Sacyr - Water Security 2023

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Sacyr is a global group listed in the Spanish stock market committed to meeting any challenge to transform society. Sacyr has been active for over 30 years, and are global leaders in the infrastructure sector, operating in over 20 countries, primarily in Latin America and Southern Europe, as well as in strategic markets like the United States and Australia. Approximately 82,5% of Sacyr's backlog and 67% of revenues are originated outside of Spain, figures that are growing thanks to Sacyr's international expansion.

The company is structured in three different areas of activity:

1) Engineering and infrastructure: focusing mainly on the construction of all manner of civil works and residential and non-residential building infrastructure as well as the promotion, performance, start-up, and operation of engineering and industrial construction projects.

2) Concessions: managing infrastructures such as motorways, hospitals, transport hubs, etc. This division leads the company’s positioning in green business lines, a pillar of our corporate strategy, through a commitment to P3 projects in three spheres:

- Integrated water cycle and water treatment plants (Sacyr Agua)

- Waste treatment plants (Sacyr Circular)

- Renewables (Sacyr Concesiones Renovables)

3) Services: specializing in the management of the environment, water, and multiservice.

Sustainability is one of the main cornerstones of Sacyr Group’s activities and the company has made big advances to contribute towards its development in those societies where it operates. In this sense, Sacyr’s corporate vision is to be a leading Group with an international focus that is seen as a benchmark in developing innovative, high-value projects, that grows steadily and profitably, providing quality employment opportunities for its employees while being environmentally friendly.

Within its commitment to sustainability and the fight against climate change, Sacyr started reporting to CDP in 2018 and by the end of 2020 developed a Climate Change Strategy, committed to achieve net-zero by 2050, and has set approved Science Based Targets.

In addition to this Strategic Plan, Sacyr has also launched the sustainability action plan, the "2021- 2025 Sacyr Sustainable Action Plan", with which new indicators related to environmental, social and governance (ESG) issues to have been introduced, among other things, promote diversity, fight climate change, double investment in social action and innovation in the next five years and improve the health and safety of every employee. As a result of this new approach, and the major results of the previous Strategic Plan for the 2015-2020 period, Sacyr have been awarded as the most sustainable company in the infrastructure and construction sector in Spain, according to the assessment carried out by the Sustainalytics ESG Risk Rating, which evaluates the sustainability performance of more than 20,000 companies worldwide, considering both the environmental, social, and corporate governance aspects of these corporations.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	January 1 2022	December 31 2022

W0.3

(W0.3) Select the countries/areas in which you operate.

Algeria
Australia
Brazil
Canada
Chile
Colombia
Ireland
Italy
Mexico
Oman
Paraguay
Peru
Portugal
Spain
Sweden
United Kingdom of Great Britain and Northern Ireland
United States of America
Uruguay

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups in which an equity share is held

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	ES0182879214

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Important	Important	Sacyr is acutely mindful of the importance of water for human health, life in environmental habitats and socio-economic development. Ensuring water quality and supply is vital to avoid jeopardizing this resource. It's considered at Sacyr that direct use of freshwater is important because Sacyr supplies drinking water to communities. This activity is carried out through Sacyr Water and is focused on the operation and maintenance of all types of plants (for water treatment, purification, desalination, tertiary treatments and reuse, industrial treatments, agricultural treatments, etc.), as well as the management of the entire water cycle, under public concession or private initiative. Sacyr considers its indirect use of water important. The consumption of water during the production of energy, fuel, raw materials such as cement, concrete, and steel used in Sacyr's activities, as well as the handling and transportation of waste generated is included in the water footprint of Sacyr's value chain. Future freshwater quantity and quality dependency may decrease for both direct and indirect use, since Sacyr promotes water efficiency in all its activities, as well as investing in innovative technologies that allow Sacyr to have new resources of freshwater.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	Sacyr's use of recycled or reused water is also considered important for both its direct and indirect uses. In 2022, recycled or reused water accounted for 19.53% of total water for direct water consumption to carry out activities like irrigation and street cleaning. Through Sacyr Water, water resources are optimised by producing fresh water through desalination, minimizing losses, as water is distributed, enabling used water to be treated and reclaimed for new purposes or to be returned to nature in optimal conditions. In all of Sacyr's projects and facilities, consumption of recycled or reused water is promoted, both internally in facilities and projects, as well as externally by encouraging the use of alternative water sources to preserve the available natural reserves. Future quantity and quality dependency on recycled or reused water will remain the same because Sacyr promotes the use of recycled water, and desalination plants will continue being part of Sacyr's activities. The dependence of recycled or reused water in the value chain is expected to be the same in the future.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Continuously	At Sacyr water withdrawals are measured continuously through various methods of measurement, such as: • Direct meter measurements, flowmeters • Calculation of water tanks volumes. • Water supply company invoices • Water consumption from accounting expenses • Estimates using similar activities with known volumes of water withdrawals • Estimates using specialised literature.	At Sacyr total volumes of water withdrawals are measured continuously and depending on the service or contract, the measurement of withdrawals is conducted regularly, on a daily, monthly, or quarterly basis. This applies to 100% operations within operational control. This is done as Sacyr evaluates their water footprint to understand, identify and evaluate the potential environmental impacts that are linked to water. To carry out the water footprint it is imperative to consider water withdrawals. Within this water input, the river basin in which the water is being withdrawn and the water source such as underground water, freshwater surface, brackish water, or water from third parties are considered. Sacyr also takes into consideration the water related GRI indicators. The GRI indicators enables Sacyr to know total water withdrawals (surface, underground, sea and water from third parties), water discharges, recycled/reused water, rainwater and water consumption.
Water withdrawals – volumes by source	100%	Continuously	At Sacyr water withdrawals are measured continuously through various methods of measurement, such as: • Direct meter measurements, flowmeters • Calculation of water tanks volumes. • Water supply company invoices • Water consumption from accounting expenses • Estimates using similar activities with known volumes of water withdrawals • Estimates using specialised literature	At Sacyr volumes by source of water withdrawals are measured continuously and depending on the service or contract, the measurement of withdrawals is conducted regularly, on a daily, monthly, or quarterly basis. This applies to 100% operations within operational control. This is done as Sacyr evaluates their water footprint to understand, identify and evaluate the potential environmental impacts that are linked to water. To carry out the water footprint it is imperative to consider water withdrawals by source. Within this water input, the river basin in which the water is being withdrawn and the water source such as underground water, freshwater surface, brackish water, or water from third parties are considered. Sacyr also takes into consideration the water related GRI indicators. The GRI indicators enables Sacyr to know total water withdrawals (surface, underground, sea and water from third parties), water discharges, recycled/reused water, rainwater and water consumption.
Entrained water associated with your metals & mining and/or coal sector activities - total volumes [only metals and mining and coal sectors]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	Daily	At Sacyr water withdrawals quality is measured daily through various methods of measurement, such as: • Analysis from external and internal laboratory. • Multiparameter sensors such as pH meters, thermometers, conductivity meters and turbidity meters.	At Sacyr water is used in two different ways in the scope of the company's activities; water for Sacyr's own consumption and water consumption for the population. Water quality is measured in all Sacy's water treatment plants and water cycle concessions. It is imperative to supply the water in the right conditions to the communities and the ecosystems. Parameters such as temperature, pH, conductivity, BOD, nitrogen, nitrate, phosphate, pesticides, etc are measured. In the rest of the contracts the quality of water withdrawals is monitored according to the water withdrawal requirements included in the permit issued by the specific authority. Moreover, through the water footprint analysis, the degradative water footprint profile is evaluated, taking into consideration quality parameters in water withdrawals and water discharges of Sacyr's treatment plants. Water withdrawlas quality are measured daily and applies to 100% operations within operational control.

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water discharges – total volumes	100%	Continuously	At Sacyr water discharges are measured continuously through three methods of measurement such as direct meter measurements (flowmeters), calculation of water tanks volumes and estimates using discharge rates from specialised literature.	At Sacyr water is used in two different ways in the scope of the company's activities; water for Sacyr's own consumption and water consumption for the population. This activity is focused on the operation of all types of water treatment plants and the management of water cycle. Sacyr also takes into consideration the water related GRI indicators. It allows to understand the total water discharges from own consumption (by surface, underground, sea and to third parties). Additionally, Sacyr evaluates its water footprint. The inventory of the water footprint takes into consideration water discharges considering the river basin in which it is discharged and their destination: surface water, groundwater, sea or to third parties. Total volumes of water discharges are measured continuously and depending on the service or contract, the measurement of withdrawals is conducted regularly, on a daily, monthly, or quarterly basis. This applies to 100% operations within operational control.
Water discharges – volumes by destination	100%	Continuously	At Sacyr water discharges are measured continuously through three methods of measurement such as direct meter measurements (flowmeters), calculation of water tanks volumes and estimates using discharge rates from specialised literature.	At Sacyr water for own consumption refers to water consumed at the company's facilities for the performance on its activities. Moreover, Sacyr supplies drinking water to communities, considering the water captured to meet the demand from third parties. This activity is focused on the operation of all types of water treatment plants and the management of water cycle. Additionally, Sacyr evaluates its water footprint. The inventory of the water footprint takes into consideration water discharges considering the river basin in which it is discharged and their destination: surface water, groundwater, sea or to third parties. Water discharges by destination are measured continuously and depending on the service or contract, the measurement of withdrawals is conducted regularly, on a daily, monthly, or quarterly basis. This applies to 100% operations within operational control.
Water discharges – volumes by treatment method	100%	Continuously	At Sacyr water discharges are measured continuously through three methods of measurement such as direct meter measurements (flowmeters), calculation of water tanks volumes and estimates using discharge rates from specialised literature.	The water discharges and river basin in which they are carried out is taken into consideration as well as the treatment given to the water (tertiary, secondary, primary treatment, or the discharge to the natural environment or to a third party is carried out without treatment). Discharge treatment methods are identified in all Sacyr's water treatment plants and wastewater treatment plants and are conducted through the following methods: • Septic tanks where the water in them is collected and managed by an authorised waste management entity. • Discharge to the sewage network. The discharge of water is conducted directly into the sanitation network and must comply with specific regulation, wastewater treatment plants. • Wherever it is necessary to assure the quality of the water, water treatment plants are deployed for every contract that requires it. Water discharges by treatment method are measured continuously and applies to 100% operations within operational control.
Water discharge quality – by standard effluent parameters	100%	Continuously	At Sacyr water discharges are measured daily through methods of measurement such as: • Analysis from external and internal laboratories • Multiparameter sensors (pH meter, thermometer, REDOX meter, turbidity meter)	Depending on the contract, measurements are done continuously in a daily or monthly basis and applies to 100% operations within operational control referring to the contratcts which are carried out. Moreover, water discharges are monitored according to the water discharges requirements included in the permit issued by the specific authority. The quality of the discharge shall be assured, always in accordance with applicable environmental legislation. To guarantee water quality, Sacyr always monitors the quality of discharges in accordance with the established environmental monitoring plans, setting out all the water quality requirements included in the relevant discharge permits. Moreover within the water footprint inventory takes into consideration quality parameters in water withdrawals and water discharges of the water treatment plants.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	100%	Daily	At Sacyr water discharges are measured daily through methods of measurement such as: • Analysis from external and internal laboratories • Multiparameter sensors (pH meter, thermometer, REDOX meter, turbidity meter)	The measurement of water quality in the water treatment plants and water cycle concessions is important to supply the water in the right conditions to the communities and the ecosystems. Different parameters such as temperature, pH, conductivity, BOD, nitrogen, nitrate, phosphate, pesticides are measured and depending on the contract they are measured continuously in a daily or monthly basis. For the rest of Sacyr's activities, water quality measurement in terms of nitrates, phosphates, pesticides are carried put on a regular basis if contract singularities requires it. In the rest of the contracts the quality water discharges are monitored according to the water discharges requirements included in the permit issued by the specific authority. To guarantee water quality, we always monitor the quality of discharges in accordance with the established environmental monitoring plans, setting out all the water quality requirements included in the relevant discharge permits.
Water discharge quality – temperature	100%	Daily	At Sacyr water discharges are measured daily through methods of measurement such as: • Analysis from external and internal laboratories • Multiparameter sensors (pH meter, thermometer, REDOX meter, turbidity meter)	The measurement of water quality in water treatment plants and water cycle concessions is important to supply the water in the right conditions to the communities and the ecosystems. Different parameters such as temperature, pH, conductivity, BOD, nitrogen, nitrate, phosphate, pesticides are measured and depending on the contract they are measured continuously in a daily basis. For the rest of Sacyr's activities, water quality measurement in terms of temperature is measured daily when contract singularities require it. In the rest of the contracts the quality water discharges are monitored according to the water discharges requirements included in the permit issued by the specific authority. To guarantee water quality, we always monitor the quality of discharges in accordance with the established environmental monitoring plans, setting out all the water quality requirements included in the relevant discharge permits.
Water consumption – total volume	100%	Continuously	To measure water consumption Sacyr follows the GRI standard guidelines as well as the ISO 14046. Consumption is the difference between total water withdrawal and total water discharge.	At Sacyr, water is used in two different ways in the scope of our activities. On the one hand, water for own consumption refers to water consumed and discharged at the company's facilities for the performance of various activities. On the other hand, Sacyr supplies drinking water to communities, considering the water captured to meet the demand of third parties. This activity is focused on the operation and maintenance of all types of water treatment plants and the management of the entire water cycle. To measure the total volume of water consumption Sacyr follows and responds to water related GRI indicators. Through these indicators Sacyr can understand its total water consumption. Moreover, they evaluate water consumption in each basin, obtained from the difference between the input and output of water. Moreover, monitoring is done continuously througout the year which depending on the service or contract,will be done on a daily, monthly, or quarterly basis.
Water recycled/reused	100%	Daily	At Sacyr water withdrawals are measured continuously through various methods of measurement, such as: • Direct meter measurements, flowmeters • Calculation of water tanks volumes. • Water supply company invoices • Water consumption from accounting expenses • Estimates using similar activities with known volumes of water withdrawals • Estimates using specialised literature.	In 2022, recycled or reused water accounted for 19,25% (857,40 ML) of total water for own consumption. Depending on the service or contract the measurement of recycled or reused water is conducted regularly, on a daily, monthly, or quarterly basis. Sacyr is aware of the importance of taking care of water resources and are concerned about efficiently managing the integral cycle. Therefore, Sacyr operates regenerated water production facilities and specific networks for supplying water to irrigate green areas, wash down streets for industrial purposes. Due to those activities Sacyr has been able to reduce the consumption of drinking water, despite the increase in population and economic activities. In 2022, 13.700,81 ML of water were reclaimed and distributed by Sacyr, implying a 30% increase in the use of reclaimed water compared to 2021.

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
The provision of fully-functioning, safely managed WASH services to all workers	100%	Monthly	At Sacyr, fully functioning WASH services are measured through contracts with water supply and sewage companies and through water supply and sewage company invoices.	Sacyr provides the necessary means to ensure compliance with the provisions of the international Labour Organization (ILO). Sacyr is committed to conducting the business and professional activities in accordance with the laws in force in each of the places where they operate, and they promote and encourage the same recognition and respect among contractors and suppliers. That means that the provision of suitable WASH services is mandatory in all of Sacyr's activities, water for human consumption and sanitary purposes fulfils the appropriate quality standards, always according with the World Health Organization and country specific water regulations. H&S personnel monitor that all sites and facilities have access to suitable and fully equipped WASH services. The quantity of water consumed by employees is measured, using water supply company invoices received in a monthly basis and covers 100% of Sacyr's operational control.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	4389.11	About the same	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	At Sacyr, water is used in two different ways in the scope of activities. On the one hand, Sacyr withdraws water for own consumption that refers to water consumed at the company's facilities for the performance of various activities. On the other hand, Sacyr withdraws water to supply drinking water to communities. This activity of focused on the operation and management of all types of water treatment plants and the management of the entire water cycle. With the water related GRI indicators Sacyr can know the total water withdrawals for own consumption (by surface, underground, sea and water from third parties). The water withdrawals for own consumption (4,389.11Ml) decreased in 2022 due to a change in the scope of the contracts of irrigation of gardens in Madrid (Spain) compared to 2021 (4,435.80 Ml). The contracts of irrigation of gardens represented the highest percentage of withdrawals from third-party and some of them suffered a new tender process in November 2021. That meant a change in the scope of the contracts in 2022, causing the decrease. Thresholds for 'much higher' and 'much lower' for the comparision with previous reporting year have a +/- 15% deviation. Moreover, Sacyr has established a water consumption reduction goal across all activities by at least 10% by 2025, so it is expected that it will continue reducing the volume of water withdrawals in the future.
Total discharges	752.2	Higher	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	The volume of total discharges from own consumption of water (752.20 Ml) increased in 2022 compared to 2021 (698.03Ml) because: • The initiation of new contracts that withdrew water and therefore discharged water • Construction contracts in construction phases that have required a greater water withdrawal and thus, the discharge of water. Moreover, it is expected that the volumes of discharges will reduce because Sacyr promotes water efficiency in all their activities and the reuse and recycling of water, both internally in their own facilities and projects as well as externally by fostering the use of alternative water sources to preserve available natural reserves. Moreover, the thresholds for 'much higher' and 'much lower' for the comparision with previous reporting year have a +/- 15% deviation.
Total consumption	3636.9	About the same	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	By applying the water related GRI indicators, Sacyr is able to know their total water consumption (3,636.90 ML) which have reduced compared to the year 2021 (3,737.77 Ml) Total water consumption is calculated as the difference between total water withdrawal for own consumption and total water discharge from own consumption, in accordance with the definition of water consumption of the GRI standard guidelines and ISO 14046 (C=W-D). Since the volume of water withdrawal was lower in 2022, the result of the water consumption was also lower in 2022. It is expected that water consumption volumes will reduce in the future. Sacyr has set a water reduction objective to reduce water consumption by 10% by 2025 across all operations. Moreover, the thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	76-99	Lower	Increase/decrease in business activity	Lower	Increase/decrease in efficiency	WRI Aqueduct	The volume of total water withdrawals for own consumption in 2022 was 4,389.11 Ml and in water stressed areas 3,766.13 Ml which suggests that 85,81% of water was withdrawn from water stressed areas in 2022. In 2021 water withdrawals for own consumption was 88.24% in water stressed areas. The percentage decreased in 2022 due to the reduction of total water withdrawals for own consumption because of a change in the scope of the contracts if irrigation of the gardens in Madrid (Spain), a city located in a water-stressed area. 67.5% of Sacyr's centers are located in high and extremely high water stress areas. Water stress index is measured using the Aqueduct Water Risk Atlas, a public tool from the World's Resources Institute. According to this tool, water stress areas are considered those to be associated "high" (40-80%) or "very high" (>80%) on the stress benchmark. To assess the water stress index on a river basin level every Sacyr contract is classified into the different categories of water stress area defined by the tool. Additionally, to "Water Stress Index", Sacyr evaluates three indices obtained from the Water Risk Atlas of the Aqueduct tool, included in the WRI (World Resources Institute) water program: "Water Risk Index", "Water depletion" and "Drought Risk" per river basin. Water withdrawals for own consumption from water stressed areas are expected to decrease in the future. It is also part of Sacyr's objective moving forward, to reduce water withdrawals in water stressed areas.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	869.61	Much higher	Increase/decrease in business activity	The surface water withdrawals increased in 2022 (869.61) in comparison with 2021 (603.48 Ml) due, on the one hand, to the start of new contracts that withdrew water from this source and, on the other hand, to existing construction contracts that are in construction stages that have required more water withdrawals from surface sources such as rainwater. As indicated in the GRI guidelines, rainwater captured or collected by our contracts is considered surface water. We may conclude that in 2022,. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation. Moreover, Sacyr has established a water consumption reduction goal across all activities by at least 10% by 2025, so it is expected that it will continue reducing the volume of water withdrawals in the future, hence we expect a decrease in withdrawals from this source in the future.
Brackish surface water/Seawater	Relevant	32.04	Much higher	Increase/decrease in business activity	Brackish Surface water/Seawater withrawals increased from 2022 (32.04Ml) from 2021 (21.10 Ml). This is beacuse the only contract that withdraws seawater within Sacyr's operations is the Sohar Operations Services desalination plant. The water is used both for internal processes and for human use. Water withdrawal for human use remain similar, but the water withdrawal for internal processes increased. This is because the desalination plant increased the production of desalinated water in 2022, which entails greater operation of the plant and greater water requirements in its internal processes. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation. Moreover, Sacyr has established a water consumption reduction goal across all activities by at least 10% by 2025, so it is expected that it will continue reducing the volume of water withdrawals in the future.
Groundwater – renewable	Relevant	216.38	Much higher	Increase/decrease in business activity	Groundwater withdrawals increased in 2022 (216.38 Ml) compared to 2021 (141.57 Ml) due to the start of new contracts that withdrew water from groundwater sources. Thresholds for 'much higher' and 'much lower' for the comparision with previous reporting year have a +/- 15% deviation. Moreover, Sacyr has established a water consumption reduction goal across all activities by at least 10% by 2025, so it is expected that it will continue reducing the volume of water withdrawals in the future.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Sacyr always complies with water withdrawal permits and monitors every water withdrawal during its activities and even those from non-renewable groundwater sources and there is no identified any water withdrawal from non-renewable groundwater sources in its activities.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	Sacyr always complies with water withdrawal permits and monitors every water withdrawal during its activities and even those from produced/entrained water sources and there is no identified any water withdrawal from produced/entrained water sources in its activities.
Third party sources	Relevant	3271.09	Lower	Increase/decrease in business activity	Withdrawals from third party sources decreased from 2022 (3,271.09Ml) from 2021 (3,669.65Ml). The maintenance of green areas in Madrid (Spain) contracts are the ones that account the highest percentage of volumes of third-party water withdrawals. These contracts suffered a new tender process in November 2021, which meant a change in the scope of the contracts in 2022. This change caused a decrease of the volume of third-party water withdrawals used for garden maintenance. Thresholds for 'much higher' and 'much lower' for the comparision with previous reporting year have a +/- 15% deviation. Moreover, Sacyr has established a water consumption reduction goal across all activities by at least 10% by 2025, so it is expected that it will continue reducing the volume of water withdrawals in the future.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	75.58	Much higher	Increase/decrease in business activity	The data of water discharges to surface water (75.58 Ml) increased in 2022 compared to 2021 (43.90 Ml) due to, on the one hand, the start of new contracts that withdrew water and therefore discharged water and on the other hand, because existing construction contracts are in construction stages that required greater water withdrawals and discharge of water to this resource. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation. The global discharge volume was calculated based on the standard discharge coefficients by activity, as published by various sources. The entire volume of discharge to seawater belongs to the "other water (total dissolved solids >1,000 mg/l)" category. The remainder of the volume of water discharged belongs to the "freshwater (≤1,000 mg/l)" category. Moreover, there is no significant change expected in the future.
Brackish surface water/seawater	Relevant	35.18	Much higher	Increase/decrease in business activity	Seawater discharges have increased from 2021 (26.78 ML) to 2022 (35.18 ML). However, only accounting for 4.67% of total discharges. There has been a slight increase due to due to the fact that seawater withdrawal for use in internal processes in the contracts increased, as a consequence water discharge also increasing. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation. The global discharge volume was calculated based on the standard discharge coefficients by activity, as published by various sources. The entire volume of discharge to seawater belongs to the "other water (total dissolved solids >1,000 mg/l)" category. The remainder of the volume of water discharged belongs to the "freshwater (≤1,000 mg/l)" category. Moreover, there is no significant change expected in the future.
Groundwater	Relevant	6.17	Much lower	Increase/decrease in business activity	Seawater discharges have decreased from 2021 (9.11 ML) to 2022 (6.17 ML).Total ground water discharges represent a very small percentage (0,8%). In 2020 there were no reported discharges to groundwater due to the nonexistence of such discharges in the reporting period. In 2022 groundwater discharges decreased overall due to the end of a contract that in 2021 carried out discharges into groundwater. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation. Groundwater discharge volume was calculated based on the standard discharge coefficients by activity, as published by various sources. The entire volume of discharge to seawater belongs to the "other water (total dissolved solids >1,000 mg/l)" category. The remainder of the volume of water discharged belongs to the "freshwater (≤1,000 mg/l)" category. Moreover, groundwater discharges are expected to stay the same in the future.
Third-party destinations	Relevant	635.28	Higher	Increase/decrease in business activity	Third-party water discharges have increased slightly from 2021 (618.24 Ml) to 2022 (635.28 Ml). There has been an increase in comparison with the previous year because Sacyr increased the number of contracts that discharge to this category. Third party destinations represent 84.50% of total water discharges. That´s why this type of destination is particularly relevant for Sacyr. Third party destinations mainly include sewage network. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation. Third-party volume discarges was calculated based on the standard discharge coefficients by activity, as published by various sources. The entire volume of discharge to seawater belongs to the "other water (total dissolved solids >1,000 mg/l)" category. The remainder of the volume of water discharged belongs to the "freshwater (≤1,000 mg/l)" category. Moreover, groundwater discharges are expected to stay the same in the future.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	Sacyr always complies with applicable environmental law and preventive controls are applied to minimise the risk of possible polluting discharges. The processes that ensure compliance with water withdrawal and discharge conditions are part of the environmental management systems that Sacyr implements, verifies, and certifies in accordance with international standard ISO 14001. Moreover, there are no significant changes expected in the future.
Secondary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	Sacyr always complies with applicable environmental law and preventive controls are applied to minimise the risk of possible polluting discharges. The processes that ensure compliance with water withdrawal and discharge conditions are part of the environmental management systems that Sacyr implements, verifies, and certifies in accordance with international standard ISO 14001. Moreover, there are no significant changes expected in the future.
Primary treatment only	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	Sacyr always complies with applicable environmental law and preventive controls are applied to minimise the risk of possible polluting discharges. The processes that ensure compliance with water withdrawal and discharge conditions are part of the environmental management systems that Sacyr implements, verifies, and certifies in accordance with international standard ISO 14001. Moreover, there are no significant changes expected in the future.
Discharge to the natural environment without treatment	Relevant	116.93	This is our first year of measurement	Please select	1-10	The volume of water discharged to the natural environment without treatment from our own consumption of water was 116.93 Ml in 2022. Sacyr uses water in two different ways in the scope of activities. On the one hand, water for own consumption refers to water consumed and discharged at the company's facilities for the performance of various activities. On the other hand, water is used to supply drinking water to communities and treated wastewater in our wastewater treatment plants to disposed it again in the natural environment. Moreover, Sacyr always complies with applicable environmental law and preventive controls are applied to minimise the risk of possible polluting discharges. The processes that ensure compliance with water withdrawal and discharge conditions are part of the environmental management systems that Sacyr implements, verifies, and certifies in accordance with international standard ISO 14001. Moreover, there are no significant changes expected in the future.
Discharge to a third party without treatment	Relevant	635.28	This is our first year of measurement	Please select	71-80	The volume of water discharged to a third party without treatment from our own consumption of water was 635.28 Ml in 2022. Sacyr uses water in two different ways in the scope of activities. On the one hand, water for own consumption refers to water consumed and discharged at the company's facilities for the performance of various activities. On the other hand, water is used to supply drinking water to communities and treated wastewater in our wastewater treatment plants to disposed it again in the natural environment. Moreover, Sacyr always complies with applicable environmental law and preventive controls are applied to minimise the risk of possible polluting discharges. The processes that ensure compliance with water withdrawal and discharge conditions are part of the environmental management systems that Sacyr implements, verifies, and certifies in accordance with international standard ISO 14001. Moreover, there are no significant changes expected in the future.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	There is no other receiving body Sacyr discharges to.

W1.2k

(W1.2k) Provide details of your organization's emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.

	Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	List the specific substances included	Please explain
Row 1	367.78	Nitrates Phosphates Pesticides	<Not Applicable>	The measurement of water quality in Sacyr's water treatment plants and water cycle concessions is important to supply the water in the right conditions to the communities and the ecosystems. Different parameters are measured such as temperature, pH, conductivity, BOD, nitrogen, nitrate, phosphate, pesticide and depending on the contract this is measured continuously on a daily or monthly basis. In the rest of the contracts the quality water discharges are monitored according to the water discharges requirements included in the permit issued by the specific authority. The quality of the discharge shall be assured, always in accordance with applicable environmental legislation. To guarantee water quality, we always monitor the quality of discharges in accordance with the established environmental monitoring plans, setting out all the water quality requirements included in the relevant discharge permits. Furthermore, in accordance with each permit, we periodically report water quality parameters to the relevant environmental authority.

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	5851724182.28	4389.11	1333237.07591744	Sacyr carried out a statistical analysis to obtain data on the evolution of the efficiency of the water extracted in terms of its revenues for each megalitre of water withdrew by the company. A positive evolution of water efficiency is observed and by 2023 it is expected that the evolution will follow this same trend. It is estimated that in 2023 the revenue will be 6,328,899,816.50 €, the volume of water withdrawal 4,172.83 Ml and the efficiency 1,516,693.68 (€/Ml).

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	Sacyr produces y commercialize RARx and IOHNIC. RARx is a high-tech product made from end-of-life tyre powder (60% of its composition) pre-treated with bitumen and other additives of mineral origin. RARx, its pre-digested tyre powder additive for asphalt mixes, and BIOROAD, its additive for durable and semi-hard asphalt mixes, have created a real disruption in the road and asphalt mix sector. IOHNIC is a continuous lighting system that accompanies the driver as he passes through the tunnel, making the journey safer and more comfortable, significantly optimizing energy consumption for greater respect for the environment. None of them contain hazardous substances.

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement	Primary reason for no engagement	Please explain
Suppliers	Yes	<Not Applicable>	<Not Applicable>
Other value chain partners (e.g., customers)	Yes	<Not Applicable>	<Not Applicable>

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

Yes, we assess the impact of our suppliers

Considered in assessment

Basin status (e.g., water stress or access to WASH services)
Supplier dependence on water
Supplier impacts on water availability
Supplier impacts on water quality

Number of suppliers identified as having a substantive impact

3061

% of total suppliers identified as having a substantive impact

100%

Please explain

Supplier evaluation and approval is a fundamental process whereby Sacyr ensures that they work with companies that meet the minimum requirements set out in their general procurement procedure. As part of this process, suppliers are initially assessed based on the environmental criteria (environmental certificates, calculation of their water footprints and whether they carry out biodiversity activities).
As mentioned, every single supplier is initially assessed and are thus considered to have a substantive impact. Every provider shall comply with the criteria set in the water policy and purchasing and subcontracting procedure and submit to Sacyr the information required in it about its efficient water management. Later, Sacyr carries out an analysis of the suppliers which are in compliance with its water related requirements.

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization's purchasing process?

	Suppliers have to meet specific water-related requirements	Comment
Row 1	Yes, water-related requirements are included in our supplier contracts	<Not Applicable>

W1.5c

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Water-related requirement
Complying with going beyond water-related regulatory requirements

% of suppliers with a substantive impact required to comply with this water-related requirement
100%

% of suppliers with a substantive impact in compliance with this water-related requirement
51-75

Mechanisms for monitoring compliance with this water-related requirement
Certification
Off-site third-party audit
On-site third-party audit

Response to supplier non-compliance with this water-related requirement
Exclude

Comment
Supplier evaluation and approval is a fundamental process whereby Sacyr ensures that it works with companies that meet the minimum requirements set in its general purchasing and subcontracting procedure. As part of this process, suppliers are initially assessed based on the environmental criteria (environmental certificates, calculation of their water footprints and whether they carry out biodiversity activities).
In 2022, 68.54% of suppliers met the environmental and social requirements. Of those suppliers that have been evaluated as having a negative environmental impact, improvements were agreed with 45.45% and the relationship was terminated with the other 54.55%.

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement
Information collection

Details of engagement
Collect water management information at least annually from suppliers
Collect water quantity information at least annually from suppliers (e.g., withdrawal and discharge volumes)
Collect water quality information at least annually from suppliers (e.g., discharge quality, pollution incidents, hazardous substances)
Collect WASH information at least annually from suppliers

% of suppliers by number
100%

% of suppliers with a substantive impact
100%

Rationale for your engagement
For Sacyr, water is a scarce, irreplaceable, and essential commodity, both for sustaining life and for the development of its different activities which are being affected by climate change. The care, conservation and sustainable management of this resource cannot be imposed from the outside, rather it should come from Sacyr's own human team, as a sign of identity, so it encourages everyone to embrace it in their work environment, as well as its other stakeholders.
Sacyr has developed a water policy aimed at all stakeholders, developed to define and establish the principles and criteria that govern activities related to water use and management.

Impact of the engagement and measures of success
At Sacyr, supply chain management is seen as part of a business model that seeks the progress and growth of the entire value chain. Our commitment to supply chain management is expressed at the most senior level by the Board of Directors through the Sustainability and Corporate Governance Committee and the Sustainability Committee, by approving the Supply Chain Management Policy. In 2020, Sacyr reinforced responsible supply chain management by transferring Sacyr's sustainability model to our suppliers, including ESG clauses in all contracts which they must agree to be bound by. Among the mandatory corporate policies that apply to our third parties are the Quality, Environment and Energy Policy, the policies concerning the environment (water, biodiversity, climate change, circular economy), the Human Rights Policy, Modern Slavery Statement, the Occupational Health and Safety Policy and the Diversity and Inclusion Policy. These documents are available in the supplier's section of Sacyr's website.
The Water Policy, aimed at all stakeholders, establishes the principles, criteria, and requirements for efficient water management by local communities, customers, and other stakeholders.
Supplier evaluation and approval is a fundamental process whereby Sacyr ensures that they work with companies that meet the minimum requirements set out in our general procurement procedure. As part of this process, Sacyr initially assess suppliers based on the environmental criteria (environmental certificates, calculation of their water footprints and whether they carry out biodiversity activities).

Every single supplier is initially assessed and are thus considered to have a substantive impact. Every provider shall comply with the criteria set in the water policy and purchasing and subcontracting procedure and submit to Sacyr the information required in it about its efficient water management. Later, Sacyr carries out an analysis of the suppliers which are in compliance with its water related requirements.

Comment
N/A

W1.5e

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder
Customers

Type of engagement
Innovation & collaboration

Details of engagement
Collaborate with stakeholders on innovations to reduce water impacts in products and services

Rationale for your engagement
For Sacyr, water is a scarce, irreplaceable, and essential commodity, both for sustaining life and for the development of its different activities which are being affected by climate change. The care, conservation and sustainable management of this resource cannot be imposed from the outside, rather it should come from Sacyr's own human team, as a sign of identity, so it encourages everyone to embrace it in their work environment, as well as its other stakeholders.
Sacyr has developed a water policy, which is approved by the board of directors, aimed at all stakeholders, developed to define, and establish the principles and criteria that govern activities related to water use and management.

The main principles regarding customers and other value chain partner, of the policy are the following:
-Promote and support the innovation of processes that foster efficient water use.
-Encourage training for employees and collaborators in responsible water use practices, recognizing the right to safe and clean drinking water and sanitation as a human right.
-Encourage sensitivity and awareness of sustainable water use with local communities, clients, and other interested parties.
-Encourage raising the value of water as a limited natural resource and spread news of actions taken by Sacyr to protect it.
-Improve water management by establishing indicators, objectives and processes that facilitate continual monitoring and assessment.

Impact of the engagement and measures of success
At Sacyr it is understood that water management must take a collaborative approach, establishing a relationship with the various stakeholders involved, and considering their needs and interests. Accordingly, in conjunction with several social entities, Sacyr is expanding efforts to improve the management and protection of water resources, to help ensure water availability and quality for nature and future generations. Some examples of collaboration with stakeholders are:

Collective action: Sacyr launched the research project called "SUSTAINABILITY, WATER AND AGRICULTURE IN THE 21ST CENTURY, SOS-WATER-XXI", led by Sacyr Water and Valoriza Servicios Medioambientales, approved by the CDTI and supported by the Ministry of Science and Innovation. This project aims to find sustainable and energy-efficient technological solutions to develop resource management and treatment strategies, preparing the Spanish agricultural sector to combat the shortage of conventional water resources and the effects of climate change

Community engagement: Sacyr conducted awareness campaigns in Chile at Sacyr Concesiones Agua due to the water stress facing that country. These campaigns propose initiatives to save water in summer or maintain the sewage system in winter, to guarantee water supply and quality.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?
No

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment
Row 1	No	<Not Applicable>	In 2022, 6 proposed penalties, of which 2 are related to water, were received in connection with possible environmental noncompliance. Sacyr has not yet been informed of the outcome of any of the proposals received, for the previous or current year, hence so no payments have been made.

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified	Please explain
Row 1	Yes, we identify and classify our potential water pollutants	At Sacyr the quality of discharges is always ensured to identify and classify any water pollutants. Sacyr has water treatment plants and water quality measurement systems within operational processes are implemented, allowing water to be returned to nature in the desired optimal condition. Sacyr always complies with environmental legislation whilst also applying preventive controls to minimize the risk of possible polluting discharges. The processes that ensure compliance are part of the environmental management systems that are implemented, verified, and certified in accordance with the international standard ISO 14001. The water that reaches the wastewater treatment plants managed by Sacyr, is treated, and returned to the watercourses, to the sea, or is destined for a new use after being reclaimed, with the quality of the discharge being assured, always in accordance with applicable environmental legislation. The quality of discharges is always controlled in accordance with the established environmental monitoring plans, setting out all the water quality requirements included in the relevant discharge authorization, water quality parameters are periodically reported to the relevant environmental authority. Sacyr also has internal emergency plans and protocols if a discharge or spillage affects the external environment: • Subsequent analysis of the reason for the discharge or spill. • Adoption of the appropriate preventive measures to reduce the chances of a recurrence.	<Not Applicable>

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category
Oil

Description of water pollutant and potential impacts
Within Sacyr's activities and facilities, a possible oil spill could occur leading to contamination as there are oil tanks, machinery…
Through the Environmental Management System implemented according to ISO 14001, which is preventive, we identify and weigh environmental aspects associated with our activity, such us oil spills in case of accident, identifying and evaluating potential environmental impacts, establishing an operational control framework for their proper management and monitoring. Depending on the contract oil spills could be evaluated as significant or non-significant, where this type of impact is evaluated as significant, preventive measures must be implemented on site to eliminate or minimise the impacts in case that it happens,
Within this framework, Sacyr also identified and assessed the water-related risks and opportunities associated with its activities.

Value chain stage
Direct operations
Supply chain

Actions and procedures to minimize adverse impacts
Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
Resource recovery
Beyond compliance with regulatory requirements
Implementation of integrated solid waste management systems
Industrial and chemical accidents prevention, preparedness, and response
Provision of best practice instructions on product use
Requirement for suppliers to comply with regulatory requirements
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements
Upgrading of process equipment/methods

Please explain
As part of Sacyr's environmental management system, there are different general and technical procedures that assure that impacts on the water resources and quality of water are minimised.
Procedures such as; "Response to environmental emergencies", where preventive and corrective measures are described to minimise the impacts of storage and handling of hazardous substances and the measures in case of spills, in works near rivers or streams, in case of lixiviate ponds rupture and in case of chemical spills, by disregard in water treatment supply requirements, in the case of pollution due to industrial spills to sewage network or supplied water, in case of spills by overflowing of water and lime saturator in treatment plants, in case of spills due to rupture of water supply output from desalination plants. According with this procedure drills shall be developed regularly in response to emergencies like oil spills. "Product preservation" where requirements about how to handle and storage the products are described to prevent spills. "Management of storage area". "Spill control". "Wastewater treatment". "Preventive maintenance and respond to incidents". "Waste Management", "Machinery Management", "Triple washing".
Moreover, Sacyr has issued best practices manuals where measures to minimise the impacts on water resources are described. Every Sacyr employee receives the manual, and he/she is trained to make them aware of the environmental preventive measures to be considered.

Water pollutant category
Nitrates

Description of water pollutant and potential impacts
Within Sacyr's facilities and activities, this type of pollutant only occur within the wastewater treatment plants.
Sacyr evaluates its water footprint where potential environmental impacts on ecosystems and human health are evaluated. To define the impacts on the degradative water, we use LC-Impact methodology. The inventory of the water footprint takes into consideration quality parameters, like nitrates, phosphates and pesticides in water withdrawals and water discharges, of our water treatment plants.

Value chain stage
Direct operations
Supply chain

Actions and procedures to minimize adverse impacts
Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
Resource recovery
Beyond compliance with regulatory requirements
Industrial and chemical accidents prevention, preparedness, and response
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Upgrading of process equipment/methods

Please explain

To guarantee water quality, Sacyr always controls the quality of discharges in accordance with the established environmental monitoring plans, setting out all the water quality requirements included in the relevant discharge authorizations. Furthermore, in accordance with each authorization, Sacyr periodically reports water quality parameters to the relevant environmental authority. As part of Sacyr's environmental management system, there are different general and technical procedures that assure that impacts on the water resources and quality of water are minimised on the activities, such as:
"Response to environmental emergencies", where preventive and corrective measures are described to minimise the impacts of storage and handling of hazardous substances and the measures in case of spills, in works near rivers or streams, in case of lixiviate ponds rupture and in case of chemical spills, by disregard in water treatment supply requirements, in the case of pollution due to industrial spills to sewage network or supplied water, in case of spills by overflowing of water and lime saturator in treatment plants, in case of spills due to rupture of water supply output from desalination plants. "Product preservation" where requirements about how to handle and storage the products are described to prevent spills. "Management of storage area". "Spill control". "Wastewater treatment". "Preventive maintenance and respond to incidents". "Waste Management", "Machinery Management"

Water pollutant category

Phosphates

Description of water pollutant and potential impacts

Within Sacyr's facilities and activities, this type of pollutant only occur within the wastewater treatment plants.
Sacyr evaluates its water footprint where potential environmental impacts on ecosystems and human health are evaluated. To define the impacts on the degradative water, we use LC-Impact methodology. The inventory of the water footprint takes into consideration quality parameters, like nitrates, phosphates and pesticides in water withdrawals and water discharges, of our water treatment plants.

Value chain stage

Direct operations
Supply chain

Actions and procedures to minimize adverse impacts

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
Resource recovery
Beyond compliance with regulatory requirements
Industrial and chemical accidents prevention, preparedness, and response
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements
Upgrading of process equipment/methods

Please explain

To guarantee water quality, Sacyr always controls the quality of discharges in accordance with the established environmental monitoring plans, setting out all the water quality requirements included in the relevant discharge authorizations. Furthermore, in accordance with each authorization, we periodically report water quality parameters to the relevant environmental authority. As part of Sacyr's environmental management system, there are different general and technical procedures that assure that impacts on the water resources and quality of water are minimised on the activities, such as; "Response to environmental emergencies", where preventive and corrective measures are described to minimise the impacts of storage and handling of hazardous substances and the measures in case of spills, in works near rivers or streams, in case of lixiviate ponds rupture and in case of chemical spills, by disregard in water treatment supply requirements, in the case of pollution due to industrial spills to sewage network or supplied water, in case of spills by overflowing of water and lime saturator in treatment plants, in case of spills due to rupture of water supply output from desalination plants. "Product preservation" where requirements about how to handle and storage the products are described to prevent spills. "Management of storage area". "Spill control". "Wastewater treatment". "Preventive maintenance and respond to incidents". "Waste Management", "Machinery Management".

Water pollutant category

Pesticides

Description of water pollutant and potential impacts

Within Sacyr's facilities and activities, this type of pollutant only occur within the wastewater treatment plants.
Sacyr evaluates its water footprint where potential environmental impacts on ecosystems and human health are evaluated. To define the impacts on the degradative water, we use LC-Impact methodology. The inventory of the water footprint takes into consideration quality parameters, like nitrates, phosphates and pesticides in water withdrawals and water discharges, of our water treatment plants.

Value chain stage

Direct operations
Supply chain

Actions and procedures to minimize adverse impacts

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience
Beyond compliance with regulatory requirements
Industrial and chemical accidents prevention, preparedness, and response
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements
Upgrading of process equipment/methods

Please explain

To guarantee water quality, Sacyr always control the quality of discharges in accordance with the established environmental monitoring plans, setting out all the water quality requirements included in the relevant discharge authorizations. Furthermore, in accordance with each authorization, Sacyr periodically reports water quality parameters to the relevant environmental authority.
As part of Sacyr's environmental management system, there are different general and technical procedures that assure that impacts on the water resources and quality of water are minimised on the activities, such as; "Response to environmental emergencies", where preventive and corrective measures are described to minimise the impacts of storage and handling of hazardous substances and the measures in case of spills, in works near rivers or streams, in case of lixiviate ponds rupture and in case of chemical spills, by disregard in water treatment supply requirements, in the case of pollution due to industrial spills to sewage network or supplied water, in case of spills by overflowing of water and lime saturator in treatment plants, in case of spills due to rupture of water supply output from desalination plants. "Product preservation" where requirements about how to handle and storage the products are described to prevent spills. "Management of storage area". "Spill control". "Wastewater treatment". "Preventive maintenance and respond to incidents". "Waste Management", "Machinery Management".

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?
Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage
Direct operations
Supply chain

Coverage
Full

Risk assessment procedure
Water risks are assessed in an environmental risk assessment

Frequency of assessment
More than once a year

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Tools on the market
Enterprise risk management
International methodologies and standards

Tools and methods used
WRI Aqueduct
COSO Enterprise Risk Management Framework
ISO 31000 Risk Management Standard
ISO 14001 Environmental Management Standard

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Impact on human health
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Customers
Employees
Investors
Local communities
Suppliers

Comment
There is a general catalogue of company risks classified by risk areas (geographical, type of project, etc.). It is integrated into the Integrated Risk Management System.
ESG risks have been extracted from the general catalogue and are in the same conditions as other risks. In this list you can find out about these risks and know in which risk categories it occurs.
A review and identification process of the risks grouped into the different categories is carried out currently.
All projects must identify risks. Based on this identification, a series of attention and follow-up alerts are available. ESG risks are subject to the same process as the rest of the risks analysed. The Risk Management System establishes the key decisions to be made based on the identified risks.
Once the risks have been identified, the people who must participate are indicated and, for the key decisions, the instruments that the businesses must apply to make those key decisions.
This system allows experts to assess risks according to ISO 31000. The risk assessment will consider the probability of the risk and the impact it would produce if it materialized. Priority level is established. In addition, monetization can be carried out before and after having implemented the risk mitigation mechanisms.
Controls to be carried out to follow up on the mitigation plan can be detailed. All this methodology is carried out via MyRisk through the forms and documents required by the SGIR.
The risk and opportunity matrix is alive during the life of the contract. Risks can be identified at any stage of project execution. MyRisk application scopes are defined by business area. 100% in Concessions, 80% in Services, for example.
Risks associated with customers, partners and suppliers are also identified. Third Party Risk Assessment Program. MyRisk will be integrated into Procura soon.
MyRisk is designed to be able to analyse providers. The system for high-risk suppliers is applied. Although in general the risks associated with suppliers are managed through the supply organizations.
There is a regularly risk monitoring process, both in the tender and execution phases. During the tender phase through the Project Risk Report. In the execution phase, at least monthly, there must be an update of the risk levels. There are mandatory stopping points in the tender phase. In the execution phase there are also mandatory stops to clear a series of alerts. The system is intended as an early warning system.

W3.3b

(W3.3b) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	Sacyr has an Integrated Risk Management System (IRMS, based on internal risk control and management standards issued by COSO ERM (Committee of Sponsoring Organizations of the Treadway Commission) and ISO 31000 (International Organization for Standardization), to facilitate key business decision-making, within a common risk culture, through a systemic and structured analysis of the risks inherent to Sacyr. All the different types of risks are assessed together through an overall management structure via internal systems such as "My Risks" which allow Sacyr to determine whether a risk has the potential to substantively impact our business in financial terms (if it gets High/Very high levels). The Quality, Environment and Energy Department is responsible for identifying the internal and external context of Sacyr and assessing water-related risks and opportunities according to ISO 14.001. The result of this study is a SWOT matrix from which the identified risks and opportunities are analysed, assessed considering the activity and geographical area and managed according to the internal procedure, which considers both Internal (e.g., business model) and external (e.g., legal environmental requirements) aspects. Additionally, Sacyr evaluates three indices obtained from the Water Risk Atlas of the Aqueduct tool, included in the WRI (World Resources Institute) water program: "Water Stress Index" "Water Risk Index", "Water depletion", and "Drought Risk" per river basin.	Sacyr continuously monitors the water regulatory frameworks which relate to its activity. This is done so Sacyr can be prepared and can anticipate any changes which could potentially influence business activities. Moreover, they provide the authorization for water that is allowed to be withdrawn and well and quality and quantity. Due to the nature of Sacyr's activities, the impact on human health is a high priority for both water for own consumption which refers to water consumed and discharged at the company' facilities for the performance of various activities. And the supplying of drinking water to communities. The measurement of water quality is of utmost importance to reduce the impact on human health. In terms of ecosystems and habitats, Sacyr is always committed to carry out business activities with the goal to respect the natural environment. Sacyr provides employees with fully functioning access and safely managed WASH services.	Customers. For Sacyr, water is an environmentally sensitive aspect because it is one of Sacyr's main business lines, as it supplies drinking water for communities. Water quality is an imperative aspect for the business as it relates directly with customers. Employees. Sacyr has developed a water policy aimed at all stakeholders, developed to define, and establish the principles and criteria that govern activities related to water use and management. This is done by training employees in responsible water use practices, recognizing the right to safe and clean drinking water and sanitation as a human right. Investors. Sacyr is a listed company and the growing demand of ESG integrated criteria as part of a company's strategy is an essential element attracting investors. Local communities. It is a critical aspect; local communities constitute the social and economic context in which the company is located and operating. This can influence the business, financial and reputational levels of the business. Suppliers. In terms of suppliers, they are required to meet the criteria and standards set by Sacyr when referring to product sourcing. Water quality is a crucial aspect from a supply chain perspective. By meeting the criteria set by Sacyr in their Water Policy, Sacyr can ensure that activities carried out in their value chain respects the natural environment. Moreover, Sacyr is directly dependent on their suppliers for production capacity and continuity of activities.	Once water-related risks and opportunities are identified and assessed, and depending on the result, the Quality and Environment Committee approves the acceptable level of risk and decides the specific managing method to each one of them: • Acceptance of the risk: assuming the risk. • Avoidance of risk: eliminating or not continuing with the activity that causes the risk. • Reduction of the risk: applying measures to reduce its probability of occurrence or its impact. • Transfer or share of the risk: distributing the risk with other parties, Acceptance of risk is chosen by default for those risks not incurring a substantive financial impact nor affecting the company's strategy. In the case of tolerable or moderate risks, they can be accepted as well by establishing a follow-up on a regular basis, so they don't evolve into a greater risk. Important or critical risks, or those above the acceptable risk value (those classified as high or very high), require establishing a detailed action plan with the goal of reducing or avoiding said risk. These action plans include milestones, assigned resources and managers, as well as a planning of their execution. The Quality, Environment and Energy Department defines these action plans and subjects them to the approval of the Committee. These action plans are integrated into the Management System Plan. The Committee may decide to assume the risk without establishing an action plan. To do so, they must justify their decision.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Sacyr has developed and established a framework to assess, on a scale from low, medium, high, and very high and based on probability and impact, the substantive financial and/or strategic impact on the business when identifying or assessing water-related risks. The system considers aspects such as economic losses, cost overrun, health and safety, legal aspects, reputational issues, and delays on the delivery and their associated impacts, as all of them are considered to potentially affect and compromise the strategy and financial results of the company.

Sacyr can be clearly divided in three* very different business units (Engineering and infrastructures, Concessions and Services), reason why different thresholds (quantifiable indicator) have been defined for each one of them as neither volume of operations nor impact of the activities can be compared within them three. However, this is particularly relevant if an impact on the business affects our Concessions are (larger-scale projects), since this boosted our revenues to record levels. This considers 88% of our EBITDA.

We consider a risk has the potential to substantively impact our business in financial terms if it gets over High or Very high levels, which, referring to each of the business units individually means:

- Engineering and infrastructures: High (1.5M€ - 3M€), Very High (>3M€)

- Concessions: High (cost overrun between 5% - 10% of expected costs), Very High (cost overrun of more than 10% of expected costs)

Services: High (300k€ - 1000k€), Very High (>1000k€)

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	6	Less than 1%	A total number of 6 facilities have been identified as being exposed to water risk. Sacyr has evaluated its water-related risks and any of those identified has a substantial financial or strategic impact. Within this assessment of climate vulnerabilities and risks any asset was identified as having a significant or critical vulnerability to climate risks, including those related to water. Therefore, the contracts mentioned below could be considered a significant or material risk ones. There is a significant increase in the 2041–2060-time horizon, in the IPCC variables such as a maximum 1-day precipitation (RX1day) for the scenario SSP5-8.5. This variable is related to the risks of heavy precipitation, flood, and landslides which has been identified as the risk Sacyr is faced, which could have a financial or strategic impact. 6 assets are exposed to this water related risks, which are the following: • RSC287 Road (Brazil) – this contract relates to the operation and maintenance of the road transport infrastructure. • Pamplona Cúcuta Highway (Colombia) – this contract relates to the construction of a road to improve the road connection between the City of Pamplona and the City of Cúcuta. • Rumichaca-Pasto Highway (Colombia) – this contract is the construction of a road. • Al Mar 1 y Segundo Túnel de Occidente Highway (Colombia) – this contract relates to the construction of a road. • Puerta de Hierro Highway (Colombia) – this contract relates to the operation and maintenance of the infrastructure. • Section 2 of the Longitudinal de la Sierra Highway (Peru) – this contract relates to the operation and maintenance of the infrastructure.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

Brazil	Rio Jacui

Number of facilities exposed to water risk
1

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
It has been identified that the RSC287 Road contract in Brazil which works on the operation and maintenance of the road transport infrastructure is impacted by water risks and could have the potential to have a substantive impact on Sacyr's operations.

It is determined that with all facilities combined, less than 11% of Sacyr's global revenue will be affected. For global revenue to be affected, total losses would have to result in 643 million €, for which no contract had in 2022.

Based on historical events and previous experiences, Sacyr estimates that a delay of between 4 and 6 months (the estimated time it takes to return to normal operating conditions in the event of a severe landslide) could result in a 10 to 25% capital cost overrun on the amount initially planned.
Considering an average construction cost for a specific area potentially affected by a landslide (roundabout, road section, tunnel section, etc) of 15M euros, the financial impact that this type of disruption in its construction could entail would be in the range of 1.5M euros to 3.75M euros.

15,000,000€*10%=1,500,000€
15,000,000€*25%=3,750,000€

Country/Area & River basin

Colombia	Magdalena

Number of facilities exposed to water risk
1

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
It has been identified that the Al Mar 1 y Segundo Túnel de Occidente Highway contract in Colombia a construction of a road contract is impacted by water risks and could have the potential to have a substantive impact on Sacyr's operations.

It is determined that with all facilities combined, less than 11% of Sacyr's global revenue will be affected. For global revenue to be affected, total losses would have to result in 643 million €, for which no contract had in 2022.

Based on historical events and previous experiences, Sacyr estimates that a delay of between 4 and 6 months (the estimated time it takes to return to normal operating conditions in the event of a severe landslide) could result in a 10 to 25% capital cost overrun on the amount initially planned.

Considering an average construction cost for a specific area potentially affected by a landslide (roundabout, road section, tunnel section, etc) of 15M euros, the financial impact that this type of disruption in its construction could entail would be in the range of 1.5M euros to 3.75M euros.

15,000,000€*10%=1,500,000€
15,000,000€*25%=3,750,000€

Country/Area & River basin

Colombia	Other, please specify (Carribbean)

Number of facilities exposed to water risk
2

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
It has been identified that the Pamplona Cúcuta Highway and Puerta de Hierro Highway contracts in Colombia are impacted by water risks and could have the potential to have a substantive impact on Sacyr's operations.
It is determined that with all facilities combined, less than 11% of Sacyr's global revenue will be affected. For global revenue to be affected, total losses would have to result in 643 million €, for which no contract had in 2022.

Based on historical events and previous experiences, Sacyr estimates that a delay of between 4 and 6 months (the estimated time it takes to return to normal operating conditions in the event of a severe landslide) could result in a 10 to 25% capital cost overrun on the amount initially planned.

Considering an average construction cost for a specific area potentially affected by a landslide (roundabout, road section, tunnel section, etc) of 15M euros, the financial impact that this type of disruption in its construction could entail would be in the range of 1.5M euros to 3.75M euros.

15,000,000€*10%=1,500,000€
15,000,000€*25%=3,750,000€

Country/Area & River basin

Colombia	Other, please specify (Pacific)

Number of facilities exposed to water risk
1

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected

1-10

Comment
It has been identified that the Rumichaca-Pasto Highway contract in Colombia a construction of a road contract is impacted by water risks and could have the potential to have a substantive impact on Sacyr's operations.

It is determined that with all facilities combined, less than 11% of Sacyr's global revenue will be affected. For global revenue to be affected, total losses would have to result in 643 million €, for which no contract had in 2022.

Based on historical events and previous experiences, Sacyr estimates that a delay of between 4 and 6 months (the estimated time it takes to return to normal operating conditions in the event of a severe landslide) could result in a 10 to 25% capital cost overrun on the amount initially planned.

Considering an average construction cost for a specific area potentially affected by a landslide (roundabout, road section, tunnel section, etc) of 15M euros, the financial impact that this type of disruption in its construction could entail would be in the range of 1.5M euros to 3.75M euros.

15,000,000€*10%=1,500,000€
15,000,000€*25%=3,750,000€

Country/Area & River basin

Peru	Other, please specify (Pacific)

Number of facilities exposed to water risk
1

% company-wide facilities this represents
Less than 1%

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
1-10

Comment
It has been identified that the
Section 2 of the Longitudinal de la Sierra Highway in Peru, a contract of operation and maintenance of the infrastructure is impacted by water risks and could have the potential to have a substantive impact on Sacyr's operations.

It is determined that with all facilities combined, less than 11% of Sacyr's global revenue will be affected. For global revenue to be affected, total losses would have to result in 643 million €, for which no contract had in 2022.

Based on historical events and previous experiences, Sacyr estimates that a delay of between 4 and 6 months (the estimated time it takes to return to normal operating conditions in the event of a severe landslide) could result in a 10 to 25% capital cost overrun on the amount initially planned.

Considering an average construction cost for a specific area potentially affected by a landslide (roundabout, road section, tunnel section, etc) of 15M euros, the financial impact that this type of disruption in its construction could entail would be in the range of 1.5M euros to 3.75M euros.

15,000,000€*10%=1,500,000€
15,000,000€*25%=3,750,000€

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Colombia	Other, please specify (Caribbean)

Type of risk & Primary risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)

Primary potential impact
Increased operating costs

Company-specific description
Landslides derived from the increased severity of extreme weather events have been identified as a potential physical risk for Sacyr. Huge amount of rainfall incurs in a soil saturation that led to unstable ground in steep areas and significantly compromise the normal operation conditions. They are felt globally throughout the company, but more notoriously in Peru and Colombia, where Sacyr has operations of the three business areas and are positioned as one of the largest infrastructure private companies in the country (1st in Colombia, where indeed, more of these events have already impacted us in the past -several per year). Based on the risk assessments and scenario

analysis (RCP 2.6, 4.5, 8.5) carried out in 2021 it was concluded that landslides affect mainly the business areas of Engineering and Infrastructures and Concessions as they can damage and disrupt assets and work (bridges, motorways, transport interchanges, etc.). They impact Sacyr mainly by causing delays in construction sites, increasing needs in slope maintenance and generally in road operations. These impacts cause interruptions in roads, affecting vehicle traffic and therefore reducing income. Also, maintenance costs increase due to an increment associated to drainage needs, construction and services.

Timeframe
1-3 years

Magnitude of potential impact
Medium

Likelihood
Likely

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure - minimum (currency)
1500000

Potential financial impact figure - maximum (currency)
3750000

Explanation of financial impact
Based on historical events and previous experiences, Sacyr estimates that a delay of between 4 and 6 months (the estimated time it takes to return to normal operating conditions in the event of a severe landslide) could result in a 10 to 25% capital cost overrun on the amount initially planned.
Considering an average construction cost for a specific area potentially affected by a landslide (roundabout, road section, tunnel section, etc) of 15M euros, the financial impact that this type of disruption in its construction could entail would be in the range of 1.5M euros to 3.75M euros.
15,000,000€*10%=1,500,000€
15,000,000€*25%=3,750,000€

Primary response to risk
Develop flood emergency plans

Description of response
Sacyr has developed a “Response to environmental emergencies” where preventive and corrective measures in case of floods or landslides are described. In the same procedure it is also described how emergency plans are developed prior to the commencement of every contract.

An example of this is in the Pamplona-Cúcuta highway contract in Colombia, sediment retention barriers were installed on site during the execution of activities to avoid water pollution from stockpiles. Materials reused in the project, such as empty drums were used to reinforce these barriers.

Moreover, Sacyr has developed the adaptive capacity potential for this risk. This analysis includes activities such as:
• Expansion of the scope of geological and geotechnical studies within areas with risk of flood
• Prevention and protection projects associated with risks of flooding
• Carry out an environmental impact study
• Installation of meteorological centers

These opportunities will enable Sacyr to increase their adaptive capacities and reduce their vulnerabilities.

Cost of response
9431341.9

Explanation of cost of response
With the aim of improving environmental performance, at Sacyr a series of environmental initiatives to reduce environmental risks are carried out, enhance water-related opportunities, guarantee compliance with legal environmental requirements, the prevention of pollution, the adoption of energy-saving measures, the improvement of waste management and the increase of environmental training and awareness, among others.
Senior management has a deep involvement in the implementation of resulting actions from the Climate Change Strategy that the Group approved in 2020. It entails of a roadmap that establishes a common framework on environmental management.
Complementary to this new strategy, Sacyr assess and manages climate-related risks and opportunities six-monthly from a qualitative and qualitative perspective following the recommendations of the TCFD. This work includes response definition for each specific risk, including mitigation, adaptation and realization plans and measures.
Particularly regarding landslides, and with a special focus in Colombia, where we have lately suffered a few incidents (Pamplona Cúcuta highway, Rumichaca area in the frontier with Ecuador, among others), and Peru, our mitigation actions focus on: - Increase revegetation around slope thanks to environmental management programs, - and expansion of the content and scope of geological and geotechnical studies in landslide-prone areas. Additionally, we took out insurance policies to cover possible property damage and business interruption, which account for 7.3M€ for roads infrastructures.
Expenditure and investment in relation to these initiatives totalled more than 52.9M€ in 2022 (47M€ in 2021, 34M€ in 2020, 26M€ in 2019). This figure is the result of gathering the cost of waste and emissions treatment and restoration (18,384,956.84€) and the cost of environmental management (34,522,557.37€), which include ordinary and extraordinary expenditures. Disaggregating this figure by country and business area, particularly for our Colombia and Perú infrastructure and concessions operations, it encompasses 1,145,015.26 € (Colombia) and 986,326.64 € Perú).
We therefore consider that the cost of response is the sum of both mitigation actions and insurance:
1,145,015.26 € + 986,326.64 € + 7,300,000€ = 9,431,341.9 €.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

	Primary reason	Please explain
Row 1	Risks exist, but no substantive impact anticipated	The Quality, Environment and Energy Department is responsible for identifying the internal and external context of Sacyr and assessing water-related risks and opportunities. The Quality and Environment Committee is then in charge of reviewing, debating, and approving the context and stakeholder analysis and the identification and assessment of climate and water risks and opportunities. This exercise takes place twice a year (March & September) and it studies water-related risks on the direct operations of the company along with stakeholders. The result of this study is a SWOT matrix from which the identified risks and opportunities are analysed, assessed considering the activity and geographical area and managed according to the internal procedure, which considers both Internal (e.g., business model) and external (e.g., legal environmental requirements) aspects. A qualitative assessment is carried out then based on the probability of occurrence of each risk/opportunity and its impacts on Sacyr's financial accounts to understand which of them could have a substantive financial or strategic impact. It assesses past conditions, implemented measures, impacts on annual accounts, performance potential and time horizon (short, medium, long), as well as any other additional observations. Additionally, since 2021, Sacyr also performs a quantitative analysis by using a tool for assessing the financial impact associated with the water related risks. All the risks identified in our value chain are assessed as tolerable or moderate, that is, none of them have a substantial impact. Sacyr defined tolerable and moderate risk when the result of the risk (likelihood x impact) is between 3-4 and moderate 6. More than 6 the risk is considered as substantial, and actions shall be taken with high priority to reduce or eliminate the risk.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Resilience

Primary water-related opportunity

Increased resilience to impacts of climate change

Company-specific description & strategy to realize opportunity

Sacyr's commitment to water management is to ensure a business model that is responsible and aware of the planet's limits, with the firm intention of preserving our natural resources for future generations.

Sacyr is aware that efficient water management and new technologies that secure the amount of freshwater in water scarcity areas are key to the economic development of the communities in which we are present, and a key factor for sustainable development.

At Sacyr, through the subsidiary Sacyr Agua, water resources are optimized by producing freshwater through desalination, minimising distribution losses and making it possible for used water to be regenerated for new uses, or otherwise to be returned to nature in optimal conditions. Sacyr Agua currently manages ten desalination facilities, all located in water stressed areas that need these facilities to supply their annual drinking water needs, thus making safe drinking water available to more than six million people. Thanks to the innovative technology of these desalination plants, the company can offer humankind all the water it needs, with the right quality for each intended use.

By implementing efficiency techniques, in 2022 Sacyr was able to provide 124.645,26 Ml of drinking water generated in desalination plants to supply network and agriculture in areas of acute water scarcity, such us Spain, Algeria, Omán and Australia.

This opportunity is considered to have a financial and strategic impact on the business because Sacyr's concessions from here on out will have a benefit on resilience to impacts of climate change, instead of the opposing. It has been identified that developing projects with a positive impact on the environment will effectively have a positive financial and strategic impact on Sacyr.

As example of a desalination plant is Southern Seawater Desalination Plant (SSDP). The plant is in the dunes of the small coastal towns of Binningup and Myalup, approximately 130 km south of Perth. The current freshwater production is 306,000 m3/day (100 Gl/yr), which constitutes a significant percentage of Western Australia's drinking water provided, in an area where the water stress is high. Drinking water from the plant is transferred to Perth's Integrated Water Supply Scheme and the brine is returned to the ocean through an array of diffuser ports offshore.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential financial impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

343787917

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

Sacyr Agua controls the operation and maintenance of the desalination plant currently. The design project, construction, and operation of Southern Seawater Desalination Plant (SSDP) reached €1.1 billion. In 2022, Sacyr Agua invested 8,243,046.745 € and the benefit obtained was 343,787.917 €.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number
Facility 1

Facility name (optional)

Country/Area & River basin

Brazil	Rio Jacui

Latitude
-32.040888

Longitude
-52.101167

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.47

Comparison of total withdrawals with previous reporting year
This is our first year of measurement

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.471

Total water discharges at this facility (megaliters/year)
0.37

Comparison of total discharges with previous reporting year
This is our first year of measurement

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.377

Total water consumption at this facility (megaliters/year)
0.09

Comparison of total consumption with previous reporting year
This is our first year of measurement

Please explain
The location coordinates which have been reported are related to the Brazil RSC287 Road contract which works on the operation and maintenance of the road transport infrastructure.

The year 2022 was the first year the water balance was reported for this contract. Within the following years there will be more reporting on the water quantities which will be able to be compared with the previous reporting years.

Facility reference number
Facility 2

Facility name (optional)

Country/Area & River basin

Colombia	Other, please specify (Pacific)

Latitude
12.058837

Longitude
-77.285787

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.3

Comparison of total withdrawals with previous reporting year
Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.302

Total water discharges at this facility (megaliters/year)
0.24

Comparison of total discharges with previous reporting year
Lower

Discharges to fresh surface water
0.242

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0

Total water consumption at this facility (megaliters/year)
0.06

Comparison of total consumption with previous reporting year
Lower

Please explain
The location coordinates which have been reported are related to the contract Rumichaca-Pasto Highway (Colombia), a construction of the road
The total volume of total withdrawals and discharges of water decreased in 2022 compared to 2021 (water withdrawals 0,63 Ml and discharges 0,126 Ml) because in 2022 the contract was in the construction phases that required lower quantities of water and thus, the discharge of water and the consumption. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation.
The volume of water discharge was calculated based on the standard discharge coefficients by activity, as published by Canal de Isabel II Gestión, S.A. (Spain) in its R+D+i Notebooks. 19 A new criterion for calculating the flow of urban wastewater (2013) and defined in Sacyr technical procedure "PT.12.60 Water Footprint Assessment". Sacyr calculates their own water consumption as the difference between total water withdrawal and total water discharge, in accordance with ISO 14.046 and GRI standard guidelines.

Facility reference number
Facility 3

Facility name (optional)

Country/Area & River basin

Colombia	Other, please specify (Caribbean)

Latitude
78.890971

Longitude
-72.496689

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
84.63

Comparison of total withdrawals with previous reporting year
Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
84.63

Total water discharges at this facility (megaliters/year)
0

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0

Total water consumption at this facility (megaliters/year)
84.63

Comparison of total consumption with previous reporting year
Lower

Please explain
The location coordinates which have been reported are related to the contract Pamplona Cúcuta Highway (Colombia), a construction of the road.
The total volume of water withdrawals decreased in 2022 compared to 2021 (water withdrawals 148,64 Ml) and the water discharges have remained the same. Water withdrawals were lower because the contract was in 2022 in construction phases that required a lower quantities of water requirements and thus, the water consumption decrease. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation.
The volume of water discharged was calculated based on standard discharge coefficients by activity, as published by Canal de Isabel II Gestión, S.A. (Spain) in its R+D+i Notebooks. 19 A new criterion for calculating the flow of urban wastewater (2013) and defined in Sacyr technical procedure "PT.12.60 Water Footprint Assessment". Sacyr assumes, as professional literature recommends, that there is no discharge when the water withdrawal is used in the production of materials certain construction stages, track irrigation or compacting embankments...
Sacyr calculates own water consumption as the difference between total water withdrawal and total water discharge, in accordance with ISO 14.046 and GRI standard guidelines

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Facility reference number
Facility 4

Facility name (optional)

Country/Area & River basin

Colombia	Other, please specify (Caribbean)

Latitude
9.718021

Longitude

-75.120988

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
0.55

Comparison of total withdrawals with previous reporting year
About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0.559

Total water discharges at this facility (megaliters/year)
0.44

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0.447

Total water consumption at this facility (megaliters/year)
0.11

Comparison of total consumption with previous reporting year
About the same

Please explain
The location coordinates which have been reported are related to the contract Puerta de Hierro Highway (Colombia). This contract relates to the operation and maintenance of the infrastructure.
The volume of total withdrawals discharged, and consumption of water have remained the same when compared to 2021. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation.
The volume of water discharge was calculated based on the standard discharge coefficients by activity, as published by Canal de Isabel II Gestión, S.A. (Spain) in its R+D+i Notebooks. 19 A new criterion for calculating the flow of urban wastewater (2013) and defined in Sacyr technical procedure "PT.12.60 Water Footprint Assessment". Sacyr calculates own water consumption as the difference between total water withdrawal and total water discharge, in accordance with ISO 14.046 and GRI standard guidelines.

Facility reference number
Facility 5

Facility name (optional)

Country/Area & River basin

Colombia	Other, please specify (Magdalena Cauca)

Latitude
62.476376

Longitude
-75.565815

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
7.76

Comparison of total withdrawals with previous reporting year
Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
7.767

Total water discharges at this facility (megaliters/year)
0

Comparison of total discharges with previous reporting year
About the same

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0

Total water consumption at this facility (megaliters/year)
7.76

Comparison of total consumption with previous reporting year
Higher

Please explain
The location coordinates which have been reported are related to the contract Al Mar 1 y Segundo Túnel de Occidente Highway (Colombia). This contract is the construction of a road.
The volume of total withdrawals of water increased in 2022 compared to 2021 (water withdrawals 4,53 Ml) and the water discharges remain the same. Water withdrawals were higher because during 2022 the contract was in construction phases that required more quantities of water and therefore, water consumption increased. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation.
The volume of water discharged was calculated based on standard discharge coefficients by activity, as published by Canal de Isabel II Gestión, S.A. (Spain) in its R+D+i Notebooks. 19 A new criterion for calculating the flow of urban wastewater (2013) and defined in Sacyr technical procedure "PT.12.60 Water Footprint Assessment". Sacyr assumes, as professional literature recommends, that there is no discharge when the water withdrawal is used in the production of materials certain construction stages, track irrigation or compacting embankments...
Sacyr calculates own water consumption as the difference between total water withdrawal and total water discharge, in accordance with ISO 14.046 and GRI standard guidelines.

Facility reference number
Facility 6

Facility name (optional)

Country/Area & River basin

Peru	Other, please specify (Pacific)

Latitude
-7.161746

Longitude
-78.512785

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
11.28

Comparison of total withdrawals with previous reporting year
Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
11.287

Total water discharges at this facility (megaliters/year)
11.28

Comparison of total discharges with previous reporting year
Higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
11.287

Total water consumption at this facility (megaliters/year)
0

Comparison of total consumption with previous reporting year
About the same

Please explain
The location coordinates which have been reported are related to the contract: Section 2 of the Longitudinal de la Sierra Highway in Peru, which works on the operation and maintenance of infrastructure.
The total volume of water withdrawals and discharges increased in 2022 compared to 2021 (both 5,4 Ml). Water withdrawals were higher because in 2022 the contract developed road maintenance activities that required more quantities of water, such as for sweeping the pavement, removing dragging materials or landslides, cleaning drains and ditches on the roads or cleaning vertical signage. Thresholds for 'much higher' and 'much lower' for the comparison with previous reporting year have a +/- 15% deviation.
The volume of water discharges was calculated based on standard discharge coefficients by activity, as published by Canal de Isabel II Gestión, S.A. (Spain) in its R+D+i Notebooks, a new criterion for calculating the flow of urban wastewater (2013) and it is also defined in Sacyr's technical procedure "PT.12.60 Water Footprint Assessment". Sacyr has made assumptions based on what the professional literature recommends, that the whole volume of water withdrawn and used in the maintenance of roads is returned completely in the sewage network or natural environment.
Sacyr calculates their water consumption as the difference between total water withdrawal and total water discharge, in accordance with ISO 14.046 and GRI standard guidelines.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified
76-100

Verification standard used
Sacyr is committed to evaluate the water footprint of all activities. In 2022 the water footprint was verified and certified according to the ISO 14.046 requirements by AENOR (Spanish Association for Standardization and Certification). The water footprint inventory considers water withdrawals, considering the river basin from where it has been withdrawn as well as the source: underground water freshwater surface, brackish water or water from third parties. All calculations and inventory from 2022 have been verified by AENOR.

Please explain
<Not Applicable>

Water withdrawals – volume by source

% verified
76-100

Verification standard used
Sacyr is committed to evaluate the water footprint of all activities. In 2022 the water footprint was verified and certified according to the ISO 14046 requirements by AENOR (Spanish Association for Standardization and Certification). The water footprint inventory considers water withdrawals, considering the river basin from where it has been withdrawn as well as the source: underground water freshwater surface, brackish water or water from third parties. All calculations and inventory from 2022 have been verified by AENOR.

Please explain
<Not Applicable>

Water withdrawals – quality by standard water quality parameters

% verified
76-100

Verification standard used
Sacyr is committed to evaluate the water footprint of all activities. In 2022 the water footprint was verified and certified according to the ISO 14046 requirements by AENOR (Spanish Association for Standardization and Certification). The inventory of the water footprint takes into account quality parameters, such as temperature, pH, conductivity, BOD, nitrogen, nitrate, phosphate, pesticide, etc, in water withdrawals and water discharges of our water treatment plants to evaluate the degradative water footprint profile. Additionally, the quality of water withdrawals in contracts is monitored according to the water withdrawal requirements included in the permit issued by the specific authority. All calculations and inventory from 2022 have been verified by AENOR.

Please explain
<Not Applicable>

Water discharges – total volumes

% verified
76-100

Verification standard used
Sacyr is committed to evaluate the water footprint of all activities. In 2022 the water footprint was verified and certified according to the ISO 14046 requirements by AENOR (Spanish Association for Standardization and Certification). The water footprint inventory considers water discharges, considering the river basin in which it is discharged and their destination: surface water, groundwater, sea or to third parties. All calculations and inventory from 2022 have been verified by AENOR.

Please explain
<Not Applicable>

Water discharges – volume by destination

% verified
76-100

Verification standard used
Sacyr is committed to evaluate the water footprint of all activities. In 2022 the water footprint was verified and certified according to the ISO 14046 requirements by AENOR (Spanish Association for Standardization and Certification). The water footprint inventory considers water discharges, considering the river basin in which it is discharged and their destination: surface water, groundwater, sea or to third parties All calculations and inventory from 2022 have been verified by AENOR.

Please explain
<Not Applicable>

Water discharges – volume by final treatment level

% verified
76-100

Verification standard used
Sacyr is committed to evaluate the water footprint of all activities. In 2022 the water footprint was verified and certified according to the ISO 14046 requirements by AENOR (Spanish Association for Standardization and Certification). The water footprint inventory considers
water discharges in which they are carried out, and the treatment given to the water (tertiary, secondary, primary treatment, or the discharge to the natural environment or to a third party is carried out without treatment). All calculations and inventory from 2022 have been verified by AENOR.

Please explain
<Not Applicable>

Water discharges – quality by standard water quality parameters

% verified
76-100

Verification standard used
Sacyr is committed to evaluate the water footprint of all activities. In 2022 the water footprint was verified and certified according to the ISO 14046 requirements by AENOR (Spanish Association for Standardization and Certification). The inventory of the water footprint considers quality parameters, such as temperature, pH, conductivity, BOD, nitrogen, nitrate, phosphate, pesticide, etc, to evaluate the degradative water footprint profile. Additionally, the quality water discharges are monitored according to the water discharges requirements included in the permit issued by the specific authority. The quality of the discharge shall be assured, always in accordance with applicable environmental legislation. To guarantee water quality, we always monitor the quality of discharges in accordance with the established environmental monitoring plans, setting out all the water quality requirements included in the relevant discharge permits. Furthermore, in accordance with each permit, we periodically report water quality parameters to the relevant environmental authority. All calculations and inventory from 2022 have been verified by AENOR.

Please explain
<Not Applicable>

Water consumption – total volume

% verified
76-100

Verification standard used
Sacyr is committed to evaluate the water footprint of all activities. In 2022 the water footprint was verified and certified according to the ISO 14046 requirements by AENOR (Spanish Association for Standardization and Certification). The inventory of the water footprint considers water consumption in each basin, obtained from the difference between the input and output of water. TAll calculations and inventory from 2022 have been verified by AENOR.

Please explain
<Not Applicable>

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of the scope (including value chain stages) covered by the policy Description of business dependency on water Description of business impact on water Commitment to align with international frameworks, standards, and widely-recognized water initiatives Commitment to prevent, minimize, and control pollution Commitment to reduce water withdrawal and/or consumption volumes in direct operations Commitment to reduce water withdrawal and/or consumption volumes in supply chain Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace Commitment to stakeholder education and capacity building on water security Commitment to water stewardship and/or collective action Commitment to the conservation of freshwater ecosystems Commitments beyond regulatory compliance Reference to company water-related targets Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	Sacyr's water policy was approved by The Board of Directors on 11st June 2020 and amended on 22nd December 2022. It is stated to be company-wide as it is key to achieving the company's global strategic objectives. The policy includes the main following commitments: • Integrate water management into the corporate strategy and decision-making process. • Comply with the legal and regulatory requirements applicable to water, in addition to complying with all other requirements that Sacyr subscribes to in relation to the management of this resource. • Manage water resources efficiently, prioritising the reduction of water consumption and the use of reused and recycled water in the execution of activities, including those carried out by our suppliers, whenever possible, promoting a circular economy model. • To prevent water pollution, minimising the alteration of water quality, as well as reducing discharges, guaranteeing the conservation of the environment and biodiversity. • To promote and support the innovation of processes that favour the efficient use of water. • Encourage training for employees and collaborators in responsible water use practices, recognizing the right to safe and clean drinking water and sanitation as a human right. Promote awareness and sensitisation of the sustainable use of water with local communities, customers, and other interested parties. • Promote the value of water as a limited natural resource and knowledge of the actions that Sacyr carries out to protect it. • Improve water management by establishing indicators, objectives and processes that allow for continuous monitoring and evaluation of its projects.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?
Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
Chief Executive Officer (CEO)	Sacyr's governance structure is led by the Board of Directors whose head is the Chief Executive Officer (CEO). The CEO is then the maximum responsible that oversees the company's performance across all the activities, including those related to water. In addition, the CEO heads the Sustainability Committee, the most senior bodies responsible for sustainability matters that meet periodically to deal with issues connected with the company's strategy, management, and performance, and to address specific aspects related to water. An example of significant decisions taken by the CEO in 2022 was the creation of a new Biodiversity Committee. Through it, we strengthen our action in relation to water, establishing initiatives and reviewing the action plans that are developed in the projects we execute. This Committee is led by the Corporate General Manager and includes environmental experts from all areas of the company. These governance bodies oversee the organisation's progress against established water targets, as well as initiatives to achieve these targets. Other examples in 2022 would include the approval of Sacyr's water footprint evaluation and its verification with AENOR according to the ISO 14.046 standard. Finally, Sacyr water policy was updated in December 2022.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Monitoring progress towards corporate targets Overseeing acquisitions, mergers, and divestitures Overseeing and guiding public policy engagement Overseeing and guiding scenario analysis Overseeing the setting of corporate targets Overseeing value chain engagement Providing employee incentives Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation/R&D priorities Setting performance objectives	The Board of Directors chaired by the CEO, oversees Sacyr's performance across all the activities, including those related to water security. Sacyr understands that water management must take a collaborative approach establishing a relationship with the various stakeholders involved and considering their needs and interests. The Board of Directors has three delegate Committees (the Sustainability and Corporate Governance Committee, the Audit Committee and the Appointments and Remuneration Committee). The Sustainability and Corporate Governance Committee focuses mainly on supervising, proposing, and updating corporate environmental, social, and good governance policies for their consideration and approval by the Board of Directors. In particular, The Sustainability Committee addresses issues related to the company's strategy, management, and performance, including specific aspects associated with water resources. The Sustainability Committee meets quarterly and reports to the CEO. These governance bodies oversee the organization's progress against the water targets set, as well as the initiatives to achieve such targets included in the Sacyr Strategic Plan 2021-2025. The Board of Directors, therefore, exercise the following responsibilities: - The approval of the strategic or business plan, annual budget and management objectives, investment and financing policy, sustainability policy and dividend policy. - Establishing the risk control and management policy, including tax risks, and supervising internal information and control systems. - Establishing the Company's and the group's corporate governance policy and other corporate policies, such as the water policy or supply chain management policy; its organisation and operation and, in particular, approving and amending its own regulations. - The approval of investments or transactions of all kinds which, due to their high amount or special characteristics, are considered strategic or of special fiscal risk, unless their approval corresponds to the General Meeting.

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	Yes	The Corporate General Manager, who serves on the Sustainability Committee and reports directly to the Chairman and Chief Executive Officer, manages and coordinates environmental (included water issues) climate activities and risks. He is responsible for referring water-related issues to the Sacyr Management Committee, which meets monthly. This Committee comprises the Chairman, the General Managers and Chief Executives of the business units. This position has extensive expertise in water issues due to his background (Civil Engineer) and his more than 30 years of professional experience, having managed Sacyr's services department in the past, which included water activities.	<Not Applicable>	<Not Applicable>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)
Chief Executive Officer (CEO)

Water-related responsibilities of this position
Assessing water-related risks and opportunities
Conducting water-related scenario analysis
Setting water-related corporate targets
Monitoring progress against water-related corporate targets
Managing public policy engagement that may impact water security
Managing value chain engagement on water-related issues
Integrating water-related issues into business strategy
Managing water-related acquisitions, mergers, and divestitures
Providing water-related employee incentives

Frequency of reporting to the board on water-related issues
Quarterly

Please explain
At Sacyr, the governance structure is headed by the Board of Directors chaired by the CEO, which oversees the company's efforts to fight climate change and its consequences in the increasement of water scarcity. Sacyr's Sustainability and Corporate Governance Committee, a Board delegated Committee, and the Sustainability Committee, chaired by the chairman and CEO of the Group, the most senior bodies responsible for sustainability matters, meet quarterly and monthly, respectively, to address issues related to the company's strategy, management, and performance, including specific aspects associated with water resources. These governance bodies oversee the organization's progress against the water targets set, as well as the initiatives to achieve such targets included in the Sacyr Strategic Plan 2021-2025. These actions are communicated quarterly and approved by the Board of Directors.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	Sacyr has established an incentive plan for its C-suite employees related to the company's performance, which includes objectives related to water such as the reduction of water consumption volumes as part of the strategic plan for the entire group.

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Chief Executive Officer (CEO)	Reduction in water consumption volumes – direct operations Increased investment in water-related R&D Company performance against a sustainability index with water-related factors (e.g., DJSI, CDP Water Security score, etc.)	Sacyr is acutely mindful of the importance of water for human health, life in environmental habitats and socio-economic development. Accordingly, Sacyr is committed to improving the governance and management of water resources in all our activities as stated in our Water Policy. To fulfil this commitment, it is established in our Strategic Plan 2021-2025 the goal of reducing Sacyr own water consumption across all our activities by at least 10% by 2025. This objective is included the CEO's variable economic incentive. Aware of the importance of investment in research and development, Sacyr objective is to double investment in innovation by 2025 to €16 million, part of which is earmarked for innovative water technologies. This investment is linked to reducing water consumption, among other objectives, included in the overall strategic plan on which the CEO incentive depends. For instance, technology to obtain water for agricultural irrigation based on desalination in areas with water scarcity. Also, Sacyr Sustainability Plan, that expand the Strategic Plan, set the following objectives in terms of ESG indicators where water-related KIP's are included: - Equity story. Strengthen the quality and quantity of ESG information made available to investors. - Identification of value initiatives based on ESG factors. - Link transparency and reporting tools. - FAQ document on non-financial aspects. - Set KPI's ESG quarterly update	The Board of Directors has approved a long-term incentive plan (the "ILP"), consisting of a Multiannual Bonus linked to the achievement of goals established in the Strategic Plan 2020-2025. The ILP is a variable remuneration system, unbound, aimed at the management team (CEO), as well as the directors of the company who perform executive functions and has as objectives: i) To encourage the key personnel with high potential (ii) Maximize the value of Sacyr and its subsidiary companies allowing the management team to benefit from the results linking it to the Strategic Plan (iii) Reward the permanence of the eligible management team and (iv)Offer the eligible management team a remuneration element in line with the best market practices, and that supports the implementation of a remuneration policy with internal equity and external competitiveness. The incentive will be paid 50% in cash and the other 50% in shares on the date on which the BoD, at the proposal of the appointments and Remuneration Committee, determines this amount after analysing the fulfilment of the objectives. The ILP is conditional on compliance with the EBITDA, BDI and total Return for Shareholder objectives, established in the 2020-2025 Strategic Plan. In 2022, the amount of ILP to be received by the Chairman amounts to €1,354,966 in cash and 667,965 shares of the Parent Company. The percentage of compliance with the objectives was 124.5%.
Non-monetary reward	No one is entitled to these incentives	<Not Applicable>	<Not Applicable>	Sacyr currently has no non-monetary incentives linked to water-related issues.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, direct engagement with policy makers

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Sacyr's policies related to water are defined at the highest level in the company in coordination with relevant units such as the Sustainability Committee and the Quality Committee that ensure the alignment of the company's water strategy, commitments, and the public policy engagement activities. The Quality Committee ensures compliance with the most up-to-date national and European water policies through a policy review report periodically submitted to the Sustainability Committee. Sacyr has a mechanism to ensure that all of its activities that influence policy are consistent with our water commitments: 3 committees are in place to review and accept actions.

1.The Sustainability and Corporate Governance Committee, mainly responsible for supervising and proposing ESG policies. The committee gathers independent directors of different BUs.

2.The Sustainability Committee is in charge of developing and executing the actions related to sustainability within a strategy aligned with the ODS. This committee is chaired by the CEO, and is made up of the general corporate manager, the general HR managers, the general comms and sustainability management, the business legal department, the secretary of the board of directors, and the heads of other BUs.

3.The Management System Committee has to prepare a study and analysis of the context and stakeholders, analyse the System Review Report, carry out the final consolidation of risks and opportunities.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

6.6_Sacyr_Financial Report_Annual Report on Corporate Gobernance 2022.pdf

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	Sacyr is aware that water resources are critical and are affected by climate change, so the Sustainable Plan (2021-2025) was approved, which includes water management as a key pillar. Within the sustainability plan and under the climate ambition pillar, several targets have been determined to align with science-based goals and long-term business objectives, most notably a target to reduce its own water consumption across all its activities by at least 10% in 2025, verification of the water footprint in accordance with the ISO 14.046 standards, increase waste reuse to 80% by 2025, double the investment in innovation by 2025, with the focus on sustainable projects. For instance, the Conren Tramway buildings in Barcelona, that aim to obtain LEED Gold certification, that save more than 9,000 m3 of water per year by using consumption efficient equipment. Another example is the capital district clean area contract (Colombia), a plant for the treatment of non-domestic wastewater (PTARnD) has been included in the operations, which allows the reduction of drinking water in cleaning tasks. In addition, Sacyr Agua has incorporated new systems for sectorization and monitoring of the supply network, which will allow “Aguas del Valle del Guadiaro” contract to improve the performance of its supply network and reduce the volume of water consumed by 8%.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	Sacyr is committed to reducing the climate risks related to water security, as well as strengthening opportunities in order to provide resilient product and services to future market and climate conditions and therefore, secure the continuity of the business in the medium and long term. Through the Environmental Management System implemented according to ISO 14001, Sacyr identifies and assesses the water-related risks and opportunities associated with Sacyr’s activities. As part as Sacyr’s strategy to achieve the long-term objectives different measures are carried out to reduce the water impact. • Efficient use of water: through the development of sustainable projects including requirements for water efficiency, as established in the BREEAM and LEED certifications. For instance, the Kube Tarragon housing complex aims to obtain a very good BREEAM rating saving more than 19,000 m3 of water per year. • Water reuse: At Amazon’s logistics warehouse in Badajoz (Spain), The reuse of water is estimated to have reduced the amount of water withdrawn from natural sources by 42 times compared to the traditional method. • Pollution prevention: the water from the tunnel excavation activities of the Elorrio Joint Venture in Vizcaya (Spain) is collected in settling basins at the tunnel exit. It is then treated in a treatment plant installed on the site to ensure the quality of the water discharged. The volume of water treated and discharged in 2022 was 208,288 m3.
Financial planning	Yes, water-related issues are integrated	5-10	Sacyr believes that innovation and sustainability must go hand in hand. The company's innovation objectives are based on the search for efficiency and the development of new business models. In 2022, Sacyr has invested more than 4,643,000€ in innovation projects related to the environment, of which 888,181€ are for financing innovation water projects. For example, the launch of the “SOS Agua XXI” research project” led by Sacyr Water (with an investment of €732,579) and Valoriza Servicios Medioambientales and supported by the Spanish Ministry of Science and Innovation. The project aims to find sustainable and energy-efficient technological solutions to develop resource management and treatment strategies, preparing the Spanish agricultural sector to combat the shortage of conventional water resources and the effects of climate change. Another example is the Life Hyreward Project (83,388€ investment), which aims at increasing the sustainability of the desalination process by combining the reverse osmosis process and reverse electrodialysis or RED (Reverse Electrodialysis).

W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

-3.71

Anticipated forward trend for CAPEX (+/- % change)

-0.13

Water-related OPEX (+/- % change)

21.7

Anticipated forward trend for OPEX (+/- % change)

12.98

Please explain

Capital expenditure in 2022 has decreased slightly by 3.71%, with this expenditure remaining almost unchanged compared to 2021. In 2023, this expenditure is expected to remain similar to the previous year as any capital expenditure or technical investment necessary for the service is paid by the customer and therefore does not represent any capital expenditure for Sacyr. However, improvement investments will be made but are accounted for in operating investments. On the other hand, operating expenses in 2022 have increased by 21.70% compared to 2021 due to the 20.96% increase of revenues related to water and so the increase in total treated water, especially desalinated water production. These expenses are expected to increase by 12.98% in 2023 compared to 2022 due to the increase in operations, revenues (15.71% increase expected in 2023) and the upward trend in the volume of treated water.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	Sacyr uses climate scenarios following the TCFD recommendations for the assessment of the risks and opportunities associated with climate change and water that are integrated into a multi-disciplinary company-wide risk management process. Time horizon provided by these scenarios are 2030-2050.

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related Climate-related Other, please specify (RCP 2.6, RCP 4.5 and RCP 8.5)	Following TCFD recommendations, Sacyr uses climate scenarios in terms of governance, strategy, risk management, metrics, and objectives to assess them. This assessment is carried out in accordance with the different key variables, extreme indices and climate impact factors provided by the Intergovernmental Panel on Climate Change (IPCC), according to its Sixth Assessment Report, depending on the location of each of Sacyr's assets. The assessment uses 34 different models for shared socio-economic trajectories (SSPs), the highest resolution and most advanced climate projections available in the existing range of future scenarios compatible with the expected lifetime of each asset. These scenarios used for the assessment are SSP1-2.6, SSP2-4.5, and SSP5-8.5, which are derived from the Phase 6 database from the database of the sixth phase of the ACOCOA Model Coupled Model Intercomparison Project (CMIP6) database. A) SSP1-2.6: describes the best-case scenario, with stringent mitigation efforts to halve Greenhouse Gas (GHG) emissions by 2050 in order to keep global warming below 2°C. Only RCP 2.6 is in line with the 2015 Paris agreement. B) SSP2-4.5: shows a scenario in which important mitigation actions are carried out and, therefore, a peak of atmospheric emissions is reached around the year 2040 that begin to decrease afterwards. However, despite achieving a considerable reduction in emissions, the global warming projected by the end of the century exceeds the limit of 2ºC established in the Paris Agreement. RCP 4.5 was chosen to portray a low emissions scenario using official climate projections of all the main countries were Sacyr operates for the medium-term time horizon. C) SSP5-8.5: shows a Business-as-Usual scenario, in which GHG emissions would continue to increase in the order of 4-5°C by 2100. It is the worst possible and it was chosen to portray a high emissions scenario using official climate projections of all the main countries were Sacyr operates for the medium-term time horizon. Since 2021, Sacyr also performs a quantitative analysis by using a tool for assessing the financial impact associated with physical risks related to climate change.	The main water-related impacts associated with the scenario 2030-2050 are: - Water stress and drought (physical risk): restricted use of water as a resource, low production in projects, interruption of activities. Facilities affected are located in Algeria, where Sacyr operates 2 desalination plants; Chile, Sacyr operates 4 integrated water cycles, Spain; Qatar; and the Lerma River basin in Mexico. - Heavy rainfall, flooding, landslides (physical risk): delays in construction activities, increased maintenance and upkeep needs and disruption to infrastructure. Sacyr identifies different facilities affected by this risk mainly located in Colombia (Cúcuta highway, Puertae de Hierro highway, etc), Peru (Longitudinal de la sierra highway) and Brazil (RSC287 Road). Sacyr has mapped different opportunities that arise from the water-related impacts described above. For instance, the reduction of water consumption though the implementation of water reuse systems such as Amazon's logistics warehouse. It is estimated that this system has reduced the amount of water withdrawn from natural sources by 42 times compared to the traditional method. Another opportunity is the improvement in the efficiency of purification processes through innovative technologies such as obtaining water for agricultural irrigation from desalination, especially important in water-scarce areas. Thanks to this technology, 14% of the water generated in desalination plants will be used for agriculture.	Scenario analysis has been useful to create a more resilient business with respect to different future scenarios on water resources. Sacyr considers different measures in a timeframe of 2030-2050 in response to the water-related outcomes. Sacyr's response to water stress and drought is focused on the investment in projects related to the integral water cycle and desalination such as telemetering to detect leaks, the reverse osmosis process technology, etc. Other responses are related the integration of a Risk Management System (IRMS) to facilitate key business decision-making through a systemic and structured analysis of the risks inherent to our business. The main bodies responsible for Sacyr's Integrated Risk Management System (IRMS) are the BoD, the Audit and the Risk Committee. Regarding heavy rainfall and flooding, the focus is on sizing, hydraulic verification, and maintenance programmes for engineering works, expanding the content and scope of geotechnical studies, landslide protection and prevention projects. The Quality, Environment and Energy Department is responsible for identifying the internal and external context of Sacyr and assessing climate change and water-related risks and opportunities, along with other relevant heads of relevant departments for each case. The Sustainability Committee is then in charge of review, debate and approve the context and stakeholder analysis and the identification and assessment of climate risks and opportunities.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

Sacyr is working on the incorporation of an internal price on water in the short term to incentivise the reduction of water consumption and therefore, use this mechanism as a lever for action to meet the targets within the company's strategic plan. At the moment we use other mechanisms to reduce water consumption such as the use of BREAM and LEED certifications in our construction projects in line with sustainable environmental requirements for water efficiency.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	Yes	Sacyr evaluates its water footprint to quantify the impact on water resources caused by the company's different activities according to the requirements of the ISO 14046 standard. The inventory of the water footprint considers aspects such as water sources, the country's water stress and the quality of the water and discharges, among other parameters. In terms of management, the strategy considers the availability, quality, and balance of ecosystems, with the aim of optimising the use of water resources. The methodology includes different indicators to classify the impact on water resources such as: - Water Stress Index (WSI): This indicator is based on a consumption-availability relationship calculated as the fraction between the water consumed and the available one. The latter considers all runoff water, from which 80% is subtracted to consider environmental water needs. Results are available for major river basins around the world. The indicator is applied to the volume of water consumed and only assesses the consumptive use of water (m3). Negative values identify activities with a positive effect on the availability of the water resource, creating a resource that does not exist (freshwater) and being classified as a service with low impact on water.	<Not Applicable>	The methodology applied in Sacyr's Water Footprint allows it to determine the impact on the company's water resources and to be able to determine the services that can be classified as services with a lower impact on this resource.

W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	Yes	<Not Applicable>
Water withdrawals	Yes	<Not Applicable>
Water, Sanitation, and Hygiene (WASH) services	No, but we plan to within the next two years	At Sacyr, we are aware of the importance of water for human health, the life of habitats and socio-economic development. For this reason, we are committed to improving the governance and management of water resources in all our activities. According to Sacyr Water Policy, Sacyr and all its value chain shall encourage training for employees and collaborators in responsible water use practices, recognizing the right to safe and clean drinking water and sanitation as a human right. Sacyr does not have a water sanitation target yet but intends to implement a specific target at Sacyr Agua Chile in a short period of time, such as increasing the proportion of employees using safely managed sanitation services.
Other	Yes	<Not Applicable>

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number
Target 1

Category of target
Water consumption

Target coverage
Company-wide (direct operations only)

Quantitative metric
Reduction in total water consumption

Year target was set
2021

Base year
2021

Base year figure
3737.77

Target year
2025

Target year figure
3363.99

Reporting year figure
3636.9

% of target achieved relative to base year
26.9864626250735

Target status in reporting year
Underway

Please explain
At Sacyr, we are very aware of the importance of water for human health, life in environmental habitats and socio-economic development. Accordingly, we are committed to improving the governance and management of water resources in all our activities. To meet this commitment, our Sacyr Sustainable Plan set a target to reduce our own water consumption (ML) in all our activities by at least 10% by 2025. In 2022 we achieved a 2.70% total reduction in our own water consumption compared to the base year 2021. We expect to reach the target in 2025, so the reduction was adequate in 2022.

Target reference number
Target 2

Category of target

Water withdrawals

Target coverage
Site/facility

Quantitative metric
Reduction in total water withdrawals

Year target was set
2021

Base year
2021

Base year figure
749

Target year
2022

Target year figure
600

Reporting year figure
403

% of target achieved relative to base year
232.214765100671

Target status in reporting year
Achieved

Please explain
The contract of “Mantenimiento parques y jardines sector norte Sevilla” (Seville, Spain) is the conservation of green areas and street trees and the cleaning of existing playground areas. The contract set the objective of "Reduction of water withdrawals". During 2021, the project withdrew 749 m3 from the supply network, which led to set the objective of reduction water withdrawals. The result in the year 2022 was 403 m3 of water withdrawals. The proposed objective was not to withdraw more than 600 m3 of water during 2022 so the objective can be considered a 100% fulfilled. The annual reduction was a volume of 346 m3 of water withdrawal, which represents a 46,2% of reduction of water withdrawals in the contract compared to 2021.

Target reference number
Target 3

Category of target
Water pollution

Target coverage
Site/facility

Quantitative metric
Reduction in concentration of pollutants

Year target was set
2021

Base year
2021

Base year figure
25

Target year
2022

Target year figure
20

Reporting year figure
18

% of target achieved relative to base year
140

Target status in reporting year
Achieved

Please explain
The Pajares tunnels adaptation project (Asturias, Spain) is a contract to provide the Pajares tunnels with all the necessary emergency facilities to allow the safe evacuation of passengers. Throughout the project, three treatment plants were installed to treat the water discharged during the excavation of the tunnels to comply with the parameters of suspended solids and pH established in the water discharge authorisation. The contract set the objective of "Reduction of the water discharge parameter "Suspended solids" in order to improve the quality of the discharge" by 2022. The local authority "Confederación Hidrográfica del Cantábrico" established that suspended solids in water discharges must be kept below 25mg /l and Sacyr proposed to reduce this parameter by 5 mg/l as a target (20 mg/l). The contract reduced the number of suspended solids in water discharges to 18 mg/l, so that the target was achieved by 100%, even improving the quality requirements for water discharges set by the local authority "Confederación Hidrográfica del Cantábrico (CHC)".

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	The indicators reported in the Current State section are included in our integrated Sustainability report 2022 and therefore verified by a third-party including withdrawals and discharges volumes.	ISAE 3000	Sacyr requests a third party to carry out a verification of the data included in the integrated sustainability report with a limited assurance scope according to the ISAE 3000 and GRI guidelines, which includes the indicators of the current state section.
W1 Current state	The indicators reported in the Current State section and included in the water footprint have been verified by a third-party including withdrawals and discharges volumes.	Other, please specify (ISO 14046 AENOR)	Sacyr requests a third party to carry out a verification of the inventory data included in the water footprint of 2022 with a limited assurance scope according to the ISO 14406.
W6 Governance	The environmental policy that includes water related issues has been publicly disclosed in the 2022 integrated sustainability report. In addition, the governance structure for sustainability issues (which include water aspects) have been also reported in it.	ISAE 3000	Sacyr requests a third party to carry out a verification of the data included in the integrated sustainability report with a limited assurance scope according to the ISAE 3000 and GRI guidelines, which includes governance aspects.
W7 Strategy	Sacyr's ESG strategy including water-related aspects has been included in the 2022 integrated sustainability report.	ISAE 3000	Sacyr requests a third party to carry out a verification of the data included in the integrated sustainability report with a limited assurance scope according to the ISAE 3000 and GRI guidelines, covering aspects that relate to the strategy, and therefore, including Sacyr's strategy towards a better water management.

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain	Sacyr is aware that a coordinated and responsible action with the value chain is necessary to achieve a complete transformation towards a circular model, particularly with respect to plastics. In the calculation of its scope 3 emissions, Sacyr includes the emissions generated from the purchase of plastics from suppliers, included in category 1 of its footprint. in addition to the Circular Economy Policy, we have the Supply Chain Management Policy and the Code of Conduct that extend Sacyr's commitments, policies and values in terms of circular economy to all suppliers, further promoting a sustainable relationship between the projects and their environment. Sacyr purchases and uses plastic materials, mainly in the infrastructure and building construction business areas, as well as in integral water cycle concessions: polyethylene pipes, PVC pipes, GRP pipes, PVC joinery, paint coatings made of plastic materials, road marking elements, packaging, etc. In other business areas such as services, the purchase and use of materials is more residual and is reduced to the use of plastic containers, bags, and packaging.

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain	As part of the decision to efficiently manage water resources, Sacyr has measured its water footprint, the methodology for knowing, identifying, and evaluating the potential environmental impacts linked to water. The company's water footprint encompasses all aspects relating to the natural environment, human health, and water resources. The inventory includes the company's direct and indirect footprint, for all Group companies worldwide. The direct water footprint is a consequence of the impact produced by the consumption of fresh water and any pollution associated with water use; while the indirect water footprint relates to the impact from water consumption during the production of energy, fuel, materials including plastic materials and the handling and transportation of the waste generated, i.e. the water footprint of its value chain. With regard to Sacyr's activities, the greatest impact is in the engineering and infrastructure business area where Sacyr purchases and uses plastic materials, such as: polyethylene pipes, PVC pipes, GRP pipes, PVC joinery, paint coatings made of plastic materials, road marking elements, packaging, etc. During 2023, Sacyr aims to calculate an environmental footprint considering total environmental impacts on ecosystems and human health including the impact of plastic materials purchased and used in all operations.

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Value chain stage	Type of risk	Please explain
Row 1	Yes	Supply chain	Regulatory	The specific risks related to the circular economy identified by the company are changes in the availability of raw materials and resources, shortages, regulatory and tax changes, price volatility, increasingly strict regulations on the specifications of projects and services, etc. which could lead to restrictions in the use of materials for our activities, an increase in production costs and an impact on the company's profitability and competitiveness in the market. Sacyr has developed and established a framework to assess, on a scale from low, medium, high and very high and based on probability and impact, the substantive financial and/or strategic impact on the business when identifying or assessing risks (climate, water, plastics, etc). The system considers aspects such as economic losses, cost overrun, health and safety, legal aspects, reputational issues, and delays on the delivery and their associated impacts as all of them are considered to potentially affect and compromise the strategy and financial results of the company. Sacyr can be clearly divided in 3 different BUs (Engineering and infrastructures, Concessions and Services), reason why different thresholds (quantifiable indicator) have been defined for each one of them as neither volume of operations nor impact of the activities can be compared within them three. However, this is particularly relevant if an impact on the business affects our Concessions are (larger-scale projects), since this boosted our revenues to record levels. This considers 88% of our EBITDA. We consider a risk has the potential to substantively impact our business in financial terms if it gets over High or Very high levels, which, referring to each of the BUs individually means: -Engineering and infrastructures: High (1.5M€ - 3M€), Very High (>3M€) -Concessions: High (cost overrun between 5% - 10% of expected costs), Very High (cost overrun of more than 10% of expected costs) -Services: High (300k€ - 1000k€), Very High (>1000k€)

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	Yes	Plastic goods Waste management	Reduce the total weight of plastics in our goods Reduce the total weight of virgin content in plastic goods Increase the proportion of our goods that are recyclable in practice and at scale Increase the proportion of recyclable plastic waste that we collect, sort, and recycle Other, please specify (Increase the percentage of plastic waste reuse)	Sacyr is aware that it is necessary to transition towards a circular economy, including a new model for production and consumption that guarantees sustainable growth over time. This is a path that Sacyr embarked on some years ago. We aim to achieve 3 priority objectives regarding plastics that are established in our Sacyr Sustainability Plan (2021-2025): 1. Increase the use of recycled materials, including recycled plastic materials. In 2022, all plastic bags used in Sacyr Facilities services in Galicia (Spain) contained at least an 80% of recycled material. 132,590 bags with at least an 80% of recycled material were used which means an increase of 26,880 of the use of plastic bags in comparison to 2021. 2. Increase the % of waste reuse (including plastic waste) up to 80% by 2025. In 2022 Sacyr recycled, reused, and recovered more than 86% of waste while in 2021 was 84%. 3. Build partnerships and intensify collaboration with the value chain to promote the circular model throughout our operations. Sacyr has a partnership with Honeywell on an innovative plastics recycling plant. Sacyr and Honeywell have formed a joint venture to set up the world's first plastics treatment plant using UpCycle technology, to be located in Andalusia (Spain. UpCycle technology expands the number of types of plastics that can be recycled, including tinted, flexible or laminated packaging, rich in polyolefins or polystyrene, that would otherwise end up in landfill. This helps to reduce the demand for virgin plastic, with the aim of promoting a circular plastic economy. Within the framework of the Integrated Management System according with ISO 14001, Sacyr has set targets for reducing plastic bags, buy recycled collection bags, and/or chlorine-free and/or with the Type I eco-label. As example, in the maintenance contract with the municipality of San Roque, during 2022, 167,000 recycled plastic bags were used, achieving a 60.8% reduction in the total number of bags used.

W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	No	
Production of durable plastic components	No	
Production / commercialization of durable plastic goods (including mixed materials)	No	
Production / commercialization of plastic packaging	No	
Production of goods packaged in plastics	No	
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	Yes	

W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	% virgin fossil-based content	% virgin renewable content	% post-industrial recycled content	% post-consumer recycled content	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	6.7	% virgin fossil-based content % post-industrial recycled content	100	<Not Applicable>	90	<Not Applicable>	As part of the services division Sacyr has Cafestore, a company specialised in the operation of rest areas, management of restaurants and cafeterias at large facilities such as hospitals, transportation hubs and public and private buildings. In 2022, 6.7 tons of plastic containers have been used at Cafestore. 70.49% (4.73 Tn) of containers used have 100% content based on virgin fossils. While 29.51% (1.97 Tn) of the packages used are based on a content of 90% post-consumer. In June 2022, we started a pilot test at the cafeteria of the Congress of Deputies to test a range of sustainable products featuring disposable packaging. After confirming that the products stand up to service conditions, they were implemented at all our centres. Cafestore has also replaced plastics with more environmentally friendly alternatives at new stores opened in 2022.

W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is reusable	% of plastic packaging that is technically recyclable	% of plastic packaging that is recyclable in practice at scale	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	% reusable % technically recyclable	100	100	<Not Applicable>	As part of the services division, Sacyr has Cafestore, a company specialised in the operation of rest areas, management of restaurants and cafeterias at large facilities such as hospitals, transportation hubs and public and private buildings. In 2022, 6.7 tons of plastic containers have been used in Cafestore. 100% (6.7 Tn) of our containers used have 100% plastic packaging that is technically recyclable. While 18.5% (1.24 tons) of the containers used are based on 100% plastic packaging that is reusable. In the coming years, Sacyr will improve the assessment of recyclability in order to increase the circularity potential of the plastic packaging used.

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	COO of Sacyr, General Corporate Manager	Chief Operating Officer (COO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Yes, CDP may share our Main User contact details with the Pacific Institute

Please confirm below

I have read and accept the applicable Terms