 in 2019) and 32,303.8 on a full-time basis (30,565.32 in 2019)

EMPLOYEE DISTRIBUTION TABLE BY GENDER AND COUNTRY

COUNTRIES	MEN			WOMEN			TOTAL WORKFORCE 31/12/2020		
	2019	2020	%19/20	2019	2020	%19/20	2019	2020	%19/20
SPAIN	12,451	12,379	-0.6 %	19,848	16,234	-18.2 %	32,299	28,613	-11.4 %
ANGOLA	173	121	-30.1 %	30	26	-13.3 %	203	147	-27.6 %
SAUDI ARABIA	1	0	-100.0 %	0	0	0.0 %	1	0	-100.0 %
ALGERIA	64	63	-1.6 %	3	3	0.0 %	67	66	-1.5 %
AUSTRALIA	46	37	-19.6 %	8	8	0.0 %	54	45	-16.7 %
BOLIVIA	17	15	-11.8 %	10	7	-30.0 %	27	22	-18.5 %
BRAZIL	248	1,423	473.8 %	33	75	127.3 %	281	1,498	433.1 %
CAPE VERDE	9	3	-66.7 %	2	2	0.0 %	11	5	-54.5 %
CANADA	5	4	-20.0 %	0	0	0.0 %	5	4	-20.0 %
QATAR	347	222	-36.0 %	10	8	-20.0 %	357	230	-35.6 %
CHILE	3,032	3,646	20.3 %	1,906	1,840	-3.5 %	4,938	5,486	11.1 %
COLOMBIA	7,044	6,562	-6.8 %	1,199	1,068	-10.9 %	8,243	7,630	-7.4 %
COSTA RICA	1	0	-100.0 %	0	0	0.0 %	1	0	-100.0 %
ECUADOR	1	0	-100.0 %	0	0	0.0 %	1	0	-100.0 %
USA	229	411	79.5 %	37	46	24.3 %	266	457	71.8 %
IRELAND	8	8	0.0 %	2	2	0.0 %	10	10	0.0 %
ISRAEL	0	0	0.0 %	0	0	0.0 %	0	0	0.0 %
ITALY	12	14	16.7 %	2	2	0.0 %	14	16	14.3 %
MEXICO	296	248	-16.2 %	71	155	118.3 %	367	403	9.8 %
MOZAMBIQUE	81	83	2.5 %	12	15	25.0 %	93	98	5.4 %
OMAN	28	31	10.7 %	6	7	16.7 %	34	38	11.8 %
PANAMA	6	6	0.0 %	4	2	-50.0 %	10	8	-20.0 %
PARAGUAY	118	119	0.8 %	44	46	4.5 %	162	165	1.9 %
PERU	1,411	1,705	20.8 %	172	201	16.9 %	1,583	1,906	20.4 %
PORTUGAL	339	409	20.6 %	63	63	0.0 %	402	472	17.4 %
UNITED KINGDOM	63	90	42.9 %	27	24	-11.1 %	90	114	26.7 %
URUGUAY	181	314	73.5 %	27	50	85.2 %	208	364	75.0 %
TOTAL	26,211	27,913	6.5 %	23,516	19,884	-15.4 %	49,727	47,797	-3.9 %

The total workforce with fixed contracts stood at 35,071 (35,609 in 2019) and 12,726 (14,118 in 2019) had temporary contracts. 11,348 employees were working on a part-time basis (14,440 in 2019) and 36,449 on a full-time basis (35,287 in 2019).

THIS IS ALSO BROKEN DOWN INTO THE FOLLOWING CATEGORIES:

PROFESSIONAL CATEGORY*	WORKFORCE AT YEAR-END (31/12/2020)			CONSOLIDATED AVERAGE HEADCOUNT		
	2019	2020	%19/20	2019	2020	%19/20
Senior executives	112	99	-11.6 %	115.21	105.76	-8.2 %
Management	972	985	1.3 %	936.92	935.70	-0.1 %
Technicians	4,065	4,010	-1.4 %	3,750.29	3,768.33	0.4 %
Support	44,578	42,703	-4.2 %	38,664.13	39,812.90	3.0 %
TOTAL	49,727	47,797	-3.9 %	43,466.55	44,622.70	2.7 %

(*) Professional category new since 2019. Data available since 2019.

THIS IS ALSO BROKEN DOWN BY AGE RANGE AND GENDER:

AGE RANGE	WORKFORCE AT YEAR-END (31/12/2020)			CONSOLIDATED AVERAGE HEADCOUNT		
	2019	2020	%19/20	2019	2020	%19/20
Up to 30	6,550	6,602	0.8 %	6,784	6,721	-0.9 %
30 to 50	25,407	24,521	-3.5 %	22,894	23,187	1.3 %
Over 50	17,770	16,674	-6.2 %	13,789	14,715	6.7 %
TOTAL	49,727	47,797	-3.9%	43,467	44,623	2.7%

GENDER	WORKFORCE AT YEAR-END (31/12/2020)			CONSOLIDATED AVERAGE HEADCOUNT		
	2019	2020	%19/20	2019	2020	%19/20
Men	26,213	27,913	6.5 %	22,609	24,331	7.6 %
Women	23,514	19,884	-15.4 %	20,858	20,292	-2.7 %
TOTAL	49,727	47,797	-3.9%	43,467	44,623	2.7%

WORK-RELATED INJURIES

(403-9)

	2019		2020		% 19/20	
	Own workers	Subcontracted workers	Own workers	Subcontracted workers	Own workers	Subcontracted workers
The number of fatalities as a result of work-related injury	0	*N/D	0	2	0	*N/D
Rate of fatalities as a result of work-related injury*	0	*N/D	0	0.011	0	*N/D
Number of work-related injuries with serious consequences	60	*N/D	42	25	-30.00 %	*N/D
Injury rate due to work-related injuries with serious consequences*	0.127	*N/D	0.092	0.133	-27.56 %	*N/D
The number of recordable work-related injuries;	2,382	*N/D	2,076	399	-12.85 %	*N/D
Rate of recordable work-related injuries*	5,049	*N/D	4,564	2,116	-9.61 %	*N/D
Number of hours worked	94,353,984	*N/D	90,975,628	37,704,247	-3.58 %	*N/D

* Data for 2019 is not reported because internal systems do not allow this information to be disaggregated.

OCCUPATIONAL DISEASES AND ILLNESSES*

(403-10)

	2019		2020		% 19/20	
	Own workers	Subcontracted workers	Own workers	Subcontracted workers	Own workers	Subcontracted workers
No. of deaths resulting from an occupational disease or illness	0	*N/D	0	*N/D	0	*N/D
No. of cases registrable resulting from an occupational disease or illness	33	*N/D	40	*N/D	21.21 %	*N/D

* Data on occupational diseases of subcontracted workers for 2019 and 2020 are not reported because internal systems do not allow disaggregation of this information.

TABLE OF ACCIDENT RATES

(403-9) (403-10) (SASB_IF-EN-320a.1.)

COMPANY	2019	2020			
	Total	Men	Women	Total	% 19/20
No. of occupational diseases	33	15	25	40	21.21 %
No. of Accidents	2,382	1,311	765	2,076	-12.85 %
Frequency index (No. Workplace Accidents/ No. Hours Worked x 1,000,000)	25.245	24.41	20.52	22.82	-9.61 %
Seriousness index (Nº Days Lost/No. Hours Worked x 1,000)	0.595	0.535	0.607	0.565	59.37 %

1. * The reported rates have been calculated per 200,000 hours worked.

2. "The data reported in this table of occupational diseases and accidents, as well as their severity and frequency rates, correspond to the data of own employees."

3. Data for 2019 disaggregated by gender are not reported because internal systems did not allow this information to be disaggregated.

	2019	2020	% 19/20
No. Absenteeism hours	6,510,962	10,376,307	59.37 %

* The increase in absenteeism hours is explained by leaves due to COVID-19.

AVERAGE REMUNERATION BY CATEGORY (IN EUROS)

PROFESSIONAL CATEGORY	2019	2020
SENIOR EXECUTIVES	165,537.07 €	171,365.07 €
MANAGEMENT	68,820.81 €	69,090.83 €
TECHNICAL	27,362.34 €	27,659.34 €
SUPPORT	15,057.34 €	14,899.83 €
OVERALL TOTAL	17,283.39 €	17,255.87 €

AVERAGE REMUNERATION BY GENDER

Men	18,090.37 €	17,559.87 €
Women	16,435.22 €	16,848.81 €

AVERAGE REMUNERATION BY AGE RANGE

Up to 30	9,551.50 €	9,362.54 €
30 to 50	17,884.59 €	17,511.72 €
Over 50	19,152.45 €	19,853.47 €

WAGE GAP BY CATEGORY (IN EUROS)

(405-2)

PROFESSIONAL CATEGORY*	2019	2020
SENIOR EXECUTIVES	3.25%	5.95%
MANAGEMENT	2.94%	3.73%
TECHNICAL	1.20%	1.14%
SUPPORT	3.20%	4.19%
TOTAL GAP		3.94%

(*) This analysis was conducted on 96% of the real workforce at 31 December 2020

(*) The wage gap is calculated by 1-F/M, expressed as a percentage.

In order to provide a value that represents jointly all employees in each professional category with the realities of the casuistry that exists in each of the countries and types of activities, the adjusted gap has been calculated as shown in the table above. The criteria considered for the calculation of the adjusted gap were to consider the most representative countries that account for more than 96% of the workforce, weighting by equivalent positions in each country, and in addition, in specific cases in some countries, those positions that do not have employees of both sexes were eliminated. Considering all employees in these countries together, without any segregation or weighting, the average pay of all women divided by the average pay of all men would give a gross gap of 4%.

Additional information about environmental indicators in 2020 by business area

MATERIALS USED BY WEIGHT OR VOLUME

301-1

USED MATERIALS (Tn)

ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
17,200,469.36	3,923.31	1,104.41	17,205,497.08

ENERGY CONSUMED AT THE ORGANISATION

302-1

INTERNAL ENERGY CONSUMPTION (Gj)

ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
1,653,661.01	566,336.09	1,552,050.56	3,772,047.66

ENERGY CONSUMED OUTSIDE THE ORGANIZATION

302-2

EXTERNAL ENERGY CONSUMPTION (Gj)

ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
41,558.03	10,015.38	10,798.20	62,371.62

WATER WITHDRAWAL

303-3

WATER EXTRACTION (ML) PER SOURCE

	ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
Water from third-parties	520.49	3,603.37	60.95	4,184.82
• drinking water	191.32	837.31	1.13	1,029.77
• recycled water	329.17	2,766.06	59.82	3,155.05
Surface water	529.82	1.20	0.00	531.01
Ground water	13.75	7.30	0.00	21.05
TOTAL	1,064.06	3,611.86	60.95	4,736.88

WATER EXTRACTION (MI) PER SOURCE (Water-stressed areas)

	ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
Water from third-parties	359.54	3,557.43	41.66	3,958.63
• drinking water	183.18	837.31	1.13	1,021.63
• recycled water	176.35	2,720.12	40.53	2,937.00
Surface water	59.46	1.01	0.00	60.48
Ground water	13.75	7.30	0.00	21.05
TOTAL	432.75	3,565.74	41.66	4,040.16

WATER DISCHARGES

303-4

WATER DISCHARGE (MI) DESTINATION

	ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
Brine discharge into the sea	0.00	0.00	212,904.95	212,904.95
Discharges into surface water	0.60	0.00	10.46	11.06
Discharges into third-parties	166.83	94.97	15.65	277.46
TOTAL	167.43	94.97	212,931.06	213,193.47

WATER DISCHARGE (MI) DESTINATION (Water-stressed areas)

	ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
Brine discharge into the sea	0.00	0.00	150,870.97	150,870.97
Discharges into surface water	0.60	0.00	0.89	1.49
Discharges into third-parties	10.59	81.96	14.84	107.39
TOTAL	11.19	81.96	150,886.70	150,979.85

DIRECT GEI EMISSIONS (SCOPE 1)

305-1

DIRECT GREENHOUSE GAS EMISSIONS - tCO_{2eq} (scope 1)

ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
84,175.51	31,221.49	4,260.23	119,657.23

INDIRECT GHG EMISSIONS WHEN GENERATING ENERGY (SCOPE 2)

305-2

INDIRECT GREENHOUSE GAS EMISSIONS - tCO_{2eq} (scope 2)

ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
4,677.94	9,267.29	276,488.74	290,433.97

NITROGEN OXIDES (NO_x). SULPHUR OXIDES (SO_x) AND OTHER SIGNIFICANT AIR EMISSIONS

305-7

NO_x and SO_x EMISSIONS

	ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	TOTAL
electricity (t SO ₂)	22.27	49.20	618.26	689.72
electricity (t NO _x)	15.14	33.45	420.40	469.00

WASTE BY TYPE AND METHOD OF ELIMINATION

306-2

TOTAL WEIGHT OF WASTE BY TYPE (Tn)

	CDW	NHW	HW	TOTAL
ENGINEERING AND INFRASTRUCTURE	1,142,911.41	9,327.67	447.87	1,152,686.96
SERVICES	0.00	26,317.92	210.92	26,528.84
CONCESSIONS	0.00	2,494.28	98.71	2,592.99
TOTAL	1,142,911.41	38,139.87	757.51	1,181,808.79

SC - "CLIENT SATISFACTION"

Client satisfaction

	ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	SACYR
Client satisfaction index	4.57	4.13	4.34	4.35

Note: Scores range from 1 to 5, with 1 being the least favourable and 5 the most favourable,

PERCENTAGE OF CERTIFIED ACTIVITIES

% of certified activities

	ENGINEERING AND INFRASTRUCTURE	SERVICES	CONCESSIONS	SACYR
ISO 9001	90.23%	79.17%	59.20%	76.20%
ISO 14001	91.62%	77.30%	56.79%	75.23%

Appendix III.b. Traceability of the information reported in accordance with the Non-Financial Information Law

REQUIREMENTS OF NFI LAW 11/2018	SUB-SECTION OF IIS2020	GRI REFERENCE STANDARDS
0. GENERAL CONTENTS		
a) Business model	1.1. Sacyr in the world 2. Chairman's letter 3.1. Business model Appendix IV. Contact information	(102-1) (102-2) (102-3) (102-4) (102-6)
b) Policies	Mentioned in each corresponding area in chapters 4 to 7	(103)
c) Risks	4.0.2.4. Risks 4.1.2. Climate risks and opportunities 7.4. Risks 7.4.1. Comprehensive Risk Management System (CRMS) 7.4.2. Main risk factors 7.5.5. Respect for Human Rights	(103) (102-15) (102-29) (102-30) (102-31) (201-2)
1. ENVIRONMENTAL ISSUES		
Environmental value	4.0. Environmental value 4.0.1. Environmental strategic alliances 4.0.2. The management system 4.0.2.1. Management systems certifications 4.0.2.2. Sustainable construction certifications 4.0.2.3. Most significant interventions 4.0.2.4. Risks 4.0.3. Environmental expenses and investments and Regulatory compliance 4.0.3.1. Environmental expenses and investments 4.0.3.2. Regulatory compliance 4.0.4. Supply chain 4.0.5. Environmental awareness 4.0.6. Grievance mechanisms 4.0.7. Customer satisfaction 4.1.2. Climate risks and opportunities 7.4.1. Comprehensive Risk Management System (CRMS)	(103) (102-11) (201-2) (CRE8) (307-1) (308-1) (308-2)
B) Pollution	4.1.4. Energy efficiency procedures 4.1.5. Greenhouse gas emissions 4.3.1.6. Noise pollution 4.3.1.7. Light pollution Appendix III.a. GRI indicator tables - NFIL	(103) (305-5) (305-6) (305-7)
C) Circular economy and waste prevention and management	4.2.1. Circular economy 4.2.2. Use of materials 4.2.3. Waste prevention and management 4.2.4. We minimise food waste 4.2.5. Spillages 4.3.2.3. Effluents and discharges Appendix III.a. GRI indicator tables - NFIL	(103) (301-2) (303-4) (306-4) (306-1) (306-2) (306-3) (CRE 5)
D) Sustainable utilisation of resources		

REQUIREMENTS OF NFI LAW 11/2018	SUB-SECTION OF IIS2020	GRI REFERENCE STANDARDS
• Water consumption	4.3.2. Water sustainable management 4.3.2.1. Water use at Sacyr 4.3.2.2. Collection, treatment and distribution of water for customers 4.3.2.3. Effluents and discharges 4.1.4. Energy efficiency procedures Appendix III.a. GRI indicator tables - NFIL	(103) (303-1) (303-2) (303-3) (303-5) (CRE2)
• Consumption of raw materials	4.2.2. Use of materials Appendix III.a. GRI indicator tables - NFIL	(103) (301-1) (301-2)
• Energy consumption	4.1.3. Energy consumption 4.1.4. Energy efficiency interventions Appendix III.a. GRI indicator tables - NFIL	(103) (302-1) (302-2) (302-3) (302-4) (302-5) (CRE1)
E) Climate change	4.1.1. Sacyr's climate change policy and strategy 4.1.4. Energy efficiency interventions 4.1.5. Greenhouse gas emissions Appendix III.a. GRI indicator tables - NFIL	(103) (305-1) (305-2) (305-3) (305-4) (305-5) (305-6) (305-7) (CRE3) (CRE4)
F) Protection of biodiversity	4.3.1. Protect biodiversity 4.3.1.1. Biodiversity management 4.3.1.2. Protected areas 4.3.1.3. Protected species 4.3.1.4. Habitat restoration and protection 4.3.1.5. Restore and protect habitats	(103) (304-1) (304-2) (304-3) (304-4)
2.SOCIAL ISSUES		5. Team Ambition
A) Employment		
Template	5.3.1. Functional diversity 5.4.1. Description of the workforce 7.2.1. General Shareholders' Meeting Appendix III.a. GRI indicator tables - NFIL	(103) (102-8) (405-1)
Dismissals	Appendix III.a. GRI indicator tables - NFIL	(401-1)
Remuneration and wage gap	5.3.2. Gender diversity Appendix III.a. GRI indicator tables - NFIL	(103) (405-2)
Disconnection from work	5.4.4. Promotion of personal and professional balance	(103)
Employees with disabilities	5.3.1. Functional diversity	(405-1)
B) Organisation of work	5.4.4. Promotion of personal and professional balance 4.1.4. Energy efficiency interventions	(103) (401-3)

REQUIREMENTS OF NFI LAW 11/2018	SUB-SECTION OF IIS2020	GRI REFERENCE STANDARDS
C) Health and safety	5.1.1. Certified Occupational Health And Safety Management System 5.1.2. Threat identification, risk assessment and incident investigation 5.1.3. Injuries by occupational accident and occupational illness and sickness 5.2.1. Health services at work 5.2.2. Promoting health amongst the workforce 5.2.3. Workforce participation, consultations and communication about health topics and work security 5.2.4. Training workers on health and security at work 5.2.5. Prevention and mitigation for the impact on health and security for workers that are linked directly with the commercial relations Appendix III.a. GRI indicator tables - NFIL	(103) (403-1) (403-2) (403-3) (403-4) (403-5) (403-6) (403-7) (403-8) (403-9) (403-10)
D) Social relations	5.4.5. Labor relations	(103) (102-41) (407-1)
E) Training	5.2.4. Occupational health and safety training to employees in the workplace 5.4.3. Training 7.5.1. Code of Conduct 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model	(103) (205-2) (403-5) (404-1) (404-2)
F) Universal accessibility for people with disabilities	5.3.1. Functional diversity	(103)
G) Equality	5.3.1. Functional diversity 5.3.2. Gender diversity 5.3.3. Social and cultural diversity 5.3.4. Generational diversity Appendix III.a. GRI indicator tables - NFIL	(103) (405-1)
3. HUMAN RIGHTS		
A) Prevention of risks constituting an infringement of human rights	4.0.2.4. Risks 7.1. Purpose and Values 7.4.1. Comprehensive Risk Management System (CRMS) 7.5.1. Code of Conduct 7.5.2. Advice and Compliant Line (Whistleblower channel) 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model 7.5.4. Anti-Money Laundering Measures 7.5.5. Respect for Human Rights 7.5.6 Modern Slavery Statement 7.5.6.2. Human Rights in the supply chain	(103) (102-15) (102-16) (102-17) (408-1) (409-1) (412-1) (412-2) (412-3)
B) Reports of infringements of human rights	7.5.2. Advice and Compliant Line (Whistleblower channel)	(406-1)
4. CORRUPTION AND BRIBERY		
A) Measures adopt to prevent corruption and bribery	7.1. Purpose and Values 7.5.1. Code of Conduct 7.5.2. Advice and Compliant Line (Whistleblower channel) 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model 7.5.4. Anti-Money Laundering Measures 7.5.5. Respect for Human Rights	(103) (102-16) (102-17) (205-1) (205-2) (205-3)

REQUIREMENTS OF NFI LAW 11/2018	SUB-SECTION OF IIS2020	GRI REFERENCE STANDARDS
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B) Measures adopted to prevent money laundering	7.1. Purpose and Values 7.5.1. Code of Conduct 7.5.2. Advice and Compliant Line (Whistleblower channel) 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model 7.5.4. Anti-Money Laundering Measures 7.5.5. Respect for Human Rights	(103) (102-16) (102-17) (205-2)
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C) Contributions to non-profitmaking organisations and foundations	6.2. Sacyr footprint	(103) (413-1)
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5. SOCIETY

A) Corporate commitments to sustainable development	6.1. Social contribución 6.2. Sacyr footprint 6.3. Stakeholder Relations 7.5.2. Advice and Compliant Line (Whistleblower channel) 7.5.5. Respect for Human Rights Appendix III.c. Traceability of information reported according to GRI standards	(103) (102-12) (102-13) (411-1) (413-1) (413-2)
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B) Subcontracting and suppliers	4.0.4. Supply chain	(103) (308-1) (308-2) (414-1) (414-2)
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C) Consumers	4.0.6. Grievance mechanisms Annex III.c. Traceability of information reported according to GRI standards	(103) (418-1)
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D) Tax information	6.2. Sacyr footprint 7.6. Transparency 7.6.1. Tax transparency 7.6.2. Total tax contribution table	(103) (201-1) (201-4) (207-4)
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6. OTHER SIGNIFICANT INFORMATION

A) Other information about the company's profile	1. Main indicators 2. Chairman's letter 4.0.4. Supply chain 7.2.2. Good Governance Practices 7.5.5. Respect for Human Rights	(102-5) (102-7) (102-9) (102-10) (102-14)
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B) Corporate Governance	7.2.1. General Shareholders' Meeting 7.2.1.1 Management Board 7.2.2. Good Governance Practices 7.2.1.3. Board of directors 7.4. Risks 7.4.1. Comprehensive Risk Management System (CRMS) 7.4.2. Main Risk Factors 7.6.3. Remuneration and Incentives	(102-18) (102-19) (102-20) (102-21) (102-22) (102-23) (102-24) (102-25) (102-26) (102-27) (102-28) (102-29) (102-30) (102-31) (102-32) (102-33) (102-34) (102-35) (102-36) (102-37)
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C) Stakeholder participation	6.3. Stakeholder Relations 7.2.2. Good Governance Practices Appendix I. About this report Appendix II. Materiality analysis Appendix V. Reliability	(102-40) (102-42) (102-43) (102-44) (102-45) (102-46) (102-47) (102-48) (102-49) (102-50) (102-51) (102-52) (102-53) (102-54) (102-55) (102-56)
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D) Other useful information about the creation of the document	4.0.2.2. Sustainable construction certifications 5.4.4. Promotion of personal and professional balance 7.5.2. Advice and Compliant Line (Whistleblower channel) 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model Annex III.c. Traceability of information reported according to GRI standards	(206-1) (401-2) (402-1) (415-1) (CRE8)
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Appendix III.c. Traceability of information reported according to GRI standards

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
ORGANISATIONAL PROFILE			
102-1	Name of the organisation		2. Chairman's letter Appendix IV. Contact information
102-2	Activities, brands, products and services		3.1. Business model
102-3	Location of headquarters		Appendix IV. Contact information
102-4	Location of operations		1.1. Sacyr in the world
102-5	Ownership and legal form		7.2.2. Good Governance practices
102-6	Markets served		1.1. Sacyr in the world
102-7	Scale of the organisation		1. Key figures
102-8	Information on employees and other workers	No information available on subcontractors.	5.4.1. Description of the workforce Appendix III.a. GRI indicator tables - NFIL
102-9	Supply chain		4.0.4. Supply chain 7.5.6.2. Human rights in supply chain
102-10	Significant changes to the organisation and its supply chain		2. Chairman's letter
102-11	Precautionary Principle or approach		4.0.2.4. Risks
102-12	External initiatives		7.5.5. Respect for Human Rights
102-13	Membership of associations		6.3. Stakeholder Relations
STRATEGY			
102-14	Statement from senior decision-maker		2. Chairman's letter
102-15	Key impacts, risks and opportunities		4.0.2.4. Risks 7.4.1. Comprehensive Risk Management System (CRMS) 7.5.5. Respect for Human Rights
ETHICS AND INTEGRITY			
102-16	Values, principles, standards, and norms of behavior		7.1. Purpose and Values 7.5.1. Code of Conduct 7.5.2. Advice and Compliant Line (Whistleblower channel) 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model 7.5.4. Anti-Money Laundering Measures 7.5.5. Respect for Human Rights
102-17	Mechanisms for advice and concerns about ethics		7.5.1. Code of Conduct 7.5.2. Advice and Compliant Line (Whistleblower channel) 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model 7.5.4. Anti-Money Laundering Measures
GOVERNANCE			
102-18	Governance structure		7.2.1. General Shareholders' Meeting

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
102-19	Delegating authority		7.2.1. General Shareholders' Meeting
102-20	Executive-level responsibility for economic, environmental and social topics		7.2.1. General Shareholders' Meeting
102-21	Consulting stakeholders on economic, environmental, and social topics		7.2.2. Good Governance practices
102-22	Composition of the highest governance body and its committees		7.2.1. General Shareholders' Meeting
102-23	Chair of the highest governance body		7.2.2. Good Governance practices
102-24	Nominating and selecting of the highest governance body		7.2.1. General Shareholders' Meeting
102-25	Conflicts of interest		7.2.2. Good Governance practices
102-26	Role of highest governance body in setting purpose, values, and strategy		7.2.1.1. Management Board
102-27	Collective knowledge of highest governing body		7.2.1.1. Management Board
102-28	Evaluating the highest governance body's performance		7.2.2. Good Governance practices
102-29	Identifying and managing economic, environmental and social impacts.		7.4.1. Comprehensive Risk Management System (CRMS)
102-30	Effectiveness of risk management processes		7.4.2. Main Risk Factors
102-31	Review of economic, environmental and social topics		7.4.2. Main Risk Factors
102-32	Highest governance body's role in sustainability reporting		7.2.2. Good Governance practices
102-33	Communicating critical concerns		7.2.1. General Shareholders' Meeting Appendix I. About this report
102-34	Nature and total number of critical concerns		7.2.2. Good Governance practices
102-35	Remuneration policies		7.6.3. Remuneration and Incentives
102-36	Processes for determining remuneration		7.6.3. Remuneration and Incentives
102-37	Stakeholders' involvement in remuneration		7.6.3. Remuneration and Incentives
102-38	Total annual compensation ratio	This indicator is not reported since it is confidential information.	
102-39	Percentage increase in annual total compensation ratio	This indicator is not reported since it is confidential information.	
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups		6.3. Stakeholder Relations
102-41	Collective bargaining agreements		5.4.5. Labor relations
102-42	Stakeholder identification and selection		6.3. Stakeholder Relations
102-43	Approach to stakeholder engagement		Appendix II. Materiality analysis

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
102-44	Key topics and concerns raised		Appendix II. Materiality analysis
REPORT PREPARATION PRACTICES			
102-45	Entities included in the consolidated financial statements		7.2.2. Good Governance practices
102-46	Defining report content and topic Boundaries		Appendix I. About this report
102-47	List of material topics		Appendix II. Materiality analysis
102-48	Restatements of information		Appendix I. About this report
102-49	Changes in reporting		Appendix I. About this report
102-50	Reporting period		Appendix I. About this report
102-51	Date of most recent report		Appendix I. About this report
102-52	Reporting cycle		Appendix I. About this report
102-53	Contact point for questions regarding the report		Appendix I. About this report
102-54	Claims of reporting in accordance with the GRI Standards		Appendix I. About this report
102-55	GRI content index		Appendix I. About this report
102-56	External Assurance		Appendix I. About this report Appendix V. Reliability
ECONOMIC DIMENSION			
ECONOMIC PERFORMANCE			
103-1	Explanation of the material issue and its Boundary		1. Main indicators
103-2	Management approach and its components		1. Main indicators
103-3	Evaluation of the management approach		1. Main indicators
201-1	Direct economic value generated and distributed		6.2. Sacyr footprint
201-2	Financial implications and other risks and opportunities due to climate change	Qualitative reporting	4.0.2.4. Risks 4.1.2. Climate risks and opportunities
201-3	Defined benefit plan obligations and other retirement plans	This indicator is not reported	
201-4	Financial assistance received from government		7.6. Transparency
ANTI-CORRUPTION			
103-1	Explanation of the material issue and its Boundary		7.5.1. Code of Conduct
103-2	Management approach and its components		7.5.1. Code of Conduct
103-3	Assessment of the management approach		7.5.1. Code of Conduct

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
205-1	Operations assessed for corruption-related risks		7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model
205-2	Communication and training on anti-corruption policies and procedures		7.5.1. Code of Conduct 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model
205-3	Confirmed incidents of corruption and action taken		7.5.2. Advice and Compliant Line (Whistleblower channel) (1)

(1) A concession company in which the Group has an interest is involved in criminal proceedings against several individuals, including 2 former employees of the Group. In December 2020, an order was received from the Court of Jury corresponding to this proceeding, establishing the possible date for the start of the trial and its duration.

Additionally, a criminal proceeding is underway that affects several UTEs involved in the construction of the AVE line to Murcia, one of them belonging to the Sacyr Group. The Provincial Court of Murcia has pointed out that, with regard to the construction section awarded to this UTE, no clear and conclusive punishable facts were described against the investigated parties. This resolution implied the referral of the matter back to the Court of Instruction, which has issued in December 2020 a new order of accommodation to the abbreviated procedure, whose motivations we consider that they continue to be insufficient.

ANTI-COMPETITIVE BEHAVIOR

103-1	Explanation of the material issue and its Boundary		7.5.1. Code of conduct 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model
103-2	Management approach and its components		7.5.1. Code of conduct 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model
103-3	Assessment of the management approach		7.5.1. Code of conduct 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		7.5.2. Advice and Compliant Line (Whistleblower channel) (2) 7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model

(2) Sacyr Group has 4 open administrative proceedings by the National Markets and Competition Commission (CNMC), 3 of which are being appealed by the Group before the National Court, and a favorable judicial resolution is expected in view of the absence of anti-competitive conduct:

1. In July 2020, the CNMC issued a resolution declaring that this proceeding, which affects the main Spanish construction companies, had lapsed, and subsequently agreed to initiate a new proceeding for the same facts and alleged liabilities. In view of the foregoing, the Group has proceeded to file an administrative appeal before the National Court of Appeals.
2. Case in the area of maintenance of electrification of high speed lines. The resolution of the CNMC in this second case has been appealed by the Sacyr Group before the National Court, which during 2020 has admitted the appeal and has agreed the suspension of the enforceability of the resolution of the CNMC appealed.
3. Case affecting the waste management market. This administrative procedure initiated by the CNMC is suspended after the Sacyr Group filed an appeal before the Audiencia Nacional (National High Court) for the special protection of fundamental rights, since these same facts were already investigated in the past by the Spanish competition authority and the Audiencia Nacional annulled all the sanctions imposed administratively. Taking into account the previous pronouncements of the Audiencia Nacional on these same facts, the Group is confident that this new judicial proceeding will again be favorable to our interests.
4. The 4th of the proceedings refers to the market of conservation and maintenance services for State highways. In December 2020, the CNMC formulated the Statement of Facts, to which the corresponding allegations will be made. No sanction has been proposed in the framework of this file.

TAX

103-1	Explanation of the material issue and its Boundary		7.6. Transparency
103-2	Management approach and its components		7.6. Transparency

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
103-3	Assessment of the management approach		7.6. Transparency
207-1	Approach to tax	This indicator is not reported	
207-2	Tax governance, control and risk management	This indicator is not reported	
207-3	Stakeholder engagement and management of concerns related to tax	This indicator is not reported	
207-4 (3)	Country by country reporting		7.6.2. Total tax contribution table

(3) In 2020 Sacyr reports information on Profit Before Taxes and Taxes Paid on a country-by-country. The rest of the information required by this indicator is not available and will be reported in future reports.

ENVIRONMENTAL DIMENSION

ENVIRONMENTAL PERFORMANCE

103-1	Explanation of the material issue and its Boundary		4.2.1. Circular economy
103-2	Management approach and its components		4.2.1. Circular economy
103-3	Assessment of the management approach		4.2.1. Circular economy

MATERIALS

301-1	Materials used by weight or volume.		4.2.2. Use of materials Appendix III.a. GRI indicator tables - NFIL
301-2	Recycled input materials used		4.2.2. Use of materials
301-3	Reclaimed products and their packaging materials	In view of the nature of the products and services sold by Sacyr, this indicator is not applicable.	

ENERGY

103-1	Explanation of the material issue and its Boundary		4.1. Climate commitment
103-2	Management approach and its components		4.1. Climate commitment
103-3	Assessment of the management approach		4.1. Climate commitment
302-1	Energy consumption within the organisation		4.1.3. Energy consumption Appendix III.a. GRI indicator tables - NFIL
302-2	Energy consumption outside the organisation		4.1.3. Energy consumption Appendix III.a. GRI indicator tables - NFIL
302-3	Energy intensity		4.1.3. Energy consumption
302-4	Reduction of energy consumption		4.1.4. Energy efficiency procedures
302-5	Reduction in energy requirements of products and services		4.1.4. Energy efficiency procedures
CRE1	Energy intensity of buildings		4.1.4. Energy efficiency procedures

WATER AND EFFLUENTS

103-1	Explanation of the material issue and its Boundary		4.3.2. Water sustainable management
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CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
103-2	Management approach and its components		4.3.2. Water sustainable management
103-3	Assessment of the management approach		4.3.2. Water sustainable management
303-1	Interactions with water as a shared resource		4.3.2. Water sustainable management 4.3.2.1. Water use at Sacyr
303-2	Management of water discharge-related impacts		4.3.2.3. Effluents and waste dumped
303-3	Water withdrawal		4.3.2.1. Water use at Sacyr Appendix III.a. GRI indicator tables - NFIL
303-4	Water discharge		4.3.2.3. Effluents and waste dumped Appendix III.a. GRI indicator tables - NFIL
303-5	Water consumption		4.3.2.1. Water use at Sacyr
CRE2	Water intensity of buildings		4.1.4. Energy efficiency procedures
BIODIVERSITY			
103-1	Explanation of the material issue and its Boundary		4.3.1. Biodiversity protection
103-2	Management approach and its components		4.3.1.1 Biodiversity management
103-3	Assessment of the management approach		4.3.1.1 Biodiversity management
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		4.3.1.2. Protected areas
304-2	Significant impacts of activities, products and services on biodiversity		4.3.1.4. Most significant protection procedures
304-3	Protected or restored habitats		4.3.1.5. Habitat restauration and protection
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		4.3.1.3. Protected Species 4.3.1.4. Most significant protection procedures
EMISSIONS			
103-1	Explanation of the material issue and its Boundary		4.1.5. Greenhouse gas emissions
103-2	Management approach and its components		4.1.5. Greenhouse gas emissions
103-3	Assessment of the management approach		4.1.5. Greenhouse gas emissions
305-1	Direct GHG emissions (scope 1)		4.1.5. Greenhouse gas emissions Appendix III.a. GRI indicator tables - NFIL
305-2	Indirect GHG emissions when generating energy (scope 2).		4.1.5. Greenhouse gas emissions Appendix III.a. GRI indicator tables - NFIL
305-3	Other indirect GHG emissions (scope 3)		4.1.5. Greenhouse gas emissions
305-4	Intensity of GHG emissions		4.1.5. Greenhouse gas emissions
305-5	Reduction of GHG emissions		4.1.4. Energy efficiency procedures

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
305-6	Emissions of ozone-depleting substances (ODS)		4.1.5. Greenhouse gas emissions
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX) and other significant air emissions.		4.1.5. Greenhouse gas emissions Appendix III.a. GRI indicator tables - NFIL
CRE3	Intensity of greenhouse gas emission from buildings.		4.1.4. Energy efficiency procedures
CRE4	Intensity of greenhouse gas emission from new buildings and urban redevelopment.		4.1.4. Energy efficiency procedures
WASTE			
103-1	Explanation of the material issue and its Boundary		4.2.3. Waste prevention and management 4.3.2. Water sustainable management
103-2	Management approach and its components		4.2.3. Waste prevention and management 4.3.2. Water sustainable management
103-3	Assessment of the management approach		4.2.3. Waste prevention and management 4.3.2. Water sustainable management
306-1	Waste generation and significant waste-related impacts		4.3.2.3. Effluents and waste dumped
306-2	Management of significant waste-related impacts		4.2.3. Waste prevention and management Appendix III.a. GRI indicator tables - NFIL
306-3	Waste generated		4.2.5. Spillages
306-4	Waste diverted from disposal		4.2.3. Waste prevention and management
306-5	Waste directed to disposal		4.3.2.3. Effluents and waste dumped
ENVIRONMENTAL COMPLIANCE			
103-1	Explanation of the material issue and its coverage		4.0.3.2. Regulatory compliance
103-2	Management approach and its components		4.0.3.2. Regulatory compliance
103-3	Assessment of the management approach		4.0.3.2. Regulatory compliance
307-1	Non-compliance with environmental laws and regulations		4.0.3.2. Regulatory compliance
SOIL DEGRADATION, CONTAMINATION AND REMEDIATION			
103-1	Explanation of the material issue and its Boundary		4.2.3. Waste prevention and management
103-2	Management approach and its components		4.2.3. Waste prevention and management
103-3	Assessment of the management approach		4.2.3. Waste prevention and management
CRE5	Land recovered and in need of rehabilitation		4.2.5. Spillages
ENVIRONMENTAL ASSESSMENT OF SUPPLIERS			
103-1	Explanation of the material issue and its Boundary		4.0.4. Supply chain
103-2	Management approach and its components		4.0.4. Supply chain
103-3	Assessment of the management approach		4.0.4. Supply chain

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
308-1	New suppliers that were screened using environmental criteria		4.0.4. Supply chain
308-2	Negative environmental impacts in the supply chain and actions taken		4.0.4. Supply chain
SOCIAL DIMENSION			
EMPLOYMENT			
103-1	Explanation of the material issue and its Boundary		5.4.2. Acquisition of talent
103-2	Management approach and its components		5.4.2. Acquisition of talent
103-3	Assessment of the management approach		5.4.2. Acquisition of talent
401-1	New employee hires and employee turnover		Appendix III.a. GRI indicator tables - NFIL
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		5.4.4. Promotion of personal and professional balance
401-3	Parental leave	Only information with scope Spain is reported	Appendix III.a. GRI indicator tables - NFIL
LABOUR/COMPANY RELATIONS			
103-1	Explanation of the material issue and its Boundary		5.4.5. Labor relations
103-2	Management approach and its components		5.4.5. Labor relations
103-3	Assessment of the management approach		5.4.5. Labor relations
402-1	Minimum notice periods for operational changes		Sacyr Group follows the minimum notice periods established in employment legislation or those included in the collective agreements applicable to each business, as minimum notice periods have not been defined at corporate level.
OCCUPATIONAL HEALTH AND SAFETY			
103-1	Explanation of the material issue and its Boundary		5.1. Safety
103-2	Management approach and its components		5.1.1. Certified occupational health and safety management system
103-3	Assessment of the management approach		5.1.1. Certified occupational health and safety management system
403-1	Occupational health and safety management system		5.1. Safety
403-2	Hazard identification, risk assessment and incident investigation		5.1.2. Identification of hazards, risk assessment and incident investigation
403-3	Occupational health services		5.2.1. Occupational health services
403-4	Worker participation, consultation, and communication on occupational health and safety		5.2.3. Participation of employees, consultation and communication regarding occupational health and safety
403-5	Worker training on occupational health and safety		5.2.4. Occupational health and safety training to employees in the workplace
403-6	Promotion of worker health		5.2.2. Promoting employees health

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		5.2.5. Prevention and mitigation of the impact on health and safety of employees directly linked to commercial relations
403-8	Workers covered by an occupational health and safety management system		5.1.1. Certified occupational health and safety management system
403-9	Work-related injuries		5.1.3. Injuries by occupational accident and occupational illness and sickness Appendix III.a. GRI indicator tables - NFIL
403-10	Work-related ill health		5.1.3. Injuries by occupational accident and occupational illness and sickness Appendix III.a. GRI indicator tables - NFIL
CRE6	Percentage of the organisation that shows verified compliance with an internationally recognised health and safety management system		5.1.1. Certified occupational health and safety management system
TRAINING AND EDUCATION			
103-1	Explanation of the material issue and its Boundary		5.4.3. Training
103-2	Management approach and its components		5.4.3. Training
103-3	Assessment of the management approach		5.4.3. Training
404-1	Average hours of training per year and per employee		5.4.3. Training
404-2	Programs for upgrading employee skills and transition assistance programs		5.4.3. Training
404-3	Percentage of employees receiving periodic performance and career development reviews	2020 data are not available because the annual campaign closes in April and this year the publication of this report has been brought forward.	
DIVERSITY AND EQUAL OPPORTUNITY			
103-1	Explanation of the material issue and its Boundary		5.3. Diversity and Equality
103-2	Management approach and its components		5.3. Diversity and Equality
103-3	Assessment of the management approach		5.3. Diversity and Equality
405-1	Diversity of governing and employee bodies		5.3.1. Functional diversity 5.4.1. Description of the workforce 7.2.1. General Meeting
405-2	Ratio of basic salary and remuneration of women compared to men	Only data on remuneration and not on basic salary is provided.	5.3.2. Gender diversity Appendix III.a. GRI indicator tables - NFIL
NON-DISCRIMINATION			
103-1	Explanation of the material issue and its Boundary		5.3. Diversity and Equality
103-2	Management approach and its components		5.3. Diversity and Equality

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
103-3	Assessment of the management approach		5.3. Diversity and Equality
406-1	Incident of discrimination and corrective actions taken		7.5.2. Advice and Compliant Line (Whistleblower channel)
FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING			
103-1	Explanation of the material issue and its Boundary		5.4.5. Labor relations
103-2	Management approach and its components		5.4.5. Labor relations
103-3	Assessment of the management approach		5.4.5. Labor relations
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		5.4.5. Labor relations
CHILD LABOR			
103-1	Explanation of the material issue and its Boundary		7.5.5. Respect for Human Rights
103-2	Management approach and its components		7.5.5. Respect for Human Rights
103-3	Assessment of the management approach		7.5.5. Respect for Human Rights
408-1	Operations and suppliers at significant risk for incidents of child labor		7.5.5. Respect for Human Rights 7.5.6.2. Human rights in supply chain
FORCED OR COMPULSORY LABOUR			
103-1	Explanation of the material issue and its Boundary		7.5.5. Respect for Human Rights
103-2	Management approach and its components		7.5.5. Respect for Human Rights
103-3	Assessment of the management approach		7.5.5. Respect for Human Rights
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		7.5.5. Respect for Human Rights 7.5.6. Modern Slavery Statement 7.5.6.2. Human rights in supply chain
RIGHTS OF INDIGENOUS PEOPLE			
103-1	Explanation of the material issue and its Boundary		7.5.5. Respect for Human Rights
103-2	Management approach and its components		7.5.5. Respect for Human Rights
103-3	Assessment of the management approach		7.5.5. Respect for Human Rights
411-1	Incidents of violations involving rights of indigenous peoples		7.5.2. Advice and Compliant Line (Whistleblower channel) 7.5.5. Respect for Human Rights
HUMAN RIGHTS ASSESMENT			
103-1	Explanation of the material issue and its Boundary		7.5.5. Respect for Human Rights
103-2	Management approach and its components		7.5.5. Respect for Human Rights
103-3	Assessment of the management approach		7.5.5. Respect for Human Rights

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
412-1	Operations that have been subject to human rights reviews or impact assessments		7.5.5. Respect for Human Rights
412-2	Employee training on human rights policies or procedures		7.5.6.2. Human rights in supply chain
412-3	Significant investment agreements and contracts that include human rights clauses or that have undergone human rights screening		7.5.5. Respect for Human Rights
LOCAL COMMUNITIES			
103-1	Explanation of the material issue and its Boundary		7.5.5. Respect for Human Rights
103-2	Management approach and its components		7.5.5. Respect for Human Rights
103-3	Assessment of the management approach		7.5.5. Respect for Human Rights
413-1	Operations with the participation from the local community, impact assessment and development programs		6.2. Sacyr footprint
413-2	Operations with significant negative impacts (actual or potential) on local communities		No significant negative impacts on local communities have been recorded during 2020 through established reporting mechanisms
SUPPLIERS SOCIAL ASSESSMENT			
103-1	Explanation of the material issue and its Boundary		7.5.6.2. Human rights in supply chain
103-2	Management approach and its components		7.5.6.2. Human rights in supply chain
103-3	Assessment of the management approach		7.5.6.2. Human rights in supply chain
414-1	New suppliers that were screened using social criteria		4.0.4. Supply chain 7.5.6.2. Human rights in supply chain
414-2	Negative social impacts in supply chain and actions taken		4.0.4. Supply chain 7.5.6.2. Human rights in supply chain
PUBLIC POLICY			
103-1	Explanation of the material issue and its Boundary		7.5. Regulatory Compliance
103-2	Management approach and its components		7.5. Regulatory Compliance
103-3	Assessment of the management approach		7.5. Regulatory Compliance
415-1	Political contributions		Sacyr makes no contributions to political parties and/or representatives
CUSTOMER PRIVACY			
103-1	Explanation of the material issue and its Boundary		7.5. Regulatory Compliance
103-2	Management approach and its components		7.5. Regulatory Compliance
103-3	Assessment of the management approach		7.5. Regulatory Compliance

CODE	CONTENT	OMISSION	SECTION / DIRECT RESPONSE
418-1	Substantiated complaints regarding breaches of customer privacy and loss of customer data		During the 2020 fiscal year, no claims or incidents have been recorded in these matters
LABELLING OF PRODUCTS AND SERVICES (NON-MATERIAL INDICATOR)			
CRE8	Type and number of sustainability certifications, ratings and labeling schemes for new construction, management, occupancy and reconstruction.		4.0.2.2. Sustainable construction certificates



Sacyr staff at World Breast Cancer Day;
Madrid, Spain

Appendix III.d. SASB table

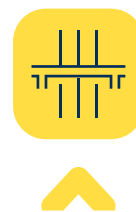
CODE	CONTENT	SECTIONS OF THE IIS2020
PROJECT DEVELOPMENT ENVIRONMENTAL IMPACTS		
IF-EN-160a.1	Number of incidents involving a breach of environmental licences, rules and regulations	4.0.3.2. Regulatory compliance
IF-EN-160a.2	Debate on the processes to assess and manage the environmental risks associated with the design, location and building of the project	4.0.2.4. Risks
STRUCTURAL SECURITY AND INTEGRITY		
IF-EN-250a.1	Amount of the defect repair expenses relating to safety	4.0.3.2. Regulatory compliance 4.1. Climate commitment
IF-EN-250a.2	Total amount of the monetary losses as a result of legal processes associated with incidents related with defects and with security.	4.0.3.2. Regulatory compliance 4.3. Natural Capital
OCCUPATIONAL HEALTH AND SAFETY		
IF-EN-320a.1	Total Recordable Incident Rate (TRIR)	Appendix III.a. GRI indicator tables - NFIL
IF-EN-320a.1	Accident rate of a) direct employees and b) subcontracted employees	Appendix III.a. GRI indicator tables - NFIL
IMPACTS OF THE LIFE CYCLE OF BUILDINGS AND INFRASTRUCTURE		
IF-EN-410a.1(1)	Number of commissioned projects certified in line with a multiple attributes sustainability rule of third parties	4.0.3.2. Regulatory compliance
IF-EN-410a.1(2)	Active projects that seek such certification in line with a multiple attributes sustainability rule of third parties	4.0.3.2. Regulatory compliance
IF-EN-410a.2	Debate on the process to include the energy efficiency and hydric considerations in the operational phase in the project design and planning	4.0.2.2. Sustainable construction certificates 4.0.3.2. Regulatory compliance 4.1.4. Energy efficiency procedures
CLIMATE IMPACTS OF THE BUSINESS MIX		
IF-EN-410b.1	Portfolio arising from (1) projects related with hydrocarbons and (2) renewable energy projects	3.3. Performance of the Sacyr group Sacyr Engineering and Infrastructure
IF-EN-410b.2	Portfolio arising from cancellations associated with projects related with hydrocarbons	Non-applicable
IF-EN-410b.3	Portfolio arising from non-energy projects related with reducing climate change	3.3. Performance of the Sacyr group Sacyr Engineering and Infrastructure
BUSINESS ETHICS		
SASB_IF-EN-510a.1.	Number of active projects	1.1. Sacyr in the world
SASB_IF-EN-510a.1.	Portfolio arising from projects in countries that occupy the 20 places with the lowest scoring on the Transparency International Corruption Perceptions Index	1. Main indicators
IF-EN-510a.2(1)	Total amount of monetary loss resulting from legal procedures associated with accusations of (1) bribe or corruption and (2) anticompetitive practices	Appendix III.a. GRI indicator tables - NFIL 7.5.2. Advice and Compliant Line (Whistleblower channel)
IF-EN-510a.3	(1) Practices and policies description for preventing bribes and corruption and (2) anticompetitive practices in project bidding processes	7.5.3. Regulatory Compliance, Crime Prevention and Fair Competition Model
IF-EN-000.A	Number of active projects	1.1. Sacyr in the world
IF-EN-000.B	Number of commissioned projects	3.3. Performance of the Sacyr group
IF-EN-000.C	Total backlog	1. Main indicators

Appendix IV. Contact information

(102-1) (102-3)



HOLDING



CONCESSIONS

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For more addresses visit the website:

www.sacyr.com

sacyr



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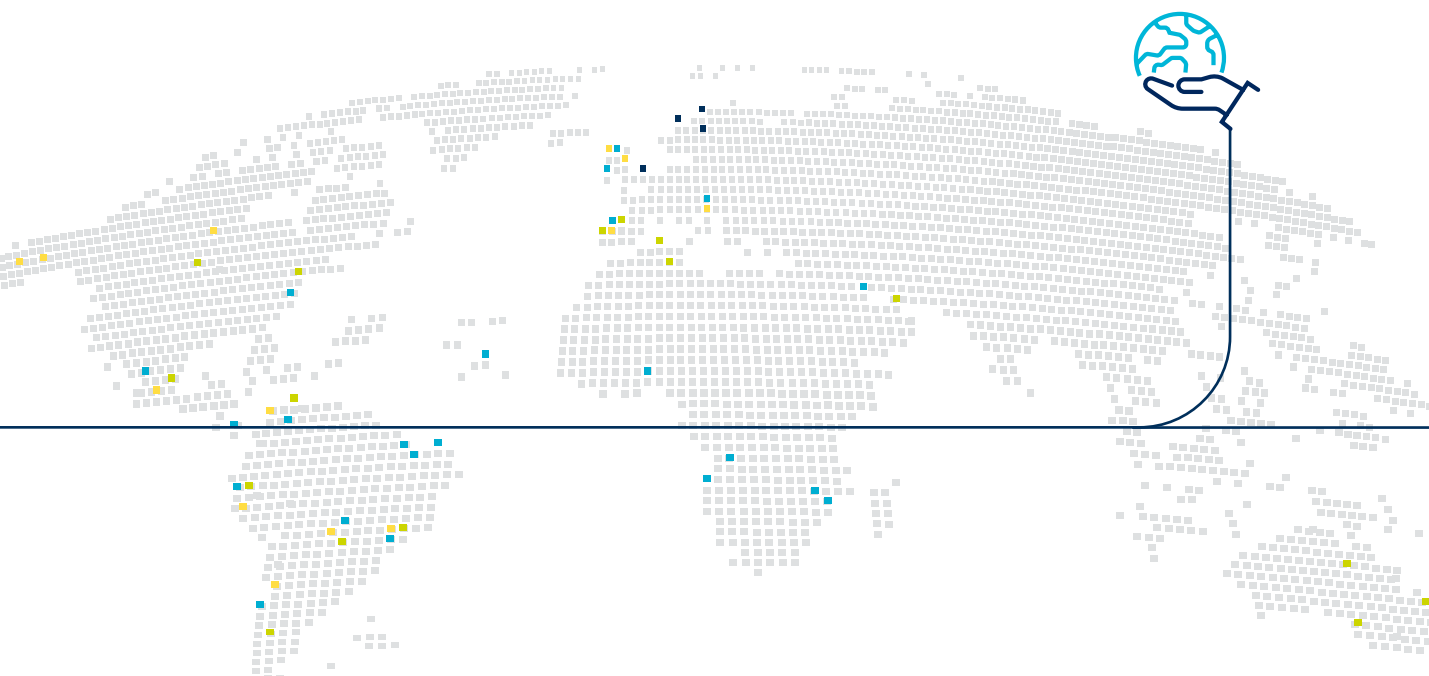
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Appendix V. Reliability

(102-56)



This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent verification report

To the shareholders of Sacyr, S.A.

Pursuant to Article 49 of the Code of Commerce, we have verified, under a limited assurance scope, the Consolidated Non-Financial Information Statement (hereinafter "CNFIS") for the year ended 31 December 2020 of Sacyr, S.A. (the Parent company) and subsidiaries (hereinafter "Sacyr" or "entity" or "the Group"), which is included in the accompanying Sacyr 2020 Integrated Sustainability Report (hereinafter "ISR") which forms part of Sacyr's Consolidated Management's Report (hereinafter "CMR").

The content of the ISR includes additional information to that required by the current commercial legislation on non-financial information reporting which has not been covered by our verification work. In this respect, our work has been restricted solely to verifying the information identified in tables of "Appendix III.b. Traceability of the Information reported in accordance with the Non-Financial Information Law" and "Appendix III.c. Traceability of the Information reported in accordance with the GRI standards" of the accompanying ISR.

Responsibility of the directors of the Parent company

The preparation of the CNFIS included in Sacyr's CMR and the content thereof, are responsibility of directors of Sacyr, S.A. The CNFIS has been drawn up according to the provisions of current commercial legislation and with the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter "GRI Standards") in accordance with the Comprehensive option and the Construction and Real Estate Sector Disclosures of the GRI G4 Guidelines, in line with the details provided for each topic in tables of "Appendix III.b. Traceability of the Information reported in accordance with the Non-Financial Information Law" and "Appendix III.c. Traceability of the Information reported in accordance with the GRI standards" of the aforementioned ISR.

This responsibility also includes the design, implementation and maintenance of the internal control considered necessary to ensure that the CNFIS to be free of any immaterial misstatement, due to fraud or error.

The directors of Sacyr, S.A. are also responsible for defining, implementing, adapting and maintaining the management systems from which the information required to prepare the CNFIS is obtained.

Our independence and quality control

We have complied with the independence requirements and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ("IESBA") which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

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R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro 8.054, sección 3ª
Inscrita en el R.O.A.C. con el número 50242 - CIF: B-79 031290



Our firm applies the International Standard on Quality Control 1 (ISQC 1) and therefore has in place a global quality control system, which includes documented policies and procedures related to compliance with ethical requirements, professional standards and applicable legal and regulatory provisions.

The engagement team has been formed by professionals specialising in Non-Financial Information reviews and specifically in information on economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance verification report based on the work carried out. Our work has been aligned with the requirements set by the current International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Guidelines for verification engagements on non-financial statements issued by the Spanish Institute of Auditors ("Instituto de Censores Jurados de Cuentas de España").

In a limited assurance engagement, the procedures performed vary in terms of their nature and timing of execution and are more restricted than those carried out in a reasonable assurance engagement. Accordingly, the assurance obtained is substantially lower.

Our work has consisted of posing questions to management and several Sacyr S.A. units that were involved in the preparation of the CNFIS, in the review of the processes for compiling and validating the information presented in the CNFIS, and in the application of certain analytical procedures and review sampling tests, as described below:

- Meetings with Sacyr S.A. personnel to ascertain the business model, policies and management approaches applied, the main risks related to these matters, and to obtain the information required for the external review.
- Analysis of the scope, relevance and integrity of the contents included in the CNFIS for 2020, based on the materiality analysis carried by Sacyr and described in "Appendix II. Materiality analysis" section, considering the content required under current commercial legislation.
- Analysis of the procedures used to compile and validate the information presented in the CNFIS for 2020.
- Review of information concerning risks, policies and management approaches applied in relation to material issues presented in the CNFIS for 2020.
- Verification, through sample testing, of the information relating to the content of the CNFIS for 2020 and its adequate compilation using data supplied by the sources of information.
- Obtainment of a management representation letter from the directors and the management of the Parent company).



Conclusion

Based on the procedures performed in our verification and the evidence we have obtained, no matters have come to our attention which may lead us to believe that CNFIS of Sacyr S.A. and its subsidiaries for the year ended 31 December 2020 has not been prepared, in all of their significant matters, according to the provisions of current commercial legislation and with the GRI Standards in accordance with the Core/Comprehensive option and the Construction and Real Estate Sector Disclosures of the GRI G4 Guidelines, in line with the details provided for each topic in in tables of "Appendix III.b. Traceability of the Information reported in accordance with the Non-Financial Information Law" and "Appendix III.c. Traceability of the Information reported in accordance with the GRI standards" of the aforementioned ISR.

Use and distribution

This report has been drawn up in response to the requirement laid down in current Spanish commercial legislation and therefore might not be suitable for other purposes or jurisdictions.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by Pablo Bascones Ilundain

25 February 2021



This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent limited assurance report On Greenhouse Gas (GHG) statement

To the Management of Sacyr, S.A.:

Scope of work

We have undertaken a limited assurance engagement of the GHG Statement of Sacyr, S.A. and its subsidiaries (hereinafter referred to as Sacyr) for the financial year ended December 31st, 2020, included in the Appendix of this report. This engagement was conducted by a team of sustainability and climate change assurance practitioners.

Responsibility of Sacyr's Management

Sacyr's Management is responsible for the preparation of the 2020 GHG Statement in accordance with the procedure 'Calculation of Carbon Footprint' of Sacyr, available on the following website link <https://www.sacyr.com/en/medio-ambiente/cambio-climatico/>. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of a GHG statement that is free from material misstatement, whether due to fraud or error.

GHG quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the GHG Statement based on the procedures we have performed and the evidence obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements 3410 (ISAE 3410), 'Assurance Engagements on Greenhouse Gas Statements' issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). That standard requires that we plan and perform this engagement to obtain limited assurance about whether Sacyr's 2020 GHG Statement is free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3410 involves assessing the suitability in the circumstances of Sacyr's use of applicable criteria as the basis for the preparation of the GHG Statement, assessing the risks of material misstatement of the GHG Statement whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the GHG Statement. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records.

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Given the circumstances of the engagement, in performing the procedures listed above we:

- Through inquiries and meetings with personnel of various departments of Sacyr S.A. who have been involved in the preparation of the GHG Statement, obtained an understanding of Sacyr's control environment and information systems relevant to emissions quantification and reporting, but did not evaluate the design of particular control activities, obtain evidence about their implementation or test their operating effectiveness.
- Evaluated whether Sacyr's methods for developing estimates are appropriate and had been consistently applied. However, our procedures did not include testing the data on which the estimates are based or separately developing our own estimates against which to evaluate Sacyr's estimates.
- Verified, through analytical and substantive tests based on the selection of a sample of the quantitative information (activity data, calculations and information generated) used to determine Sacyr's 2020 GHG Statement and the correct compilation of information based on the internal procedure applied by Sacyr.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained if we had performed a reasonable assurance.

Our independence and Quality Control

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which includes independence and other ethical requirements founded on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behaviour.

The firm applies the International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention which may lead us to believe that Sacyr's GHG Statement for the financial year ended December 31st, 2020 is not prepared, in all material aspects, in accordance with the procedure applied 'Calculation of Carbon Footprint' of Sacyr.

Use and distribution

Our report is only issued the Management of Sacyr in accordance with the terms and conditions of our engagement letter. We do not assume any liability to third parties other than Sacyr's Management.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by Pablo Bascones

February 25th, 2021



Appendix

SACYR'S Greenhouse Gas (GHG) statement corresponding To the year ended December 31st, 2020

2020 GHG Statement	tCO ₂ -e
Scope 1: GHG Direct emissions	119,657.23
<i>Emissions from mobile combustion and fixed combustion sources</i>	119,543.34
<i>Fugitive emissions</i>	113.89
Scope 2: GHG Indirect emissions	290,433.97
Scope 3: Other GHG indirect emissions	938,673.83
<i>Purchased goods and services emissions</i>	406,204.12
<i>Emissions from the fuel and electricity production, transport and distribution</i>	95,166.15
<i>Upstream transportation and distribution emissions</i>	46.10
<i>Waste generated in operations emissions</i>	205,531.99
<i>Business travel emissions</i>	5,297.69
<i>Employee commuting emissions</i>	20,563.31
<i>Upstream leased assets emissions</i>	205,692.56
<i>Downstream transportation and distribution emissions</i>	92.23
<i>Processing of sold products emissions</i>	56.68
<i>Use of sold products emissions</i>	23.00

Quantification criteria

Sacyr's emissions are calculated based on operational control, i.e. on those activities/contracts over which it has the authority to introduce and implement its operational policies.

Operational scope

The emissions from Sacyr's activities and facilities are calculated taking into account the following scopes:

Scope 1: GHG Direct emissions (greenhouse gases)

Direct emissions at Sacyr come from its various operating centers and are associated with:

- Emissions from mobile combustion sources: emissions derived from fuel consumption associated with travel (vehicles) and machinery.
- Emissions generated from fixed combustion sources: emissions from the consumption of fuel in equipment stationary or fixed facilities.



- Fugitive emissions: refrigerant gas leaks from refrigeration equipments in the facilities, either owned by the organisation or maintained by it.

Scope 2: GHG Indirect emissions (greenhouse gases)

Indirect emissions at Sacyr come from its various operating centers and are associated with the consumption of electricity from the installations of these centers.

Scope 3: Other GHG indirect emissions (greenhouse gases)

These emissions are a consequence of the company's activities but originated from sources that are not owned or controlled by the company.

Within this scope, the following categories are calculated:

- Purchased goods and services emissions: emissions derived from acquired goods necessary for the execution of activities (main materials and water).
- Emissions from the fuel and electricity production, transport and distribution: emissions associated with the generation, transport and distribution of fuel and electricity.
- Upstream transportation and distribution emissions: emissions associated with the transport and distribution of packages.
- Waste generated in operations emissions: emissions derived from waste management.
- Business travel emissions: emissions derived from travel, by plane and train, and overnight stays of employees due to work.
- Employee commuting emissions: emissions associated with transporting employees between their homes and the workplace.
- Upstream leased assets emissions: emissions associated with the operation and maintenance of industrial plants.
- Downstream transportation and distribution emissions: emissions associated with the transport and distribution of the RARx product (additive manufactured from tire dust at the end of its useful life for use in asphalt mixtures).
- Processing of sold products emissions: emissions associated with the processing of the commercialized RARx product.
- Use of sold products emissions: emissions associated with the use of the RARx product marketed.



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