



Performance in 2023





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4 Performance in 2023

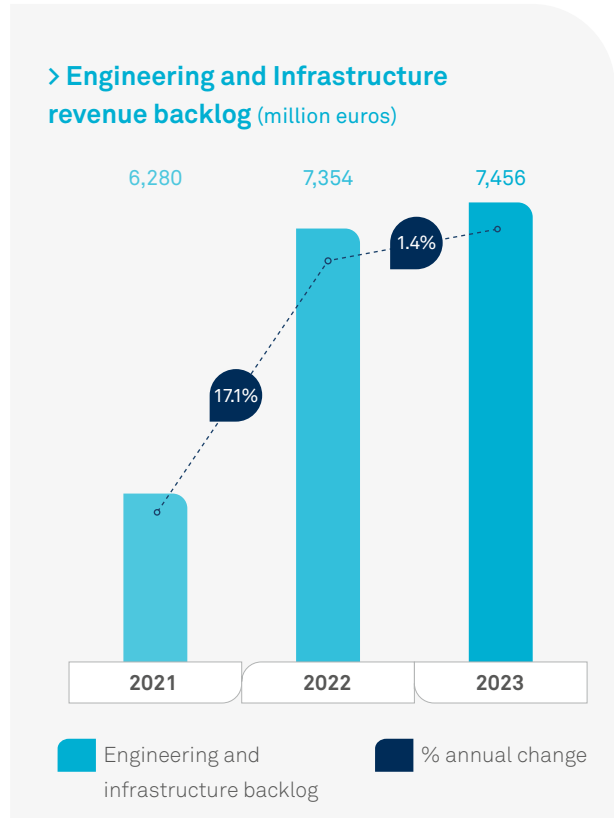
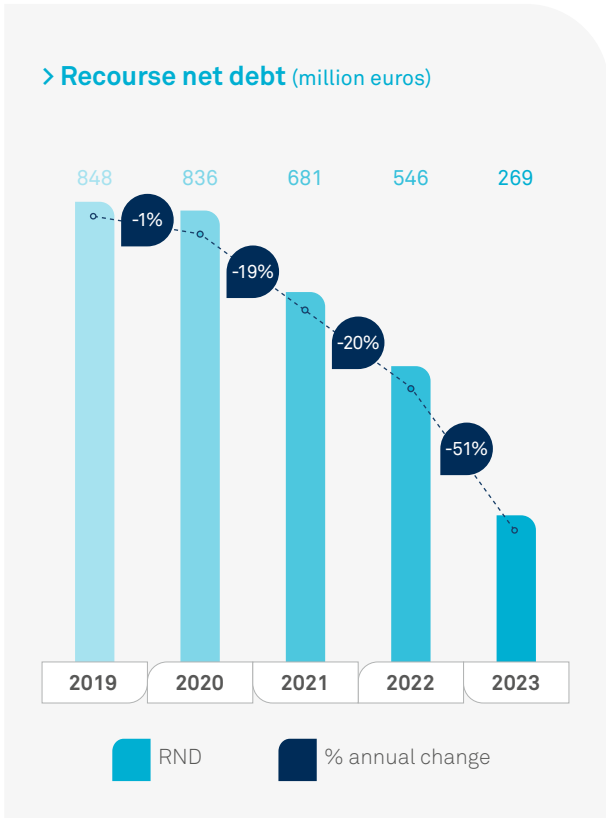
4.1 Key figures

Our financial performance

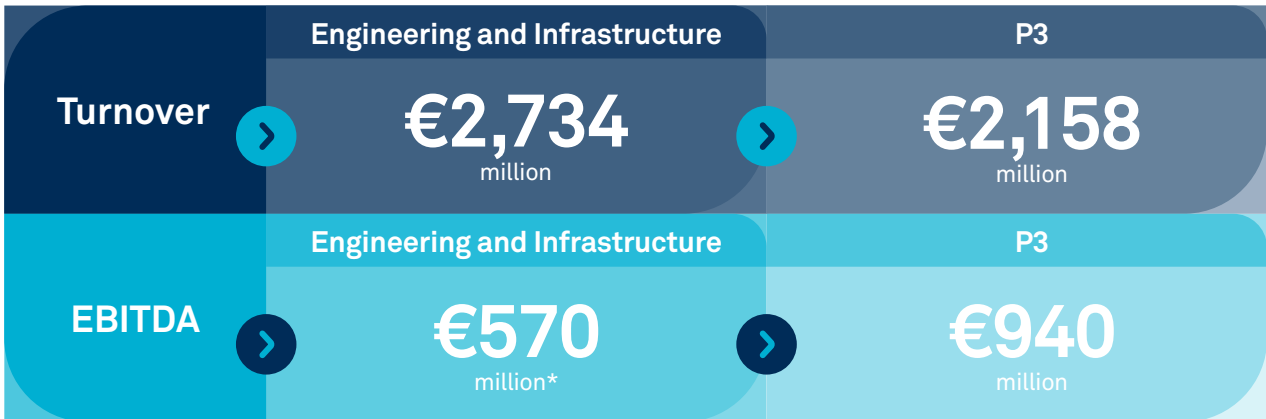


Figures in € M	2022*	2023
Turnover	4,977	4,609
International turnover	74%	76%
EBITDA	1,428	1,523
EBITDA margin	29%	33%
Net profit	111	153
Recourse net debt	546	269

*2022 figures have been restated to account for VSM and Facilities as discontinued operations.



Contribution by business unit



* Including the assets of Pedemontana and A3 in Italy.



4.2 Sacyr Group performance in 2023

Consolidated income statements

(thousand euros)	2023	2022*	%23/22
NET REVENUES	4,609,428	4,976,968	-7.4%
Other operating income	241,635	267,182	-9.6%
Total operating income	4,851,063	5,244,150	-7.5%
External and operating expenses	-3,327,798	-3,816,030	-12.8%
EBITDA	1,523,265	1,428,120	6.7%
Depreciation and amortization	-159,669	-153,853	3.8%
Change in provisions	-113,060	-752	n.a.
EBIT	1,250,536	1,273,515	-1.8%
Financial profit/loss	-719,463	-493,026	45.9%
Exchange differences	-11,904	-338,995	n.a.
Share of profit from equity-method companies	-17,684	2,159	n.a.
Provisions for financial investments	-104,045	-50,491	106.1%
Gains on Financial instruments	37,392	89,998	-58.5%
Gains on disposal of non-current assets	34,662	11,966	n.a.
Profit/loss before tax	469,494	495,126	-5.2%
Income tax	-430,239	-160,840	n.a.
PROFIT/LOSS FROM CONTINUING OPERATIONS	39,255	334,286	-88.3%
CONSOLIDATED PROFIT/LOSS	350,234	342,982	2.1%
Attributable to non-controlling interests	-197,012	-232,466	-15.3%
NET ATTRIBUTABLE PROFIT	153,222	110,516	38.6%

* 2022 figures restated to account for VSM and Facilities as discontinued operations.



Lisbon Metro. Portugal

Consolidated balance sheet

ASSETS (thousand euros)	2023	2022	23/22
NON-CURRENT ASSETS	10,422,363	11,933,034	-1,510,671
Intangible assets	86,749	98,347	-11,598
P3 projects	1,514,656	1,520,034	-5,378
Property, plant and equipment	356,314	489,898	-133,584
Right of use on leased assets	131,760	204,683	-72,923
Financial assets	1,080,690	1,615,771	-535,081
Receivables from P3 projects	7,201,787	7,846,753	-644,966
Other non-current assets	41,369	52,281	-10,912
Goodwill	9,038	105,267	-96,229
CURRENT ASSETS	6,886,284	5,622,400	1,263,884
Non-current assets held for sale	1,581,239	11,648	1,569,591
Inventories	211,366	197,825	13,541
Receivables from P3 projects	1,077,099	1,187,209	-110,110
Receivables	2,221,921	2,365,251	-143,330
Derivative financial instruments	23,123	57,814	-34,691
Financial assets	91,168	74,560	16,608
Cash	1,680,368	1,728,093	-47,725
TOTAL ASSETS	17,308,647	17,555,434	-246,787

EQUITY AND LIABILITIES (thousand euros)	2023	2022	23/22
EQUITY	1,750,021	1,358,413	391,608
Own equity	795,759	535,662	260,097
Non-controlling interests	954,262	822,751	131,511
NON-CURRENT LIABILITIES	9,229,825	11,758,464	-2,528,639
Financial debt	6,783,838	8,200,669	-1,416,831
Derivative financial instruments	22,550	119,412	-96,862
Lease obligations	117,189	146,501	-29,312
Provisions	135,457	197,361	-61,904
Other non-current liabilities	2,170,791	3,094,521	-923,730
CURRENT LIABILITIES	6,328,801	4,438,557	1,890,244
Liabilities linked to assets held for sale	1,378,509	0	1,378,509
Financial debt	1,395,840	1,092,322	303,518
Derivative financial instruments	29,995	2,080	27,915
Lease obligations	47,680	51,420	-3,740
Trade payables	2,280,794	2,152,507	128,287
Operating provisions	235,118	239,428	-4,310
Other current liabilities	960,865	900,800	60,065
TOTAL EQUITY AND LIABILITIES	17,308,647	17,555,434	-246,787

2023 Highlights

Flexible dividend

Shareholder remuneration remains one of the Group's strategic pillars. Accordingly, Sacyr carried out a scrip dividend issue in February 2023, in which shareholders were given the opportunity to: i) sell Sacyr their rights at a guaranteed fixed price of €0.058, gross, per right; or (ii) receive 1 new share for every 45 existing shares.

In June 2023 Sacyr paid out a second scrip dividend, in which shareholders were given the opportunity to: (i) sell Sacyr their rights at a guaranteed fixed price of €0.078, gross, per right; or (ii) receive 1 new share for every 38 existing shares.

Post 2023 year end, the Group decided to pay out another scrip dividend, in which shareholders were given the opportunity to: (i) sell Sacyr their free allocation rights at a guaranteed fixed price of €0.062, gross, per right; or (ii) receive 1 new share for every 50 existing shares. Approximately 91% of Sacyr's share capital chose to receive company dividends in shares, demonstrating holders' trust in the company's securities.

Sustainable financing framework

In September 2023, Sacyr published its first Sustainable Financing Framework to integrate the sustainability strategy into the company's financing policy. The document incorporates all the types of sustainable financing available in the market and follows the principles established by the International Capital Market Association (ICMA) and the Loan Market Association (LMA) for green and social financial instruments, as well as sustainability-linked instruments, by means of a KPI.

Redemption of the convertible bond

In November 2023, Sacyr successfully launched an incentive offer with the aim of redeeming the €175 million convertible bond. Redemption of the convertible bond enabled Sacyr to minimize share volatility, eliminate short trading and reduce recourse net debt.

Derivative on own shares

After year end, in January, Sacyr entered into a forward contract with a credit institution on 10 million ordinary Sacyr shares at a price of €3.044, adjustable in accordance with the final strike price, and with a maturity of one year. This transaction may be settled by physical delivery of shares or by differences, according to Sacyr's preference.

Award of 2 P3 contracts: Via del Mare Highway (Italy) and Loa Airport (Chile)

In October 2023, Sacyr took control of the operation and expansion of El Loa Airport in Calama, Chile. This €102 million project will increase the terminal's surface area three-fold, raising comfort and safety standards for users.

In November 2023, Sacyr was awarded its fourth P3 project in Italy, the new Via del Mare highway. This highway is expected to generate traffic revenue amounting to approximately €1.6 billion over the 32-year concession period. This road has an estimated average daily traffic rate of 36,000 vehicles.



Commissioning of Pedemontana (Italy) and Rutas del Este (Paraguay)

In July, the Rutas del Este highway in Paraguay entered operation, following an investment of US\$520 million. The project included the construction of bypasses, doubling, improvement, operation and maintenance of the road, with an impact on 11 municipalities in three departments of Paraguay.

In December 2023, Sacyr Concesiones placed into service the final section of the Pedemontana – Veneta Highway, in Italy. This P3, jointly owned by Sacyr and Fininc, is tasked with the design, construction and financing, as well as the operation and maintenance of the highway for a period of 39 years as from construction completion.



Rotation of non-strategic assets

In May 2023, Sacyr, through Sacyr Concesiones, agreed to sell a 49% minority stake in the ERESMA Highway (Spain) to the consortium made up of GED Infrastructure and CASER Seguros. The divestment amounted to a total of €69 million, including the debt associated with the shareholding.

In September 2023, Sacyr Concesiones completed the sale of its 45% stake in the N6 highway in Ireland to Bestinver Infra. This transaction, announced in May, amounted to €45 million, including the debt associated with the stake sold.



Sacyr was awarded its 1st transportation infrastructure P3 in the US: the I-10 Highway in Louisiana

In July 2023, Sacyr Concesiones, was chosen along with Acciona and Plenary Americas to implement a 10-kilometer section of the I-10 highway in Louisiana that includes an iconic bridge over the Calcasieu River. This project, worth US\$2.1 billion (€1.9 billion) will link the cities of Lake Charles and West Lake, in south-western Louisiana, and includes the design, build, finance, operation and maintenance of this infrastructure for 50 years. Subsequent to year end, in February the consortium signed the commercial completion of the P3 agreement with the Louisiana Department of Transportation and Development.

Sale of VSM and Sacyr Facilities

In October 2023, Sacyr completed the sale of 100% of its services unit, Valoriza Servicios Medioambientales to Morgan Stanley Infrastructure Partners. The proceeds received by Sacyr from the sale amounted to €420 million, and the enterprise value, including equity and debt, amounted to around €734 million.

In December 2023, Sacyr completed the sale of Sacyr Facilities to Serveo. The final transaction price was €90 million for 100% of the shares of Sacyr Facilities. Sacyr could receive up to an additional €15 million depending on the success of ongoing claims.

Share price

Financial analysts

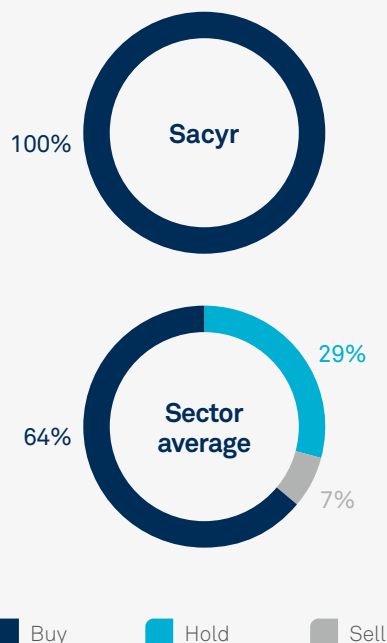
Fourteen analysis firms actively tracked Sacyr's share price. 14 of the 14 analysts recommended "buy". In other words, 100% of the analysts recommend buying shares in the company.

The closing price for the year was €3.126 per share, implying upside potential of 22%, since the average target price among the analysts' consensus was €3.81 per share.

In 2023, the share price reached an intraday high of €3.182 on December 20, while its closing high was €3.17, reached on July 4. Conversely, the share price reached an intraday low of €2.596 on January 19, and a closing low of €2.620 on October 27.

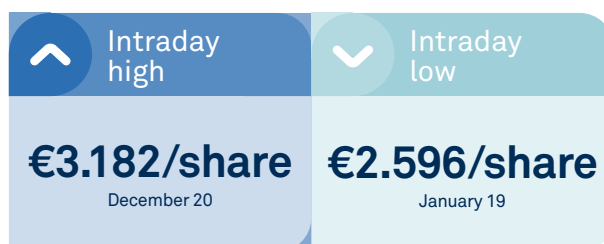
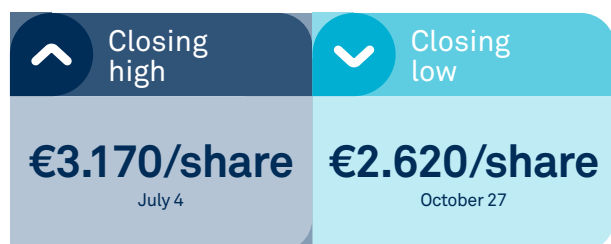
[For more stock market information:](#)

> Stock market indices



Stock Market information	2023	2022	% 23 vs 22
Year end	€3.13	€2.60	20.4%
Closing high	€3.17	€2.69	17.8%
Closing low	€2.62	€1.88	39.4%
Market capitalization (thousands of euros) ¹	2,135,320	1,699,016	25.7%
Annual trading volume (thousands of euros) ¹	1,670,754	1,380,128	21.1%
Average daily trading volume (no. of shares) ¹	2,249,137	2,284,805	-1.6%
No. of shares admitted for trading at year end	683,083,887	653,467,691	4.5%
Nominal share value	1 EURO	1 EURO	

¹ Source: Bolsas y Mercados Españoles (BME).



Performance by business unit

P3



1	Design, build, financing, operation and maintenance of a 10 km section of the I-10 highway for 50 years, including the construction of a bridge linking Lake Charles and West Lake, Louisiana (USA).	€1,900 M ¹
2	DBFOM of the new Via del Mare Highway in the Veneto Region for a period of 32 years.	€1,600 M ²
3	O&M P3 contract at the El Loa International Airport in Calama (Chile) for a 15-year period.	€546 M ²

Turnover	Distribution of P3 assets
€2,158 million [+10%]	€220 million [+9%]
EBITDA	EBITDA margin
€940 million [+7%]	62.6% [-181bp]
Remaining asset life	No. of assets
26 years	69

¹ Investment amount.
² Backlog amount.



Turnover	EBITDA	EBITDA margin	Work backlog	Activity
€2,734 million [-14%]	€570 million [+10%]	21% [+448 bp]	€7,456 million [+1%]	33 months of activity

1	Construction of various urban developments in Spanish towns, and for renowned real estate developers.	€262 M ¹	2	Extension of the Catania (Sicily) railway network, section: "Misterbianco – Paterno", in Italy.	€316 M ¹	
	Railway project to integrate the AVE high speed railway in Almeria.	€137 M ¹		Construction of the Tram network (sections A, B and C) in the city of Palermo, in Sicily (Italy).	€54 M ¹	
	Construction of 4 solar photovoltaic plants, with a total installed capacity of 200MW, in Badajoz.	€102 M ¹		3	Study, design and construction for the restoration of degraded ecosystems of the "Canal del Dique" in Colombia.	€560 M ¹
	Construction of the new section of Line 8 of the FGC (Ferrocarriles de la Generalitat de Catalunya) metro system from Gràcia to Plaza de España (Barcelona).	€83 M ¹			4	Construction of El Loa International Airport in Calama, Chile.
	A-32 Linares-Albacete Highway, section linking with CM313 Balazote Oeste.	€80 M ¹		Modification of Route 5 north, "Vallenar – Caldera" section, in Chile.		€57 M ¹

¹ Backlog amount.

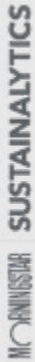
4.3 ESG ratings

Sacyr is the most sustainable company in the infrastructure and construction sector in Spain.

In June 2023, we achieved a score of 19.7 (low risk) in the Sustainalytics ESG Risk Ratings. This means we rank as follows:

- 1st in Spain for the third consecutive year in the Construction and Engineering sector.
- 4th place in the Construction and Engineering sector in Europe.
- 1st place among international companies with a market capitalization of between US\$1.9 billion and US\$2 billion in the sector.

In early 2024 Sustainalytics awarded us its "Industry Top-Rated" badge, recognizing Sacyr as one of the top-performing companies in our industry.



We have been included in the S&P Sustainability Yearbook 2024, featuring companies with the best practices in sustainability in the sector.



We obtained 69 points in S&P Global's "Corporate Sustainability Assessment", increasing our score with respect to last year, placing us in the 99th percentile and in the top 5 of Construction and Engineering companies.

We also received the Industry Mover badge, in recognition of having increased our score by more than 5% compared to the previous year, and we were the company to achieve the largest score increase in the sector.



MSCI has awarded us an "A" score in its "Construction & Engineering ESG Rating" index, improving our score with respect to previous years and highlighting our practices in connection with governance.

CDP awarded us a double "A" score.

Carbon Disclosure Project (CDP) awarded us a double "A" score for our leadership in corporate transparency and our performance in connection with climate change and water security, ensuring we feature on their annual "A List". As a result, we are one of a handful of companies that have obtained this double "A" score out of more than 21,000 rated businesses.



In October 2023, Sacyr joined the BME ESG Index.

This is a new index created for Spanish companies belonging to the IBEX 35 and IBEX Mid Cap indexes that excel in their sustainability performance.

To be included in this index, companies must obtain a score of at least "C+" in the Inrate assessment and must be members of the United Nations Global Compact.



We have been listed on FTSE4Good since 2015. In 2023 we obtained a score of 3.7 out of 5, placing us in the 87th percentile in the "Construction and Materials" sector.



In 2023 we were included in the Bloomberg Gender Equality Index.

In this edition, which rates 484 companies (23 of them Spanish) from 11 different sectors, we obtained a score of 75.5, placing us in the top 3 in the Energy and Construction sector.



Standard Ethics has included Sacyr in its sustainability index, the SE Spanish Index, leaving behind the SE Mid Spanish Index, which we first joined in October 2022. The SE Spanish Index is made up of 40 large-cap Spanish listed companies.



We got an ESG Score of A from Refinitiv, and rank 6th in Spain and 3rd in the construction sector in terms of diversity and inclusion.



We obtained the Ecovadis Platinum Medal for our construction projects.

The Engineering and Infrastructure business was awarded the Platinum medal by Ecovadis, receiving a global score of 78 points, placing us in the 99th percentile.

4.4 European Union Taxonomy

At Sacyr, we have been using the EU Taxonomy since its entry into force in 2021 as a driver allowing us to progress in the transformation of our business model, while at the same time responding to the reporting requirements deriving from Regulation (EU) 2020/852, as an example of communication and transparency with our stakeholders.

Due to the EU Taxonomy being implemented gradually, the disclosure of eligibility for the four environmental goals that were in the process of being defined by the European Commission have been added to the information referring to the 2023 period, in addition to the reporting obligations of the previous year (eligibility and alignment for the Climate Change Mitigation and Adaptation goals). These are: sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems, as outlined in the Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023.

The latest legislative developments in 2023 introduced new activities to the climate change mitigation and adaptation goals already defined and approved: activities 3.18 through 3.21 and 6.18 through 6.20 of Annex I (Climate Change Mitigation) and activities 5.13, 7.8, 8.4, 9.3, 14.1 and 14 of Annex II (Climate Change Adaptation).

The transversal working group set up by Sacyr to implement the Taxonomy requirements has continued analyzing and interpreting the new application criteria in order to extend them to other Group activities.

Notably, in 2023 the European Commission published explanatory notes (Frequently Asked Questions or FAQs) that do not introduce additional criteria leading to changes in the assessment of the Sacyr Group's main eligible activities, so the interpretations made by the Group to date remain in force. However, as any new guidelines, amendments or developments to the European Taxonomy are published that may have an impact on these interpretations made by Sacyr, this information would be restated for subsequent years.

Accounting metrics

Once more, and in accordance with Delegated Regulation (EU) 2021/2178 on disclosure of Taxonomy information, the accounting criteria to be taken into account when calculating the numerator and denominator of eligible and ineligible net turnover, CAPEX and OPEX under the EU Environmental Taxonomy have been considered.

To calculate the ratios of the three financial KPIs, the proportion of net turnover, CAPEX and OPEX considered eligible by Taxonomy has been calculated as the numerator, divided by the total turnover, CAPEX and OPEX of the Sacyr Group at year-end.

- **Turnover.** The proportion of turnover referred to in Article 8(2)(a) of Regulation (EU) 2020/852 has been calculated as the share of net turnover derived from products or services, including intangibles, associated with economic activities that comply with the taxonomy (numerator), divided by net turnover (denominator) as defined in Article 2(5) of Directive 2013/34/EU. Turnover also includes revenue recognized in accordance with International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008. In the case of Sacyr, turnover is shown in note 28 of the Consolidated Annual Financial Statements.
- **CAPEX.** The CAPEX ratio referred to in Article 8(2)(b) of Regulation (EU) 2020/852 covers additions to tangible and intangible assets during the relevant financial year before depreciation, amortization and any revaluations, including those resulting from revaluations and impairments, for the relevant financial year, excluding changes in fair value. This calculation also includes additions to tangible and intangible assets resulting from business combinations. In the case of Sacyr, these additions are reflected in note 5 Property, Plant and Equipment, note 6 Leases, note 7 P3 Projects and note 8 Other Intangible Assets of the Consolidated Annual Financial Statements.



• **OPEX.** The OPEX ratio referred to in Article 8(2)(b) of Regulation (EU) 2020/852 restricts the calculation of this KPI to non-capitalized direct costs that relate to research and development, building renovation measures, short-term leases, maintenance and repairs, as well as other direct costs related to the day-to-day maintenance of property, plant and equipment assets, by the company or a third party to whom activities are outsourced, and which are necessary to ensure the continuous and efficient operation of those assets. In addition to these items, leasing costs shall be computed by non-financial corporations that apply national GAAP and do not capitalize right-of-use assets.

As in previous years, the OPEX calculation was not included as part of the report, as the direct costs considered by the Regulation (€162.737.28 thousand in 2023) are not material for our businesses compared to the total operating costs for the year (€3,606,509.86 thousand in 2023). Consequently, OPEX data are not reported in the relevant table in Appendix II. Quantitative information - Information concerning Taxonomy.

Eligibility analysis and alignment of Sacyr Group activities

As previously mentioned, this year's report broadens the consideration of eligible activities that have a potentially substantial contribution to the four new environmental goals. The eligibility and alignment of the climate goals are maintained.

Consequently, based on the Taxonomy classification carried out in the previous year, a comprehensive review was conducted to assess new evidence to determine whether eligible activities from the previous year are aligned with the climate goals (Annexes I and II of the Delegated Regulation on Climate), and also to analyze how the activities included in the new environmental goals match the activities carried out by Sacyr.

Although in previous years activities were identified that could contribute to both the Climate Change Mitigation and Adaptation goals, the approval of new Taxonomy activities increases the possibility for such cases to co-exist, and it is necessary to avoid double accounting in the calculation of financial metrics.

Consequently, given the potential additional developments of the regulation, or future clarifying documents on the interpretation of certain criteria for considering as eligible the activities described in the four new environmental goals, a prudent approach has been taken, whereby only those activities whose degree of certainty allowed a better fit with climate objectives have been classified under the new goals. Such cases were identified in activities linked to the goal of sustainable use and protection of water and marine resources, as part of the main activities carried out by Sacyr Water, as described below. When reporting requirements increase next year with the disclosure of the alignment of all environmental goals, it will be possible to more comprehensively reassess potential reclassifications that may arise in this regard.

Minimum social safeguards

With regard to Minimum social safeguards, a compliance review was carried out during the reporting year, which, as in the previous year, was conducted at the Sacyr Group level. Existing human rights risks are identified and the necessary mitigation actions are implemented. In this regard, the Human Rights Policy and Code of conduct underpin Sacyr's commitment to complying with current legislation on social topics in all the regions where we operate. Furthermore, we extend this commitment to the value chain by promoting best practices among contractors, subcontractors and suppliers. In addition, we actively take part in numerous international initiatives such as the International Labour Organization's Tripartite Declaration, the OECD Guidelines and the United Nations Universal Declaration of Human Rights.

There have been no finalized legal proceedings in 2023 resulting in convictions for human rights breaches, corruption or bribery, tax evasion or competition law infringements.

This year we obtained two new certifications, ISO 37001 anti-bribery management system standard and UNE 19601 criminal compliance management system standard.

Likewise, with the aim of anticipating future regulatory developments in this regard, the Sacyr Group is working to strengthen our due diligence process in line with future requirements, which will also allow us to develop our response to compliance with minimum social safeguards according to the Taxonomy.

Finally, the Policy regarding Anti-corruption and Relations with Public Officials and Authorities, the Corporate tax policy and the Regulatory compliance, crime prevention and fair competition model allow us to cover the minimum social guarantees required by the Taxonomy for the four fundamental pillars: human rights, corruption, taxation and fair competition. For more detailed information, see **section 5.1.5 Corporate governance system**.



Substantial contribution

The Sacyr Group's eligible activity for the Climate Change Mitigation and Adaptation goals was assessed in accordance with substantial contribution criteria. The results are detailed in Appendix II, which provides quantitative information related to the Taxonomy.

To conduct this assessment, the technical selection criteria for each eligible activity were applied, assessing and providing evidence of their compliance if applicable. In this context, Sacyr's main activity may be classified into the following sectors:

Objectives	Taxonomic activities	Activities carried out by the Sacyr Group
ENERGY		
Climate change mitigation	4.1.Electricity generation using solar photovoltaic technology.	Through Sacyr Engineering and Infrastructure and Sacyr Concesiones, we design and operate projects harnessing various technologies for the generation of renewable energy (biomass plants, solar farms, photovoltaic plants, etc.) and the construction and maintenance of electrical substations.
	4.3.Electricity generation from wind power.	
	4.6.Electricity generation from geothermal energy.	
	4.8.Electricity generation from bioenergy.	
	4.9.Transmission and distribution of electricity.	
WATER AND WASTE		
Climate change mitigation	5.1.Construction, extension and operation of water collection, treatment and supply systems.	Through Sacyr Water and its subsidiaries, we develop projects for the design, construction, renovation and maintenance of wastewater treatment facilities (WWTPs), drinking water treatment plants (DWTPs), distribution networks and sewerage. In addition, we conduct desalination activities and projects related to flood risk management.
	5.3.Construction, extension and operation of waste water collection and treatment.	
	5.8.Bio-waste composting.	
Climate change adaptation	5.13.Desalination.	
	14.2.Flood risk prevention and protection infrastructure.	
Sustainable use and protection of water and marine resources	1.1.Manufacture and installation of leak control technologies to reduce and prevent leaks in water supply networks and associated services.	
	2.2.Urban wastewater treatment.	
TRANSPORTATION		
Climate change mitigation	6.4.Operation of personal mobility devices, cycle logistics.	This is one of the Group's main eligible activities. Through companies such as Sacyr Construction and its subsidiaries in Chile, Colombia and the United Kingdom, we carry out initiatives pertaining to the design, construction, commissioning, operation, maintenance and renovation of various kinds of infrastructure (roads, railways, airports, ports, interchanges, etc.).
	6.13.Infrastructure for personal mobility, cycle logistics.	
	6.14.Infrastructure for rail transport.	
	6.15.Infrastructure enabling low-carbon road transport and public transport.	
	6.16.Infrastructure enabling low-carbon water transport.	
	6.17.Low-carbon airport infrastructure.	
CONSTRUCTION AND REAL ESTATE DEVELOPMENT		
Climate change mitigation	7.1.Construction of new buildings.	Through various companies we undertake the construction of all types of buildings, both singular (hospitals, universities, logistics centers, etc.) and residential.
	7.2.Renovation of existing buildings.	
	7.3.Installation, maintenance and repair of energy efficiency equipment.	
	7.6.Installation, maintenance and repair of renewable energy technologies.	

Do No Significant Harm (DNSH) to the environment

(2) DNSH to climate change adaptation:

We have assessed the eligible activities pursuant to the guidelines provided in Annex A of Delegated Regulation (EU) 2021/2139. These screening criteria apply to compliance with both substantial contribution to climate change adaptation and to ensure Do No Significant Harm (DNSH) provisions to climate change adaptation compliance by the eligible economic activity analyzed. In 2022, we devised a 2022-2027 Adaptation Plan envisaging solutions to tackle climate material risks for each economic activity. This assessment of climate vulnerabilities and risks consisted of analyzing acute and chronic physical climate risks (PCRs) that might affect the activity.

The assessment of climate vulnerabilities and risks is based on three main stages:

Analysis of the activity: examining the acute and chronic physical climate risks (PCRs) that might affect the economic activity's performance over the course of their scheduled duration.

Assessment of climate vulnerabilities and risks: determining, firstly, the degree of exposure of the economic activity to the risk, linking each PCR with the various climate variables provided by the Intergovernmental Panel on Climate Change (IPCC). Once the PCRs that might affect the performance of the activity have been identified, the next step is a detailed analysis of the risk level, capacity for adaptation or resilience, and vulnerability of each asset.

Assessment of adaptation solutions: examining the climate-related hazards identified as material for each economic activity that is vulnerable. For more information on Sacyr's performance, see **chapter 6.2 Climate change**.

(3) DNSH to sustainable use and protection of water and marine resources:

Projects considered to be eligible and aligned have demonstrated that they comply with the criteria set out in Appendix B of Annex I of the Taxonomy. For projects legally obliged to conduct environmental

impact assessments (EIA), compliance was verified with the measures specified in the impact statement or environmental monitoring plan to guarantee prevention, mitigation and the adequate approach to potential impacts on water and marine resources. Furthermore, environmental management systems ensure compliance with legal standards linked to water, and Sacyr has a Corporate Water Policy, approved by the Board of Directors, which reflects our commitment to responsible water management.

(4) DNSH to transition to a Circular Economy:

In accordance with the Taxonomy-eligible activities, the applicable circular economy DNSH criterion has been assessed. Aligned projects have been proven to comply with the specific waste management measures detailed in the environmental impact assessment monitoring plans or on-site waste management plans, or with criteria such as CDW prepared for reuse or recycling being above 70%. A significant percentage of the aligned projects are governed by an environmental management system certified to ISO 14001 standards.

(5) DNSH to pollution prevention and control:

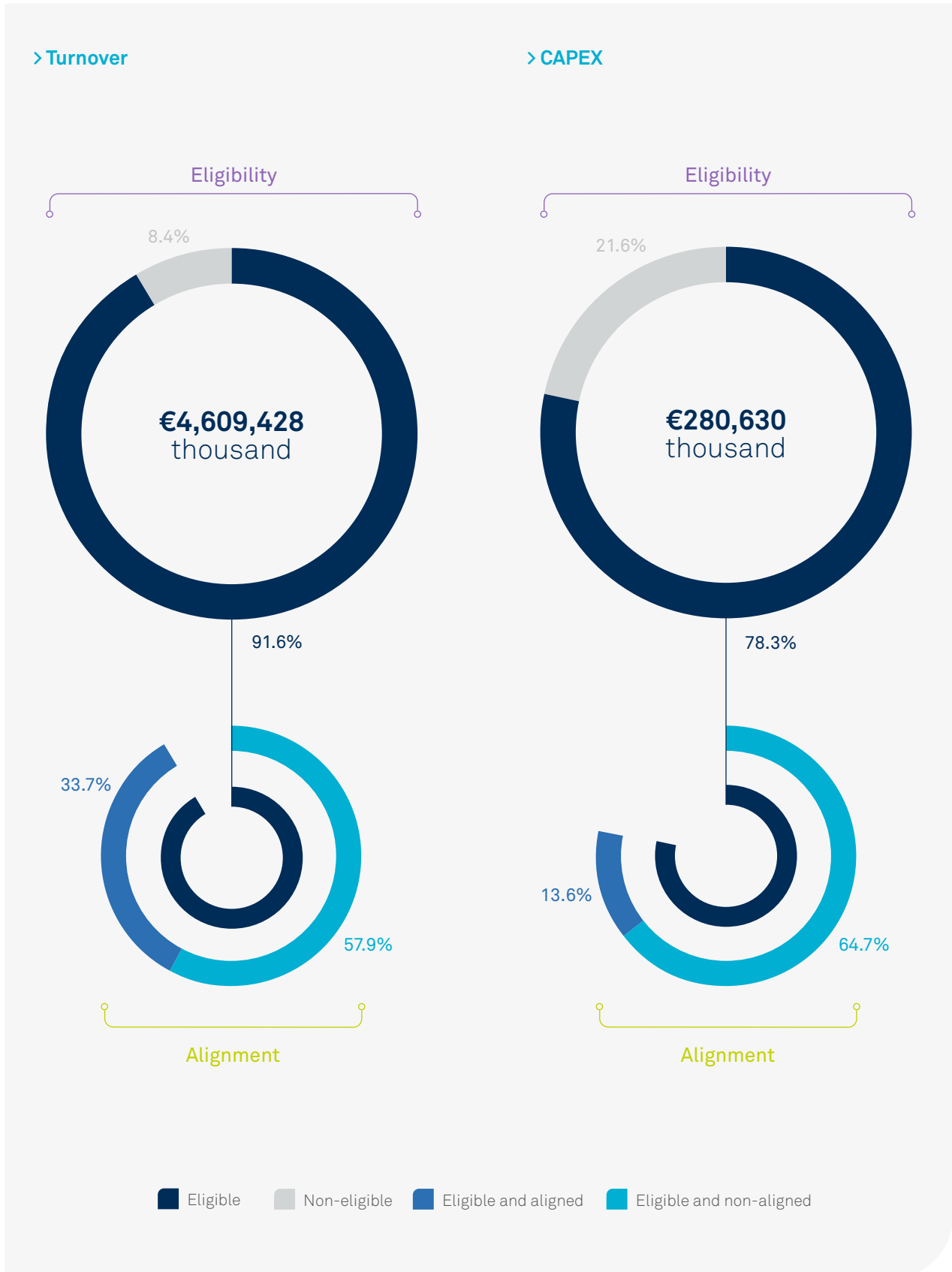
The criteria provided in Appendix C of Delegated Regulation (EU) 2021/2139 for activities falling into groups 7.1 and 7.2 were fulfilled through the Buy Green Recommendations Guide and the environmental management systems.

(6) DNSH to protection and restoration of biodiversity and ecosystems:

Eligible and aligned projects have been shown to be compliant with the criteria provided in Appendix D of Annex I of the Taxonomy. Furthermore, in projects with a legal requirement to conduct impact assessments (EIA), compliance with the measures outlined in the impact statement or environmental monitoring plan has been proven to ensure that potential impacts on biodiversity and ecosystems are avoided, mitigated and adequately addressed. In addition, environmental management systems guarantee compliance with legal standards linked to biodiversity, and Sacyr has a Biodiversity Policy that establishes our approach and commitment to biodiversity conservation and protection.

2023 RESULTS

The analysis shows that 91.58% of the Sacyr Group's turnover and 78.34% of its CAPEX are eligible and 33.66% of its turnover and 13.60% of the CAPEX are Taxonomy-eligible and aligned.



Consistent with previous years, the figures reported confirm the outstanding potential of our business model, present in key sectors for the global economy, and highlight its capacity to meaningfully contribute to reducing greenhouse gas (GHG) emissions. This commitment is materialized through alignment, emphasizing the contribution of Sacyr Group activities to climate change mitigation and, to a lesser extent, to climate change adaptation activities and water resources.

In detail, the tables in Appendix II show the breakdown of turnover and CAPEX, for the construction works, projects and business activities that are supported by the activities listed in Annexes I and II of Taxonomy Delegated Regulation 2021/2139 for the Climate Change Mitigation and Adaptation goals, and those of Annexes III-VI Taxonomy Delegated Regulation 2023/2486 for the four non-climate goals. As previously mentioned, the lack of materiality of operating expenses in our business model means that OPEX is not reported.

In this sense, although in 2023 the main companies in the Services Unit (urban services, facilities and social) were sold, as shown in the Taxonomy reporting tables in Appendix II, the data for 2022 are maintained. Consequently, the comparison of figures for 2023 and 2022 shows a significant improvement in the turnover eligibility data (91.6% in 2023 compared to 84.1% in 2022) while the proportion of eligible and aligned activities decreases (33.7% in 2023 compared to 36.8% in 2022) for the same indicator, as a result of the changes in the consolidation perimeter of the Sacyr Group.

With regard to CAPEX, the exceptional increase in the previous year of the total figure for this KPI, as a result of substantial investments in road P3 projects, normalized the proportion of eligible and aligned, eligible non-aligned and non-eligible CAPEX this year. According to the Taxonomy categorization of these P3 projects, registering a lower proportion of eligible and non-aligned CAPEX explains the decrease in eligibility (78.38% in 2023 compared to 87.88% in 2022) and the increase in alignment (13.64% in 2023 versus 8.49% in 2022) with respect to the previous year.



Furthermore, activities like the collection and transportation of non-hazardous waste, recovery from non-hazardous waste or social care services (activities 5.5 and 5.9 of the Mitigation goal and 12.1 of the Climate Change Adaptation goal, respectively), exclusive to the Services division, are no longer represented in the figures reported for 2023.

Consistent with the various national and European sector groupings, the Sacyr Group continues to apply the following considerations due to the interpretability of the eligibility descriptions in the Delegated Acts published:

- Integrated water cycle projects that include water collection, purification and distribution (taxonomic activity 5.1) and waste water collection and treatment (taxonomic activity 5.3), in order to avoid false accounting, have been included in taxonomic activity 5.1 or 5.3, depending on which is the main activity of the work/project and/or service.
- Activity 6.15, associated with Infrastructure enabling low-carbon road transport and public

transport, has been considered eligible because of its potential to contribute to climate change mitigation by facilitating the transport of zero-emissions vehicles and incorporating solutions to significantly cut emissions from polluting vehicles. In this regard, inclusion of the qualifier "low-carbon" , as also included in other taxonomic activities such as 6.16. and 6.17., will determine the fulfillment of the technical selection criteria to gauge whether the activities are aligned, but is not a condition for assessing eligibility per se. This approach was used for the analysis in previous years and was maintained for this year's eligibility screening.

It is important to emphasize that the ongoing development of the standards, potential regulatory changes, clarifications or implementation guidelines might lead to a modification of our current analysis. In such an event, Sacyr would update the results stated for 2023 accordingly.

