

15. Statement on Non-Financial Information

15.1. Business model

15.1.1. Description of the business model

The Técnicas Reunidas Group (individually, 'TR', 'Técnicas Reunidas', or 'the Company') is dedicated to providing all types of value-added engineering and construction services for industrial plants for the production of clean fuels, natural gas and chemical products, services that range from feasibility studies or basic and conceptual engineering, to the complete execution of large and complex turnkey projects, including engineering and design, management of procurement and delivery of equipment and materials, construction of facilities and other related or linked services, such as technical assistance, construction supervision, site management, project management, commissioning and training, and offering technical solutions linked to the energy transition, the circular economy and decarbonisation (renewable hydrogen, biofuels, waste recovery, CO₂ capture, use and storage, etc.).

These technical solutions enable its clients to develop their sustainability policies and meet their emission reduction targets through the construction and modernisation of highly energy-efficient industrial plants, thereby complying with regulatory requirements and voluntary commitments in this area.

The Company's business model is based on three fundamental principles that demonstrate TR's commitment to the development of its activity:

- The quality of the services provided by the Group, which makes it one of the companies with the best reputation in the market and ensures a recurring flow of business from its regular clients.
- The flexibility manifested in its capacity to work under very different contractual structures, in diverse geographical environments and in plants of a very different nature. Along these lines, TR's capacity to penetrate new markets is excellent.
- It can constantly adapt to new environments, which in current times allows its rapid incorporation into technologies that require the transition to clean energy, as well as an immediate response to the change in the operating scenario driven by the digital transformation.

Another aspect of great importance in TR's business is the energy transition, an area in which the Company wants to play a central role in the sector. In this regard, with its Energy Transition Division and its Energy Transition Committee, TR is working to become increasingly involved in projects with a clear positive impact related to decarbonisation and to do so as quickly and fairly as possible, supporting its clients on their path towards decarbonisation. To this end, TR draws on its 60 years of experience as a company specialising in advanced engineering and its solid knowledge of a wide range of industrial processes, combined with its technological and innovative capacity.

In this context, Técnicas Reunidas is committed to directing all its present and future projects toward meeting the objectives of decarbonisation and energy transition, both in terms of its traditional business and the new areas in which it is present, through all types of work schemes

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15.1.2. Organisation and structure

Appendices I and II of the consolidated financial statements contain the corporate structure of the Company.

15.1.3. Business Areas

In its engineering and construction services business, Técnicas Reunidas carries out its operations through different business lines. The clean fuel and petrochemical production business lines are included in its sustainable growth activity, while its natural gas, circular economy, hydrogen and carbon capture and storage business lines are included in its decarbonisation activity.

- **Refining:** this line provides management, engineering, procurement, construction and commissioning services for facilities along the entire value chain for the production of fuels that meet the highest standards (euro V/euro VI). These facilities convert waste flows into high quality fuels, optimising the use of natural resources. The Group also has extensive experience in the design and construction of the most advanced technologies for clean refining production processes. TR also offers its clients the possibility of modernising existing plants with the aim of improving their efficiency and making progress in the sustainability actions and commitments that they have decided to implement.
- **Natural gas:** this line provides direction, management, engineering, procurement, construction and commissioning services for facilities throughout the supply chain, from natural gas production to regasification terminals, as natural gas is a key fuel for advancing toward decarbonisation objectives. In this regard, the Group has designed and built all types of facilities, from production facilities in natural gas fields, to treatment and processing plants, compressor stations, liquefaction, storage tanks and final regasification facilities.
- **Petrochemical:** this line provides direction, management, engineering, procurement, construction and start-up services for facilities dedicated to the production of basic chemical materials used in water distribution, pharmaceuticals, health, food, energy efficiency in buildings and transport systems, among others. The refining production plants are being integrated with petrochemical operations, supplying both markets in an efficient and flexible manner and optimising the consumption of natural resources.
- **Low-carbon technology:** this line includes the following activities.
 - **Hydrogen:** through this business line, the Group is actively involved in offering solutions for different types of hydrogen, helping its customers to integrate this element into their production processes with storage solutions or by incorporating into existing gas networks.
 - **Circular economy and bioproducts:** within this business line, the Group provides services to produce biomethane and convert biomass and waste into fuels (biodiesel and biokerosene), chemicals and power and steam generation.
 - **Carbon capture and storage:** the carbon capture and storage line allows the Company to provide similar services to the other lines for carbon capture in industrial processes in energy-intensive activities, such as the production of clean fuels, the chemical industry, the cement industry and the iron and steel industry. Técnicas Reunidas implements carbon capture systems in these processes. The captured carbon is subsequently taken to specialised infrastructures for final storage or converted into synthetic fuels. Significant activity is expected in this market, as other decarbonisation alternatives are not easy to implement in energy-intensive plants.

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- **Other:** This line provides direction, management, engineering, procurement, construction and commissioning services for facilities related to activities outside the Group's business lines. The main activities are water treatment, port infrastructures and oil production. Also included in this segment are those projects whose completion was not achieved as a result of customer termination of the contract, through the enforcement of guarantees. The purpose of this inclusion is to avoid distorting the analysis of the remaining segments.

This commitment to diversification, segmentation and innovation allows the Company to have a highly varied portfolio of projects and different scope in multiple geographical areas, such as those relating to conceptual studies, basic engineering, FEED (Front End Engineering Design), PMC (Project Management Consulting), EPC (Engineering, Procurement and Construction), OBE (Estimate Book Estimate) or LSTK (Lump Sum Turnkey).

15.1.4. Business environment and markets

Técnicas Reunidas operates in a constantly changing environment, marked by rising energy demand in emerging countries, continuous adaptation to new environmental standards and the evolving needs of refineries towards more complex and profitable configurations.

In turn, this work context is increasingly demanding in terms of sustainability criteria, including increasingly stricter environmental standards, the development of new technologies, and growing competition. TR takes on increasingly complex projects that are highly demanding in terms of technical specifications, deadlines, scope of work and performance conditions.

The Company provides value-added engineering and construction services for the sustainable production of energy and chemical products. These services may include the complete cycle from the design phase to the execution of large and complex turnkey projects. As part of the added value, the Group offers technical solutions linked to the energy transition, the circular economy and decarbonisation (renewable hydrogen, biofuels, waste recovery, CO₂ capture and storage, etc.).

In 2023, the global economic recovery is proving surprisingly resilient in the wake of the COVID-19 pandemic, the Russian invasion of Ukraine and rising costs. Inflation is falling faster than expected after peaking in 2022 and is having less of an impact on employment and economic activity than expected, as a result of the favourable performance on the supply side and the tightening of policies by central banks, which has kept inflation expectations anchored. At the same time, the high interest rates aimed at combating inflation, coupled with the withdrawal of fiscal support in a context of high debt, are expected to curb growth in 2024.

According to the latest IMF report, global growth projections were estimated to be 3.1% in 2023, and to remain at 3.1% in 2024 and then increase slightly to 3.2% in 2025. However, the projection for global growth in 2024 and 2025 is below the historical annual average of 3.8% (2000-19), due to tight monetary policies, the withdrawal of fiscal support and low underlying productivity growth.

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Accordingly, the energy sector has recovered significantly to pre-pandemic levels of demand. Liquid fuels reached an average demand of 101 million barrels per day at the end of December 2023, and it is estimated that demand may continue to grow during this decade and start to decline from 2030 onwards.

As for natural gas, global consumption is expected to continue to increase compared to 2022. Natural gas will continue to play a very important role in the decarbonisation of energy, replacing other more polluting fossil fuels and, according to McKinsey Energy 2022, an annualised growth of 10% is expected in 2022-2040. Recently, the inclusion of natural gas among the energy sources contemplated in the European Union's taxonomy was approved.

Energy commodity prices have also been reaching scenarios of high prices in recent years. Oil rose from USD 50 per barrel at the end of 2020 to USD 116 at the end of June 2022, closing 2023 at around USD 77 per barrel. As for natural gas, the Henry Hub price closed in June 2022 at USD 6.5 per MBtu, compared to USD 3.8 per MBtu at the end of 2021, and ended at around USD 2.49 per MBtu at the end of December 2023. The main analysts and institutions that monitor trends in energy commodities expect the scenario of high energy prices and energy derivative prices to continue.

The scenario resulting from the conflict in Ukraine is entailing important decisions in Europe regarding the diversification of its energy, oil and natural gas supply, which will lead to additional investments to supply energy demand in Europe, thus replacing supplies from Russia, as we will see later in the section on contracts awarded. Before the disruption caused by the conflict in Ukraine, the main companies in the sector, both private companies and state-owned companies, were already pointing to a strong investment cycle stemming from the lack of investment since the mid-2010s and supported by a scenario of high crude oil and natural gas prices. These three factors (geopolitical scenario, lack of recent investment and a scenario of high prices) herald significant investment activity in the energy industry in the coming years, even against a backdrop of lower economic growth.

To supply a growing and environmentally sustainable demand for energy, investments must be made in establishing, upgrading and improving the efficiency of existing facilities, where TR is well positioned and has the credentials required by investors, the technical capacity and over sixty years of proven experience worldwide, particularly in those geographies where most of the investments are expected to take place. The Company therefore expanded its workforce in 2023 and plans to continue to grow in 2024, including in other important geographical areas due to their proximity to customers.

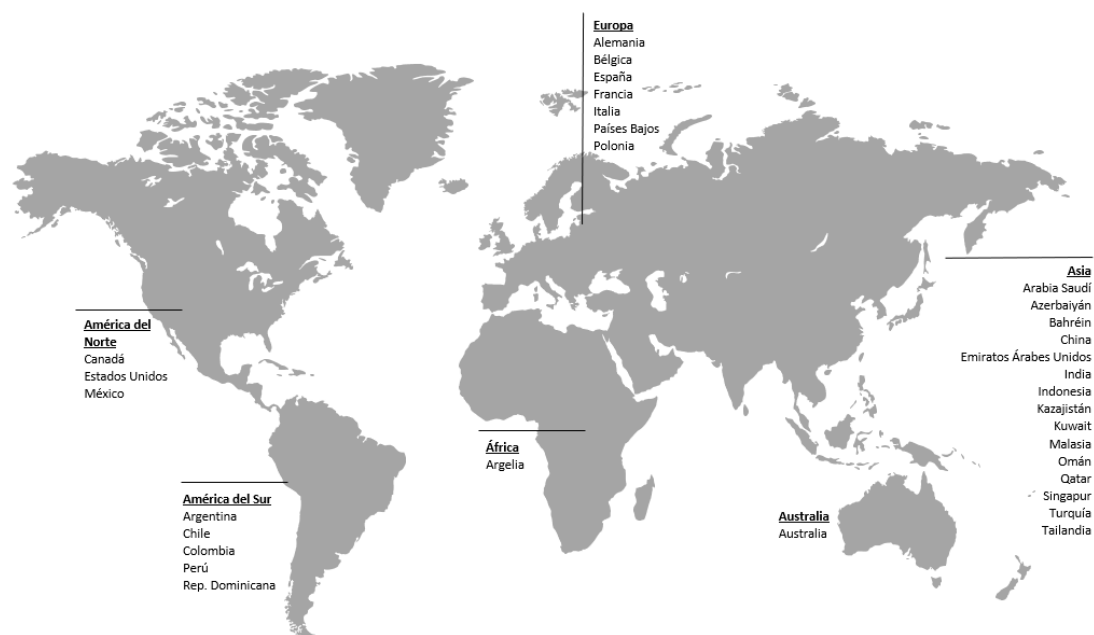
Likewise, TR is well positioned, thanks to its leadership in the face of climate change, the diversification of its activities, and its adaptation to new trends in the market as one of the most committed companies. This enables the Company to take advantage of the opportunities that will arise from increased regulatory pressure on environmental issues, as it has the technology and solutions to help its clients meet increasing environmental demands. This diversification of activities focuses on working with customers in terms of the environmental improvement of their facilities: production of clean fuels, natural gas and chemical products, low-carbon technology (hydrogen, CO₂ capture and storage, circular economy and bioproducts) and, therefore, the reduction of greenhouse gas emissions.

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This macroeconomic environment in general and the energy industry in particular have given rise to numerous opportunities. The contracts awarded in 2023 amounted to approximately EUR 4,000 million, with projects diversified both in terms of segments and geographical areas. In addition, in many of these projects Técnicas Reunidas has significantly reduced the risk associated with construction.





It is worth highlighting the market's reactivation and consolidation of the contracts awarded to Técnicas Reunidas in the field of renewable energies and energy transition. The Company was awarded energy transition projects (feasibility studies, basic engineering and FEEDs), including important strategic projects in the circular economy, decarbonisation, biomethanol, green ammonia and the production, transport and compression of green hydrogen both in Spain and abroad. TR has therefore managed to position itself strategically to carry out the future phases of these projects, some of which are planned for 2024, and to be a benchmark company in the sector.

MARKETS IN WHICH TÉCNICAS REUNIDAS OPERATES



15.1.5. Factors and trends that may affect the Company's evolution

Apart from market developments, the Company may be affected by factors related to other areas of its business. Therefore, Técnicas Reunidas identifies and analyses emerging trends that could have an impact on its management model in order to take action in this regard and adapt its business strategy.

	 FINANCIAL ENVIRONMENT	 OPERATING ENVIRONMENT	 HEALTH AND SAFETY REQUIREMENTS	 ENVIRONMENTAL REQUIREMENTS
TRENDS	<p>Contracting and execution models that delay collections from customers (invoicing by milestones rather than progress payments, reduction in prepayments, delays in resolving claims and high volume of guarantees).</p> <p>Macroeconomic uncertainty and market volatility (inflation, high interest rates).</p> <p>Increase in the tax burden on governments to offset deficits and new rules with minimum tax rates.</p> <p>Volatility of certain emerging market currencies.</p>	<p>Uncertainty regarding the evolution of oil prices, with knock-on effect for investment decisions and execution of projects.</p> <p>Decreased uncertainty due to higher raw material prices, energy and transport costs.</p> <p>Geopolitical uncertainty: Middle East, Russia, the United States, China, Latin America and North Africa.</p> <p>Increased competition in turnkey projects.</p>	<p>Adaptation to local occupational safety requirements.</p> <p>Increased demand from clients regarding the qualifications and requirements of onsite personnel with health and safety responsibilities.</p> <p>Need for practical on-site training programmes on occupational safety.</p> <p>Incorporation of new technologies for improved performance and monitoring of safety and health projects.</p>	<p>Growing concern from clients regarding the sustainability requirements of projects.</p> <p>Stricter environmental and social requirements from entities such as customers, the World Bank, financial institutions or accredited certification bodies.</p> <p>Increased environmental and social regulatory pressure.</p> <p>Report in accordance with the EU Taxonomy (Regulation 2020/852 and its technical annexes on mitigation, adaptation, water resources, circular economy, pollution and biodiversity).</p>

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	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
		<p>Increased client and subcontractor litigation.</p> <p>New demands from clients in the execution structure of projects (e.g.: joint ventures or revamping).</p>		<p>Increasingly demanding, detailed and comprehensive analysis by financial institutions and analysts of ESG ('E' for environmental, 'S' for social and 'G' for governance) requirements.</p>
TRENDS	<p>Evolution of the USD, TR's reference currency.</p> <p>Increased perception of the risk of turnkey projects by financial institutions and insurance companies with regard to the engineering and construction sector.</p> <p>Uncertainty regarding the evolution of the economic cycle.</p> <p>OECD regulation on taxation (BEPS).</p> <p>Optimisation and the search for efficiency</p> <p>Cash preservation policies for clients.</p>	<p>Critical negotiations with customers and suppliers in the final phases of the project.</p> <p>Preference by certain customers for early engagement of contractors before the tenders</p> <p>Need for clients to find financing for their projects.</p> <p>A firm commitment to process units with high-efficiency designs, aimed at carbon capture, minimisation of emissions and reuse of waste, supporting the circular</p>		<p>A firm commitment to process units focused on high-efficiency designs, aimed at carbon capture, minimisation of emissions and reuse of waste, supporting the circular economy, among others.</p>

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FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
	<p>economy, among others.</p> <p>Trend towards the use of renewable energies and low-carbon processes.</p> <p>Commitment in many markets to petrochemicals.</p> <p>Investment in energy transition projects (hydrogen, ammonia, biofuels) and other decarbonisation activities.</p> <p>Creation of tax incentives for generating green hydrogen</p>		

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	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
		<p>Increased use of technology and digitisation of manual processes as a more efficient alternative to traditional physical presence.</p> <p>Global shortage of engineering resources necessary for project development.</p> <p>Increasing customer requirements in implementing digital twins in their plants.</p>		
TRENDS				

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	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
HOW IS TR PREPARED?	Maintenance of available lines of financing.	Optimisation and improvement of efficiency.	Implementation of a Regulatory Compliance System that includes criminal risks.	Strengthening the system for evaluating the social and environmental compliance of local suppliers.
	Customer and supplier management (collection and payment periods, discounts, confirming).	Geographical diversification of services and projects.	Ongoing training in international health and safety standards aimed at project managers.	Internal and external audits of the Environmental Management System during the design and construction phases as regards environmental matters. Internal audits to ensure that corporate processes and procedures (CRM - Corporate Requirements Monitoring) for projects are correctly implemented during the engineering phase.
	Development of policies for allocation of profits to the countries where they are generated (BEPs).	Experience in sustainable technologies.	Stronger collaboration between human resources and the other areas involved in the construction, commissioning and start-up phases.	Identification of ESG risks and monitoring of environmental risks and opportunities.
	Currency hedging and commodity policy by using forwards.	Selective management of potential projects.	Acquisition of specific software and migration of periodic reports for internal health and occupational safety management.	Linking 10% of the executive director's variable remuneration to environmental aspects.
	Development of a highly diversified pool of banks, with a greater presence of local, regional and international banks.	Closer integration with clients from the initial phase onwards.	Linking 10% of the executive director's variable remuneration to health and safety aspects.	Leading the way in the area of sustainability and the fight against climate change.
	Continuous process of optimisation and improvement of efficiency.	Technical capacity and proven experience carrying out highly complex designs.		
		Consolidated know-how and work procedures.		
	Knowledge of the markets where the Company carries out its projects, including local suppliers and providers.			

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FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
<p>Contracting of +6bn projects for more than EUR 6 billion in 2023.</p> <p>Extension and diversification of liquidity sources.</p> <p>Obtaining mechanisms that strengthen the Company's capital and liquidity structure (SEPI) and capital increase carried out in 2023.</p>	<p>Alliances with partners to carry out certain projects.</p> <p>Diversification of activities focused on decarbonisation.</p> <p>Leverage based on proprietary technologies.</p> <p>Strengthening of the legal team and involvement in the various phases of project implementation.</p> <p>Providing support to clients in finding sources of financing for project implementation, including bank financing covered by export credit insurance provided by Export Credit Agencies (ECAs).</p> <p>Flexibility and responsiveness to adapt to local requirements and changes in project scheduling.</p>	<p>Occupational Health and Safety Management System in accordance with ISO 45001 certification</p>	<p>Comprehensive compliance with current local, national and international law and international environmental and sustainability standards.</p>

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	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
HOW IS TR PREPARED?		<p>Adaptation of its commercial and operational structures to optimise the likelihood of being awarded contracts and immediately starting project implementation.</p> <p>Risk control system with predictive analytics for key execution decisions.</p> <p>Reorganisation of the Project Control area to simplify its structure and facilitate the provision of services to the Company's projects.</p> <p>Prioritise the purchase of local materials and equipment to reduce emissions from upstream transport and distribution, labour to strengthen local social action.</p> <p>Implementation of the circular economy strategy: use of natural resources, and the reduction and reuse of waste.</p>		

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	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
		<p>Reinforce the Delay Analysis area to strengthen claims in the Company's projects.</p> <p>Simplification of reporting by the Project Economic Management area to streamline the execution of its tasks.</p> <p>Reducing construction risk through service projects and partnerships with other companies.</p> <p>Growth plan in strategic country offices, where the Company believes that it can gain commercial, financial, operational or strategic advantages.</p> <p>Formal establishment of the track business area, specialising in energy transition activities.</p>		

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	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
HOW IS TR PREPARED?		<p>Opening or relaunching of commercial offices in countries with high investment prospects such as the United States or Kazakhstan.</p> <p>Develop intense commercial analysis and tender activity on the opportunities that are most relevant for TR in the super investment cycle.</p> <p>Achieve a high number of contracts awarded in general and, in particular, in the area of the energy transition.</p> <p>Influence commercial activity as regards the energy transition in the European Union, the Middle East and North America.</p>		

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	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
HOW IS TR PREPARED?		<p>Expand alliances with construction companies and technologists that enable the Company to continue offering its customers cutting-edge solutions in the context of the energy transition that allow them to implement their sustainability and decarbonisation policies.</p> <p>Use of mobile technologies, robotisation of processes, cloud applications and artificial intelligence technologies.</p> <p>Collaboration with universities and other training centres for the development of future professionals.</p> <p>Development of new technologies in the field of energy storage and purification of basic materials in the industry.</p>		

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	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	HEALTH AND SAFETY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS

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	SUPPLY CHAIN AND OUTSOURCING	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
TRENDS	<p>Growing geopolitical uncertainty.</p> <p>Volatility of commodities and currencies.</p> <p>Selection of competitive construction and assembly companies.</p> <p>Protectionism of companies towards local practices.</p> <p>Lawsuits brought by suppliers and subcontractors.</p> <p>Risk of return of difficulties in the global supply chain.</p> <p>Reduced financial strength of subcontractors.</p>	<p>Decarbonisation plans for the main economic sectors (energy, steel, cement, etc.)</p> <p>Growing importance of low-carbon technologies (e.g. green and blue hydrogen and its derivatives, biofuels, carbon capture).</p> <p>Strong interest shown by the financial sector in investing in decarbonisation opportunities.</p> <p>Implementation of tax incentives in the United States and public funds in Europe to finance decarbonisation investments.</p> <p>Importance of digitisation and the use of new technologies to increase efficiency, ensure swifter client responses and reduce costs, among other reasons.</p>	<p>Quantitative and qualitative increase in disclosure of information relating to sustainability due to Directive 2022/2464 (CSRD).</p> <p>Development and updating of European Taxonomy regulations.</p> <p>Increased compliance requirements, including anti-corruption, anti-fraud, anti-money laundering and countering of terrorist financing.</p> <p>Impact on diversity in the management bodies of the companies.</p> <p>Increase in the relevance of issues related to stakeholders.</p> <p>Increased activity of corporate governance bodies and the need to strengthen internal control and risk management</p>	<p>Difficulty worldwide in attracting and retaining talent due to an increasingly more complex labour market as a result of the need for qualified profiles in almost all sectors.</p> <p>Digitalisation requirements.</p> <p>Increasingly high demand for maintaining criteria on flexible work hours and work/family balance.</p> <p>The need to have highly technically qualified resources with strong management skills, client orientation capacity and results.</p>

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SUPPLY CHAIN AND OUTSOURCING	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
<p>Tightening of global measures restricting the movement of labour.</p> <p>Increased energy and industrial production process costs.</p> <p>Focus on raw materials and especially on certain critical or strategic raw materials for relevant industries in the energy sector.</p> <p>Emission reductions in the nitric acid plant regulations for greenhouse gases (NOx, N₂O).</p> <p>Improved recovery of effluents with high nitrate content in ammonium nitrate plants in order to minimise soil contamination risks.</p> <p>Establishing lines of collaboration with clients, partners, suppliers and subcontractors.</p>	<p>Sustainability, environmental legislation and the circular economy as new business opportunities for developing technologies related to waste management.</p>	<p>systems, including criminal risks.</p> <p>Greater shareholder engagement at the Company's general meetings, particularly in matters related to sustainability and emissions control.</p> <p>Increased relevance of sustainability issues for significant stakeholders.</p> <p>Special consideration of sustainability in decision-making.</p> <p>Supervision of the implementation of the Criminal Compliance Management System by the Audit and Control Committee.</p>	

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	SUPPLY CHAIN AND OUTSOURCING	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
TRENDS	<p>Use of by-products derived from energy transition technologies such as hydrogen-derived green ammonia and ammonia by-products such as nitric nitrate.</p> <p>Growing client requirements due to the emergence of the 'digital twin' concept and its implicit data standardisation.</p>			

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	SUPPLY CHAIN AND OUTSOURCING	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
	<p>Strengthening synergies report with greater focus on the supplier's financial situation.</p> <p>Maximising the use of insurance to minimise commodity price volatility.</p> <p>Expanding and updating of the Company's worldwide database of subcontractors, and further analysis of their financial capacity and the risks associated with this capacity.</p>	<p>In-house developments in all areas of work and in relation to the energy transition (e.g. green and blue hydrogen, CO₂ capture and recovery, the circular economy and critical raw materials).</p> <p>Strategy in the field of digitisation to strengthen competitiveness, adapt to customer demands and optimise processes.</p> <p>Specialists in the management of R&D and know-how in the</p>	<p>Creation of a multidisciplinary European Taxonomy Committee that reports to the Sustainability area, which classifies all the Company's activities in accordance with the regulations.</p> <p>Implementation of the Company's Sustainability Policy and deepening of the principles of responsible action.</p> <p>Implementation of the Sustainability Plan and monitoring the various specific and coordinated actions between the different areas.</p> <p>Reviewing the Policies and</p>	<p>Specific training for managers geared towards managing new ways of working in organisations.</p> <p>Development of work-life balance measures.</p> <p>Search for ideal profiles for the tasks entrusted, with a special emphasis on technical profiles.</p> <p>Signing of agreements with various universities and training centres to identify and attract young talent.</p>

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	SUPPLY CHAIN AND OUTSOURCING	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
HOW IS TR PREPARED?	<p>Conducting technical and physical analyses to ensure subcontractors' abilities to perform construction works.</p> <p>Analysis of subcontractor cash flow in new contracts awarded.</p> <p>Models of subcontracts and contracts with lower risk derived from the increase in the costs of production processes.</p> <p>Establishment of consortiums and strategic partnerships with engineering and construction companies in the sector.</p> <p>In-house developments in all areas of work and in relation to the energy transition (e.g. green hydrogen, CO₂ capture and recovery, Circular Economy and Critical Raw Materials).</p>	<p>development areas.</p> <p>Offering optimal technical solutions for the development of efficient industrial plants that allow customers to execute their sustainability and emission control and reduction strategies.</p> <p>Strengthening of the José Lladó Technology Centre, with specialised capabilities and resources in strategic lines of research.</p> <p>Opening of a product hub, an environment for testing and demonstration pilot equipment/prototypes mainly related to the production of H₂ and decarbonisation.</p> <p>Ad hoc agreements with suppliers of catalysts to implement treatments for minimising greenhouse gases in nitric acid plants.</p> <p>In-depth analysis of projects to plan their management throughout the</p>	<p>procedures that make up the Criminal Compliance Management System.</p> <p>Development of new policies and commitments such as the Human Rights Policy.</p> <p>Consolidation of the role of Board committees, mainly with regard to sustainability.</p> <p>Continuous development and adaptation of internal documents aligned with best practices of corporate governance.</p> <p>Supervision by the corporate governance bodies of tax and information security risks.</p> <p>Reinforcing communication channels with key stakeholders.</p> <p>Reporting and verification of sustainability information in accordance with the highest standards.</p>	

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SUPPLY CHAIN AND OUTSOURCING	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
<p>Strategy in the field of digitisation to strengthen competitiveness, adapt to client demands and optimise processes.</p> <p>Specialists in the management of R&D and know-how in the development areas.</p> <p>Offering optimal technical solutions for the development of efficient industrial plants that allow customers to execute their sustainability and emission control and reduction strategies.</p> <p>Strengthening of the José Lladó Technology Centre, with specialised capabilities and resources in strategic lines of research.</p> <p>Case-by-case contracts with suppliers of catalysts to implement treatments for minimising greenhouse gases in nitric acid plants.</p>	<p>implementation period.</p> <p>Introduction of virtual reality into the design and execution of the projects for management throughout the execution period.</p> <p>Continuous technological and economic intelligence surveillance in strategic development areas with a focus on detecting new business opportunities.</p> <p>Participation in the development of decarbonisation projects for green ammonia activities by using ESPINDESA's proprietary technologies for green ammonia derivatives (nitric acid, ammonia nitrate, ammonium-calcium nitrate and nitrosulphate).</p> <p>Agreements with electrolyser and ammonia technologists to complete the production chain with proprietary nitric and nitrate ammonia-derived technologies, while</p>	<p>Consolidation of the Sustainability area.</p> <p>Ongoing adaptation to the Regulatory Compliance Management System and the prevention of criminal risks, and supervision by the Audit and Control Committee.</p> <p>Approval of new policies of the Corporate Governance System.</p> <p>Approval of new criminal compliance policies.</p> <p>Inclusion of parameters linked to sustainability in the variable remuneration of the executive director.</p> <p>Review of the regulatory compliance culture of third parties, especially as regards the fight against corruption and fraud.</p> <p>Third-party diagnosis of the suitability of the existing Criminal Compliance</p>	

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	SUPPLY CHAIN AND OUTSOURCING	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
HOW IS TR PREPARED?	<p>In-depth analysis of projects to plan their management throughout the implementation period.</p> <p>Introduction of virtual, augmented and mixed reality into the design and execution of the projects for management throughout the execution period.</p> <p>Continuous technological and economic intelligence surveillance in strategic development areas with a focus on detecting new business opportunities.</p> <p>Participation by Técnicas Reunidas in developing projects related to green ammonia or its derivatives that contribute to the decarbonisation of these activities worldwide, while promoting the subsidiary ESPINDESA's proprietary technologies for green ammonia derivatives, such as nitric acid, ammonia nitrate, ammonium-calcium nitrate and nitrosulphate. These projects were in the conceptual design phase in 2023.</p>	<p>maintaining an active presence in the industrial ammonia plant business.</p>	<p>Management System with proposals for improvements where appropriate, especially in the area of corruption and fraud prevention.</p>	

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	SUPPLY CHAIN AND OUTSOURCING	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
HOW IS TR PREPARED?	<p>Technological agreements with electrolyser and ammonia technologists to complete the production chain with proprietary nitric and nitrate ammonia-derived technologies.</p>			

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	SUPPLY CHAIN AND OUTSOURCING	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES

15.1.6. Objectives and strategy

Técnicas Reunidas' strategy is structured around four pillars: methodology, diversification, quality and safety.

a. Methodology:

The methodology is based on the development, systemisation and proper use of all the know-how that TR has acquired since 1960 executing projects around the world. This commitment to the methodology makes it possible to improve the efficiency of the work processes, an aspect that TR has been including in recent years. In this pillar, both the Company's excellent human capital, made up of highly qualified professionals, and the innovation and digitalisation of work methodologies are essential. These aspects are part of TR's DNA, which allow it to have the necessary technical solutions and human capital to provide its customers with high added value services that enable them to meet their sustainability objectives, in particular those related to reducing the emissions.

b. Diversification:

TR diversifies its customer bases, services and geographical areas, contributing to sustainable growth and an effective energy transition. In turn, the Company has a portfolio of customers of recognised prestige that contribute to consolidating its presence in the market and their business is highly recurring.

c. Quality:

TR's emphasis on the quality of all its processes (which requires selecting the right suppliers and subcontractors) guarantees the execution of every project in accordance with customer's needs and requirements, especially with regard to sustainability aspects.

d. Safety:

TR promotes a specific corporate culture in occupational health and safety, introducing training programmes for staff and encouraging their participation in prevention efforts and improving working conditions, promoting shared responsibility at various levels of the organisation.

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The Company establishes annual objectives for each department and integrates them into the Company's strategy while adapting them to the specific needs of the areas, so that the objectives have an individualised approach that makes it easier to trace and compare them. The objectives established by Técnicas Reunidas for each area are detailed below.

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General Secretariat objectives - Sustainability - Non-financial information	<ul style="list-style-type: none"> - Approve and implement the 2024-2026 Sustainability Plan, in particular those actions to be carried out in the short term. - Approve a due diligence procedure and, in relation to this procedure, review the Sustainability Policy from a corporate governance perspective of the Human Rights Policy. - Approve an Information and Intangible Asset Protection Policy, which includes, among other matters, trade secrets, cybersecurity and artificial intelligence. - Push forward the approval of the draft Corporate Governance and Group Definition Policy. - Review and update the Policy on Information, Communication, Contact and Engagement with Shareholders, Institutional Investors, Proxy Advisers and Other Shareholders. - Review and update the Director Selection and Diversity Policy for the Board. - Maintain a high percentage of votes in favour of the items on the agenda of the 2024 General Meeting. - Develop the actions necessary to implement the CSRD Directive. - Implement a general sustainability tool at TR. - Optimise the Company's risk mitigation programme through insurance policies. - Streamline the structure of Spanish and foreign subsidiaries.
Objectives for H R	<ul style="list-style-type: none"> - Cover staffing needs to respond to the corporate growth strategy and the high workload for 2024 and beyond. - Sustainably integrate new hires, both in Spain and abroad, adapting corporate policies and the different management, training and development tools to the needs of operational growth and local realities. - Improve the digitisation of the department's processes. - Consolidate control, reporting and process integration systems at all of the TR Group's subsidiaries. - Have attractive ongoing training plans that continue to improve the professional qualifications of our workforce. - Continue to make progress in having attractive and inclusive internal communication. - Maintain international internship programmes for talent recruitment and training at international subsidiaries. - Maintain a good working environment and high standards of commitment between the Company and all its employees. - Have equality plans in place at all TR companies that have been negotiated with employee representatives. - Adapt available spaces to resource requirements by making better use of available resources.
Environmental Objectives	<ul style="list-style-type: none"> - Improve the energy efficiency of central office buildings in Spain. - Implement new measures following the Company's ESG risk diagnosis. - Implement the action plan to reduce emissions. - Continue to optimise the implementation of the Integrated Management System for ISO 14001 certification. - Continue to develop a circular economy strategy within the framework of the company's Sustainability Policy.
Energy Transition Objectives	<ul style="list-style-type: none"> - Develop Técnicas Reunidas' proposal for energy transition, taking advantage of the opportunities offered by decarbonisation and the growth of investment in low-emission technologies.

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	<ul style="list-style-type: none"> - Take advantage of Técnicas Reunidas' industrial presence to structure projects in decarbonisation technologies: hydrogen value chain, bioproducts, carbon and methane capture. - Diversify Técnicas Reunidas' services towards other industries (cement, steel, etc.) and strengthen its implementation in the energy transition in certain markets (United States and Europe). - Configure new services and business models for the decarbonisation of production chains, such as carbon management and methane management. - Move forward and increase the number of research projects in the field of energy transition and submit projects for funding in the tenders for PERTE, Horizon, Innovation Funds, etc. - Position Técnicas Reunidas as a benchmark company in the field of energy transition and increase the external and internal visibility of its capabilities in this area.
Objectives of R&D	<ul style="list-style-type: none"> - Continue with the development of the Swiss Zinc project for the future municipal waste recycling complex in Switzerland that will include the ZINCEX™ and ECOLEAD™ technologies for the recovery of Zn and Pb by contracting the technological package that includes basic engineering, the licensing of the technologies and the supply of proprietary equipment. - Continue with the development of technologies in the circular economy strategic line (solid municipal waste, electronic components, plastics, industrial effluents, etc.) to obtain and/or recover critical raw materials essential for the energy transition, such as lithium, cobalt, rare earths, etc.; development of green hydrogen production technologies using AEM (Anionic Exchange Membrane), SOEC (Solid Oxide Electrolyzer Cell), PCEC (Protonic Ceramic Electrolysis Cell) and alkaline electrolyzers and CO₂ capture and recovery technologies. - Consolidate the development of projects related to green ammonia and its derivatives with a project at a more advanced stage than the conceptual project and understanding ammonia plants as 'Green', based on the electrolysis of water with green energies instead of those based on the reforming of natural gas. - Continue to develop technologies for obtaining and recovering critical raw materials essential for the energy transition such as lithium, cobalt, rare earths, etc. - Development of products associated with the decarbonization of combustion equipment. - Strengthen digital innovation lines by creating workshops to identify challenges and solutions, as well as working in an ecosystem to co-innovate and seek synergies. - Creation of a data and artificial intelligence area to work with the business areas and put the operating model into practice. - Development of the methane monitoring platform in a strategic partnership with Google. - Develop a PC MAKER purchasing terms management tool. - Develop and implement a unique risk management tool, uRisk. - Completion of development and implementation in projects of the CostApp cost control tool. - Implement digital twins with large customers and projects. - Implement the task control system, Taski. - Develop and implement the MTRApp tool for digital twins. - Develop and implement the TRBrunch tool for managing activities in subsidiaries.

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Financial Objectives	<ul style="list-style-type: none"> - Follow up on the previous agreement reached with the tax authorities. - Maintain active participation in the Large Taxpayers Forum. - Continue negotiating bilateral and syndicated guarantee lines for the Company's new businesses. - Reinforce proactive communication with the market. - Monitor the process of implementing the Company's efficiency plan. - Continue to seek investors and financial products linked to the energy transition and sustainability. - Continue to seek mechanisms to strengthen the Company's lines of credit. - Actively manage interest rate hedges on the Company's debt and exchange rates and commodities. - Obtain UNE 19602 certification in tax compliance management. - Strengthen the relationship with the private insurance market in the search for surety instruments. - Strengthen the role of multilateral institutions, export credit agencies and other mechanisms in the Company's financial activities. - Strengthen tax compliance, monitor the new rules and their impact on the tax credit recovery plan. - Strengthen the solvency analyses of the shareholders, suppliers and subcontractors with which TR has relationships. - Closely monitor the Company's cash flow for optimisation to ensure a healthy liquidity position. - Ongoing review of solvency and credit ratios to strengthen the Group's balance sheet structure. - Monitor compliance with the obligations assumed in the contracts with the Fund for Supporting the Solvency of Strategic Companies (SEPI).
Procurement Objectives	<ul style="list-style-type: none"> - Implement new actions linked to the Procurement area within the framework of the Sustainability Plan, such as the classification of strategic suppliers in terms of sustainability. - Consolidate the growth and optimisation of local entities and continue development in offices in Turkey, the US, the Middle East and India. - Consolidate multi-project teams and strengthen them by supplementing them with employees working in disciplines within the area. - Optimise and update the electronic archiving of project procurement information, integrating accessibility, cybersecurity and confidentiality requirements. - Continue to strengthen cybersecurity through specific training and refresher courses for procurement personnel on cybersecurity. - Start the process of categorising the supply chain in terms of cybersecurity and privacy through the e-Supplier tool. - Launch cybersecurity training campaigns for users of strategic suppliers, thus strengthening cybersecurity in the supply chain. - Develop the methodology for the close-out of metal structure supplies. - Continue developing the PCO (close-out application) to achieve greater integration at both the area and Company level (with other areas). - Assess the Group's needs regarding prefabrication workshops. - Create a new department in the Growth and Development area focused on understanding and detecting the needs of the area's resources, and detecting and coordinating the training actions to meet these needs, process control, indicators and tools. - Study the standardisation of participation in virtual shop tours and the active participation of staff in remote inspections as part of training activities.

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	<ul style="list-style-type: none"> - Put into production and generate new application developments with AI-driven predictive models to improve decision-making and efficiency in various processes. - Establish a procedure for dividing responsibilities between Post-Order and Material Manager. - Consolidate and generalise use among other suppliers of the digitisation tool for the new piping material certificate management system. - Implement a strategy to consolidate the new version of the IMA mobility app, allowing it to be expanded on different Android and iOS platforms and devices, which ensures greater accessibility to a wide range of inspectors, thus improving the mobility experience and interaction with our digital corporate solutions. - Put into production applications with AI-driven predictive models and use data lake information. - Assess the efficient disclosure formula for procedures and new instructions (online courses) to improve and ensure staff training and development at both central offices and subsidiaries. - Follow up with local offices on local content sourcing requirements. - Develop collaborative efforts with key suppliers for the joint development of digitisation and artificial intelligence initiatives. - Issue terms and conditions for contracting engineering services.
Construction Objectives	<ul style="list-style-type: none"> - Continue to seek efficiency and optimisation of processes through digitisation and robotic automation. - Explore new framework agreements and partnerships with subcontractors. - Continue to establish collaboration agreements with large groups of construction companies. - Enhance the ESAM tool to improve communication with subcontractors and certification processes. - Improve the systems for transferring materials to subcontractors and implement tools that allow RPAs to be used in these processes.
Health and Safety Objectives	<ul style="list-style-type: none"> - Continue to fulfil the objectives set out in the Sustainability Policy in relation to safety on site. - Continue to promote the health and safety culture plan, including campaigns to raise awareness among employees. - Give greater visibility to good occupational health and safety practices on construction sites within the company and promote the TR brand to the outside world, including optimisation of the on-site HSE auditing process. - Provide project managers training on the legal liabilities associated with health and safety during the construction phase. - Implement the new IT tool for recording health and safety observations during the construction phase in new projects. - Implement a new KPI on inspections between the HSE area and the Inspection area in the construction phase that consists of having TR's HSE team conduct inspections of the site together with the supervision of other disciplines (civil, piping, etc.). - Establish and develop a comprehensive ToolBox Talks (TBT) digital library accessible to all TR personnel, both in offices and on site. This platform will provide a centralised space to improve efficiency and uniformity in these TBT, and to share relevant technical documentation, which will contribute to improving the quality of work in the working environment.

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	<ul style="list-style-type: none"> - Maintain accident rates below the targets set. - Study and contract an Employee Assistance Programme in relation to psychosocial risk assistance. - Complete the implementation of HEYMO within the Group's Joint Prevention Service. - Continue to optimise the implementation of the Integrated Management System for ISO 45001 certification. - Integrate Heymo's Prevention Service in the TR Group's Joint Prevention Service. - Implement a psychological support programme for employees.
Regulatory Compliance Unit Objectives	<ul style="list-style-type: none"> - Maintain the UNE19601 Criminal Compliance Management Systems Certification. - Update the Corporate Code of Conduct based on best practices in the organisation's sector of activity, especially with regard to human rights. - Continue with the deployment of the regulatory compliance function in those geographical areas that, due to their volume, continued business or new business, require it. - Deploy the Third-Party Integrity Assessment Policy at the local level.
Social Objectives	<ul style="list-style-type: none"> - The Company has maintained a high level of local purchasing and subcontracting, thus promoting local consumption and the local economy, which is also the result of TR's commitment to sustainability. - Continue to contribute to the economic and social development of local communities by getting them involved in the projects carried out by the Company. - Strengthen dialogue with stakeholders for the purpose of understanding all the concerns of the Company's stakeholders, in particular those affected by its projects. The Project Sustainability Area was created to show our proximity and interest. - Train and increase the hiring of local personnel in those regions where the Company is carrying out projects. As a result of TR's commitment to the local community, it hires qualified local staff so as to integrate all TR employees into the local community where it operates. - Promote human rights training. In 2023 Técnicas Reunidas approved its Human Rights Policy, which reflects its commitment to the well-being of all people in all areas where it operates. The Company has also provided its employees with this Human Rights Policy and has carried out various training activities on these basic aspects.
Commercial Objectives	<ul style="list-style-type: none"> - Develop intense commercial analysis and tender activity on the opportunities that are most relevant for TR in the super investment cycle. - Achieve a high number of contracts awarded in general and, in particular, in the area of the energy transition. - Influence commercial activity as regards the energy transition in the European Union, the Middle East and North America. - Expand alliances with construction companies and technologists that enable the Company to continue offering its customers cutting-edge solutions in the context of the energy transition that allow them to implement their sustainability and decarbonisation policies.

15.2. Risk factors (non-financial) associated with the business

Técnicas Reunidas has the necessary tools and procedures to help it identify, prevent, minimise and manage the risks associated with its activity. In this regard, the Company has a comprehensive methodological risk management framework covering all areas and projects in which it is involved.

Using this comprehensive framework, TR prepares a catalogue of the key risks identified in accordance with the COSO 2013 methodology.

To manage these risks, the Company has developed various procedures and management policies, including the following:

- Procedures related to the nature of the projects, such as their selection, geopolitical risk diversification policies and policies to preserve the technical capacity necessary to execute the projects, and to share the risks in their execution with third parties, contracting insurance, ways of contracting quality suppliers, etc.
- Procedures related to the financial management of projects: management of foreign currency risk, liquidity and tax risks.
- Procedures related to Health and Safety Management Systems.
- Procedures related to the Criminal Compliance Management System.

The Company's main operating risks are listed below, including non-financial areas such as environment, health and safety, cybersecurity, human rights, personnel, integrity and reputation. The main operating risks and the management mechanisms available to TR are set out below.

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Risk	Description	Main risk management and mitigation mechanisms
Changes in project costs.	<p>Several factors may give rise to a change in project cost estimates in turnkey projects (the complete price is closed at the start while execution costs may change), such as the volatility of raw material prices, changes in project scope, performance by construction and assembly subcontractors on time and with required quality, litigation by clients or suppliers, geopolitical decisions with an immediate impact or weather conditions, among others.</p> <p>The assessment of all these factors implies a high level of judgement and estimates.</p> <p>Failure to comply with delivery deadlines may result in having to pay compensation to clients.</p>	<ul style="list-style-type: none"> - Development of new contracting methods to mitigate risks. - Inclusion of indemnity clauses in contracts with suppliers and subcontractors. - Intense acquisition during the first few months of execution of key equipment with a high level of price sensitivity for raw materials. - Use of derivatives that allow the acquisition of certain essential raw materials and equipment in instalments. - Distribution of execution of work among several subcontractors from an early stage of the project. - Inclusion of contingencies for deviations in budgets. - Reliance on opinions of external consultants in the preparation of estimates and judgements. - Close monitoring of project execution deadlines to detect delays, which allow acceleration and penalty risk mitigation mechanisms to be implemented. - Design of cost control strategy with the Procurement area and negotiation of commodities by price and availability to avoid impacts on projects. - Establishment of subcontracting strategies and constructive sequences adapted to cost rather than term.
Changes in the price of oil and gas.	<p>The price of crude oil and gas, in addition to other factors, affects the investment, award and execution decisions of the Group's clients and suppliers, competitors and shareholders.</p> <p>In 2023, changes in the price of oil contributed to the reactivation of part of TR's activities.</p>	<ul style="list-style-type: none"> - Predominance in the portfolio of customers that are state-owned companies compared to private companies, includes other factors beyond purely financial considerations in their decision-making, such as geopolitical and social criteria. - Diversification of products, services and geographical areas. - Mitigation of negotiation risks with clients and suppliers by the early detection of those matters that may represent a change in the contractual price. - Consortia working schemes and others to minimise construction risk.

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Risk	Description	Main risk management and mitigation mechanisms
Execution of projects in multiple geographical areas.	<p>TR's projects are developed in multiple geographies, each of which presents a different risk profile to mitigate: political and social tensions, locations with limited access, limited legal certainty, local content requirements, potential double taxation due to execution from several jurisdictions simultaneously, increasing tax burden in all geographies where the Group operates, or complexity of the margin allocation process in projects developed simultaneously in multiple geographies, etc.</p> <p>Performance of projects for the first time in a certain geographical area increases the risk of deviations in margins.</p>	<ul style="list-style-type: none"> - Project selection based on a detailed analysis of the client and country (establishing a local presence prior to bidding), and other aspects such as project-specific margins and risks. - Analysis of the tax implications of the projects, with the advice of reputable top-level firms, and monitoring of the regulations and VAT position of the projects. - Use of modular construction methods in locations with limited labour availability or where the site conditions allow for savings compared with other options. - Where possible, TR includes the resolution of disputes at courts or in arbitration in countries where it has prior experience. - Where possible, the Group's contracts include clauses that allow prices to be changed in the event of amendments to laws. - Flexibility to adapt ourselves to domestic content requirements. - Development of BEPS policies. - The Internal Group Tax Risk Manual that establishes the Group's tax strategy and internal tax risk management procedures, which includes training actions and internal investigation plans. - In the bidding phase, tax strategies are determined that minimise risk with local advisors, including in the Group's usual markets. - In the execution phase, the tax assessments submitted are monitored, with the support of local advisors, and events or deviations from the initial strategies are identified with the aim of correcting them with the support of the Operations area. - Framework of seconding policies at TR Group level, which regulate the seconding conditions that will apply to those who move to new projects that will be performed in the future outside Spain.
Concentration of projects in a low number of customers.	<p>At certain times the portfolio may feature a high concentration in a low number of clients and suppliers in certain countries.</p>	<ul style="list-style-type: none"> - Concentration only in markets in which the Group has sufficient prior experience. - Diversification policy that allows TR to access different markets. - Deployment of relevant commercial initiatives with customers in markets in which TR does not yet have a presence. - Commercial initiatives to find new customers.

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Risk	Description	Main risk management and mitigation mechanisms
Environmental and safety requirements.	<p>TR carries out projects where incorrect performance entails high risks of impact on the environment or health and safety risks.</p> <p>The Company works to control and minimise those risks by collaborating with its clients, subcontractors and suppliers in this area.</p>	<ul style="list-style-type: none"> - The existence of a Sustainability Policy and Plan and the implementation of measures consistent with it. - Quality, Health, Safety and Environment Policy that introduces concepts of sustainability, consultation and engagement, and well-being and health. - Implementation and continuous improvement of an Integrated Environmental and Occupational Health and Safety Management System in accordance with ISO 14001 and 45001 certification. - Assurance that risks (health, safety, environmental and sustainability) are identified from the bid preparation phase for analysis and the development of appropriate mechanisms during the engineering and construction phase of the projects to ensure that reduction and mitigation measures are implemented. - Extension of this assurance to suppliers and subcontractors through audits and training. - Reinforcement of safety and environmental matters in processes from the project design phase. - Promotion of occupational safety at suppliers and subcontractors.
Economic variables.	<p>Certain economic circumstances (changes in exchange rates, interest rates, availability of financing, taxes, etc.) can have an impact on TR's business and profits.</p> <p>Period of geopolitical tensions with high impact on economic variables (high levels of inflation).</p> <p>Worsening growth outlook in 2023 in almost all areas, mainly in advanced economies and persistent inflationary pressures.</p> <p>Greater emphasis in the decisions of TR's customers on the entities or organisations that finance their investments.</p>	<ul style="list-style-type: none"> - Continuous monitoring of the risks associated with currencies and the arrangement of foreign currency hedges. - Management of a solid balance sheet and availability of adequate financing lines, including those supporting strategic companies managed by SEPI. - Mitigation of the risk of lack of liquidity of clients through active involvement in their financing processes, through banks that support the transactions in which TR participates, as well as through the use of export insurance through banks that support the transactions in which TR participates, and direct contact with the institutions financing its clients, as well as through the use of export insurance. - Growth plan in offices in different specific geographical regions, which makes it possible to control the impact of inflation and not become less competitive. - Continuous monitoring by TR's tax advisors of changes in corporate income tax in the different jurisdictions where it operates.

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Risk	Description	Main risk management and mitigation mechanisms
	<p>Financial institutions have increased their perception of risk in the sector in recent years, and they are now more conservative in their support for it. In addition, in general, the application of tighter global monetary policies has led to tighter financial conditions in emerging economies.</p> <p>Potential corporate income tax changes in the countries where the Company carries out its projects could lead to delays in the DTA recovery plan.</p>	
Information technology.	<p>With the Group's increased digitalisation and remote working, the risk of intrusion into its systems by cybercriminals has increased (increase in the perimeter of attacks, cyber threats and cyber-attacks).</p>	<ul style="list-style-type: none"> - Information Security Management System certified in accordance with ISO 27001:2013. - Information Security Policy and Privacy Policy, oriented to the Zero Trust model and aligned with international standards such as NIST, CIS, National Security Scheme and ISO27001:2013. - Employee training on cybersecurity matters. - An Information Security Committee has been created to analyse the development of the Strategic Cybersecurity Plan, the results of the audits and the main risks faced and measures taken. - Incorporation of a second layer of email filtering for the prevention of CEO fraud, spam emails ('phishing').
Attraction and retention of key personnel and adaptation of resources to the workload.	<p>The loss of key personnel, and gaps in their training, may increase the risk of not executing projects adequately. Furthermore, the excessive concentration of projects or delays may give rise to inefficiencies in personnel management.</p> <p>The Company is faced with the reduced availability of qualified personnel in the market given the increased demand for these profiles worldwide.</p>	<ul style="list-style-type: none"> - Implementation of a flexible human resource structure to adapt swiftly to market changes. - Global management of human resources to unify the criteria applied at the various subsidiaries. - Strategic, global and diversified workforce growth plan in the different geographical areas in which the Company operates. - Competitive remuneration measures. - Workplace flexibility measures. - Working environment survey to find out employees' interests. -

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Risk	Description	Main risk management and mitigation mechanisms
		<ul style="list-style-type: none"> - Identification of key employees to establish policies that favour their well-being and encourage them to stay at the Company.
Integrity and reputation.	<p>Improper or irresponsible behaviour by employees or other third parties with which the Group collaborates (suppliers, subcontractors and partners) may negatively affect the reputation of and results obtained by TR.</p>	<ul style="list-style-type: none"> - Internal regulations and training to ensure proper behaviour of the workforce and the availability of a Code of Conduct, Criminal Compliance Policies and Procedures and an Internal Reporting System. - Accreditation of UNE19601 certification in Criminal Compliance Management Systems. - Requirement for suppliers, subcontractors and partners to comply with environmental, human rights, health and safety, anti-corruption and anti-fraud requirements, all of which are included in the Supply Chain Code of Ethics.
Suppliers and subcontractors	<p>Tensions between countries limit access to suppliers of goods and services and subcontractors.</p> <p>Increased risk of non-compliance and abandonment of projects due to the implications of the pandemic and the Russia-Ukraine on the construction sector.</p> <p>Increased activity in the market and the multitude of projects under way worldwide have led to a shortage of personnel for the execution of the projects in almost all locations, and increased competition to fill the technical positions necessary for the execution of the projects.</p>	<ul style="list-style-type: none"> - Expanded lists of suppliers and subcontractors that meet client requirements. - Supplier and subcontractor assessment processes including ESG criteria, and improved financial and HSE evaluation criteria. - Implementation of payment plans with subcontractors to minimise impacts on projects due to non-payment and reinforcement of collaboration with subcontractors in order to establish plans in accordance with the payment possibilities of the projects. - Establishment of strategies for retaining staff on site. - Increase in the number of subcontractors involved in the work to have access to more employees. - Establishment of global collaboration agreements with construction companies. - Atomisation and diversification strategies for construction with local and international suppliers.
Quality of execution.	<p>Quality in the execution of the works ensures not only the successful completion of the project, but also obtaining projects of a similar nature or with the same client.</p>	<ul style="list-style-type: none"> - Quality supervision mechanisms in all project phases. - Creation of databases recording the Group's know-how and best practices. - Quality procedures are drawn up by all the departments concerned, minimising the possibility of lack of knowledge, and reviewed by the Knowledge Management Department.

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Risk	Description	Main risk management and mitigation mechanisms
		<ul style="list-style-type: none"> - TR has renewed, for 25 years without interruption, the certification of its Quality Management System in accordance with standard ISO 9001.
Climate Change.	<p>Climate change requirements can impact clients' needs and the way in which TR implements its projects.</p> <p>In addition, one of the most relevant risks in relation to the environment is compliance with the European Union's plan for full decarbonisation by 2050.</p>	<ul style="list-style-type: none"> - The Company has excellent technical engineering capabilities to provide customers with solutions that enable them to carry out their sustainability activities and emission reduction initiatives. - The Company has advanced technical procedures that enable it to execute projects in extreme head and cold.
Corporate governance and sustainability.	<p>The Company's comprehensive regulatory requirements and voluntary commitments in these areas require TR to have the structure and means necessary to respond to them.</p>	<ul style="list-style-type: none"> - The Company has implemented additional sustainability actions that, under the responsibility of the Secretariat of the Board, provide a specific response to these growing requirements. The Sustainability area also encompasses a specific division for Project Sustainability that allows the TR Group's sustainability actions to be implemented in a coordinated manner in all its projects. - Accordingly, the Secretariat of the Board has been adapted to respond to the new corporate governance requirements, which includes drawing up the CSRD report or the expected approval of the Corporate Sustainability Due Diligence Directive. - In 2023 the Company approved a Human Rights Policy, which unifies the references on this matter already included in other corporate documents such as the Sustainability Policy or the Code of Conduct. This Human Rights Policy responds to the expectations of stakeholders and contains specific commitments and rules of action in relevant areas such as the rejection of forced or compulsory labour and child labour, the prohibition of slavery, respect for diversity and non-discrimination, or just and favourable working conditions.

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Risk	Description	Main risk management and mitigation mechanisms
		<ul style="list-style-type: none"> - In 2023, the Company also worked on developing other corporate policies, which are expected to be approved in the first half of 2024. In particular, these policies include (i) a Trade Secrets and Confidentiality Policy that establishes the general framework for action at the level of the Company and its Group to guarantee the confidentiality and subsequent protection of its information and know-how with business value, particularly that which may constitute trade secrets; and (ii) a Corporate Governance and Group Definition Policy, with the aim of establishing the principles, criteria and guidelines that should govern the organisation and operation of the governing bodies of Técnicas Reunidas, as well as those that should serve as the basis for defining the structure of its Group, all based on applying compliance with the good governance recommendations generally recognised in international markets, adapted to the particular characteristics of Técnicas Reunidas and its Group; and (iii) an Information and Intangible Asset Protection Policy, which includes, among other matters, trade secrets, cybersecurity and artificial intelligence.
New energy scenario.	<p>The energy transition is a new reality to which both TR's clients and the Company itself must adapt themselves so as to meet the decarbonisation budgets and deadlines to which their countries have committed.</p>	<ul style="list-style-type: none"> - The Company has set up a unit specifically dedicated to strengthening Técnicas Reunidas' capabilities in the decarbonisation of the economy. - Técnicas Reunidas has a financing framework for the purpose of financing its commitment to decarbonisation and the energy transition.

In addition to the operational risks mentioned above, TR evaluates other potential non-financial contingencies of minor impact to the Company with the aim of always ensuring the maximum performance levels in terms of sustainability. The details of the procedures applied by the Company to manage these risks may be found in each of the related chapters of this document.

This scenario has only reinforced TR's commitment to sustainability as a key element of its future business development. Against this backdrop, the Company approved the Group's Sustainability Policy in 2020 and the Sustainability Plan in 2021, which is in line with the principles of the Policy and the implementation of the initial actions set out in the Policy. In 2023 it continued to implement the actions envisaged in the Sustainability Plan. These advances represent a milestone in TR's relationship with its main stakeholders, as well as a manifestation of the Company's commitment in this area.

The implementation of this Sustainability Policy and its Development Plan has achieved greater coordination of the Company's activity in the area of sustainability (addressing key issues such as the environment, innovation, development and protection of intellectual capital, labour matters, compliance and responsible taxation), and the

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establishment of a reference framework containing the Company's principles of conduct with respect to its stakeholders.

It is worth highlighting the Company's commitment to criminal compliance, a fact that has been corroborated by the achievement of the UNE 19601 certification 'Criminal Compliance Management System' granted by AENOR, an entity accredited by the Spanish National Accreditation Agency (ENAC) to audit this standard.

It should be noted that throughout 2023, the Company continued to lay the foundations for the System of Internal Control Over Financial Reporting in various ways, including in particular its analysis at the meetings of the corporate bodies responsible for this matter and the consolidation of the assignment of this competence to the Board. Similarly, the Company has consolidated the integration of ESG criteria into internal decision-making processes in multiple areas and procedures. In 2023 the Company completed an in-depth ESG risk identification and assessment exercise, which will serve as a basis for the next double materiality assessment.

As proof of the Company's good sustainability performance, Técnicas Reunidas obtained a score of 56/100 (corresponding to the 96th percentile¹, as the average score for the sector is 24/100) in its participation in the S&P Global Corporate Sustainability Assessment (CSA), placing it among the companies with the best ESG performance in the industry. The CSA is an annual assessment of corporate sustainability practices that focuses on industry-specific and financially meaningful criteria. More than 10,000 companies worldwide are rated using this assessment.

Finally, it should be noted that Técnicas Reunidas has not identified any additional significant impacts in the year for the rest of the non-financial issues.

15.3. Information on environmental matters

15.3.1. Corporate environmental policy and management systems applied for the identification and management of impacts on the Company in this area

Environmental management is a priority integrated into the Company's strategy, responding to both its own operations and the activities of its value chain, establishing environmental requirements for its facilities and projects, and based on the corporate policy in this area.

In recent years, TR has progressively adapted its Environmental Management System to legislative requirements and stakeholder demands. This system is implemented and certified in accordance with ISO 14001:2015. The excellent results of this audit demonstrate the maturity of the Management System and the Company's commitment to applying the best available practices in environmental matters.

TR develops products, systems and services with the aim of obtaining energy that is more affordable and reliable and that meets current environmental requirements. All the Company's projects are conditioned by increasingly stringent environmental requirements, which must comply with, among others, climate change initiatives focused

¹ TR ranks in the 97th percentile overall, 96th percentile in Governance, 95th percentile in Environmental and 97th percentile in Social.

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on reducing CO₂ emissions and improving the waste management system, focusing on waste reduction from a circular economy perspective. The Company has therefore implemented methodologies that ensure the monitoring and verification of environmental information in all its projects.

Furthermore, in coordination with its commitment to the fight against climate change and in line with European and Spanish environmental regulations, in 2023 the Company continued to implement the actions envisaged in the Environmental Sustainability Plan so as to help protect the environment and combat climate change by developing technical solutions that allow the construction of sustainable and efficient plants for customers, and compliance with the Company's Quality, Health, Safety and Environment Policy. It should be noted that the Company underwent a carbon footprint audit in 2023, where it achieved AENOR certification in accordance with the GHG Protocol.

In this context, the Company is also subject to the Spanish Climate Change and Energy Transition Act 7/2021, of 20 May [*Ley de cambio climático y transición energética*] under which Spain is seeking to achieve neutrality in greenhouse gas emissions by 2050. In addition, the proposal for a Directive of the European Parliament and Council on corporate sustainability due diligence and amending Directive (EU) 2019/1937 is expected to be approved and enter into force and be transposed, which will strengthen the processes in place in companies. This directive requires companies to establish processes to identify, prevent and remedy adverse human rights and environmental impacts that may be caused by the company itself, its subsidiaries and entities in its supply chain.

In line with its sustainability strategy and commitment to contribute to the fulfilment of the United Nations Sustainable Development Goals (SDGs), in 2021 Técnicas Reunidas joined the Spanish Group for Green Growth (GECV) with the aim of promoting public-private collaboration to overcome environmental challenges and promote a sustainable, circular and efficient economy. In this way, the Company contributes to the generation and dissemination of the knowledge necessary for sustainable development and the creation of favourable conditions to achieve a low-carbon economy. In 2023, it participated in various campaigns related to climate change and the energy transition and in several working groups.

One of the Company's strengths is the systematic identification, supervision and monitoring of environmental risks and opportunities, implementing specific mitigation measures when appropriate, both in projects and in offices.

Key environmental risks include those related to climate change (see section 15.3.2 - Climate Change) in certain geographical areas where the projects are carried out, and those arising from changes in design limits or applicable law during project development.

There are also great environmental opportunities for Técnicas Reunidas, such as a competitive advantage due to the high degree of knowledge of applicable laws and standards, which gives the Company great flexibility when developing projects anywhere in the world, and waste management within the framework of the circular economy.

The impact of TR's activities on the environment arises mainly from minimising greenhouse gas emissions, energy consumption, waste generation and material consumption. The impacts are detailed in each of the following sections. In the coming years, the material environmental aspects are expected to remain the same. However, given the Company's activities and the different stages of the projects carried out, the main quantitative KPIs fluctuate considerably and the annual comparison is sometimes distorted and subject to the degree of progress.

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The environmental KPIs are subject to the degree of progress of the projects under way, the volume of personnel at peak times, the execution phase and the new projects that may be awarded during each year. Given these circumstances, future estimates associated with environmental KPIs do not represent a reliable view of the Company's actual situation.

Throughout 2023, TR focused its efforts on monitoring and analysing the information in detail so as to broaden and improve the scope of its activities. It should therefore be recalled that in 2020, TR standardised the perimeter of calculation of the statistics on the different environmental indicators, which are now calculated per million euros of revenue, and included it in the reporting framework of the Company's financial information. In 2021 it also established 2019 as the base year for setting environmental targets.

Within the scope of the Sustainability Policy, the strategy developed has been implemented since 2022, which aims to create value in a sustainable manner and provide high added value services that enable the Company to design and build efficient, sustainable and environmentally friendly industrial plants. The aim is for them to contribute to combating climate change and the transition to a low-carbon economy, taking advantage of the business opportunities derived from their high technological qualifications and demonstrating its commitment to the Sustainable Development Goals (SDGs).

Specifically, the Environment area contributes to the following SDGs:

- **SDG 7: Affordable and clean energy:** related to the diversification work being developed, as well as the search for new business opportunities related to energy transition, clean energy and new technologies.
- **SDG 9: Industry, innovation and infrastructure:** explanation linked to the above objective.
- **SDG 13: Climate action:** calculation and action plan on Técnicas Reunidas emissions to contribute to decarbonisation.

15.3.2. Climate Change

The main sources of greenhouse gases associated with TR's activity correspond to the consumption of fuel by the Company's vehicle fleet and its facilities and offices (Scope 1), electricity consumption in these same facilities (Scope 2) and emissions from business trips by employees (Scope 3).

The changes in the quantification of emissions between 2022 and 2023 were as follows:

- **Scope 1:** these emissions have decreased by around 10% compared to 2022, as TR continued with lower fuel consumption due to, among other factors, the slowdown or completion of some projects.
- **Scope 2:** there was a 53% increase compared to 2022 due to the opening of new subsidiaries abroad whose electricity consumption has no guarantee of origin certificate. Since 2019, all Técnicas Reunidas offices in Spain have been consuming energy exclusively from 100% renewable sources (with certified guarantee of origin). This renewable energy consumption represents 51% of the total electricity consumed, as a result of which the Company managed to prevent more than 709 tonnes of CO₂ equivalent in 2023.

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- **Scope 3:** there was a 70% reduction compared to 2022, due to the decrease in the number of business trips during the year, compatible with strong commercial work translated into a high number of contracts awarded.

Emissions generated*	2022	2023
Scope 1 emissions (tCO ₂ eq)	30,536.96	26,466.39
Scope 2 emissions (tCO ₂ eq) caused **	1,022.49	2,668.39
Scope 2 emissions (tCO ₂ eq) renewable origin avoided ***	1,098.72	709.17
Scope 3 emissions (tCO ₂ eq)	36,171.94	10,728.94
TOTAL	57,731.39	39,863.94

*An estimate was made of the emissions associated with the last quarter of the year. For scopes 1 and 3, the estimate consisted of projecting the months of October to December based on the average emissions of the first 9 months. However, for Scope 2, since electricity consumption is mainly in offices and depends to a large extent on the time of year, the last quarter was estimated on the basis of the consumption recorded from October to December of the previous year. Furthermore, the sources used for the calculation of emissions were: Scope 1 (IPCC 2006), Scope 2 (Source: IEA (2023) Emission Factors) and Scope 3 (UK Government GHG Conversion Factors for Company Reporting, 2022).

** This relates to the final Scope 2 emissions after discounting the emissions avoided by electricity supply with a certificate of origin.

*** Emissions avoided by the supply electricity from renewable sources. They do not count in the totals.

Within the framework of the Sustainability Plan, Técnicas Reunidas assumed various environmental objectives, including the implementation of measures to promote energy efficiency and reduce its carbon emissions, the development of projects related to the energy transition and the establishment of circular economy plans on site and in offices.

To meet these objectives, the Company is continuously working on the design and development of initiatives, which most notably included the following in 2023:

- In terms of energy efficiency, the lighting was changed, installing LED bulbs to save energy, and solar panels have also begun to be installed in the office buildings in Madrid, with Gorbea being the first installation to be carried out.
- In addition, the Company continues to promote and implement the use of digital platforms for the collection, storage and management of information in engineering and construction processes, thus minimising the use of paper. Employees continue to be allowed to work remotely two days a week, allowing for fuel savings and therefore less pollution.
- Within the framework of the Sustainable Mobility Plan, the Company has continued to maintain the shuttle schedules available to employees that connect its offices with the city of Madrid and to improve access to them through a mobile application. The aim is to encourage the use of collective transport over individual transport, adopting all the necessary safety and hygiene measures.

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In addition, the Company's emissions reduction targets were validated by the SBTi (Science Based Target initiative). Approval by this entity means recognition of the measures being implemented by the Group and its sustainability performance since the SBTi especially appreciated the technical capacity and strategy of Técnicas Reunidas to help its customers in developing their own decarbonisation activities and capabilities.

To keep all its objectives and strategies in line, the Company continuously monitors all issues related to climate change.

TR is keenly aware of the potential impact that climate change may have on its business, and it has developed a climate risk and opportunity matrix together with the relevant adaptation plan, transparently reporting its climate change performance through participation in initiatives such as the Carbon Disclosure Project (CDP) in which TR has participated for several years. In 2023, the Company improved its rating by obtaining an 'A' in the Climate Change category. This was the highest score in the industry and places TR among the leading companies worldwide in terms of climate change. TR scores positively on 8 of the 11 factors analysed: strategy, scenario planning and analysis, emissions reduction initiatives, products with low-carbon impact, energy, governance, risk management, scopes 1, 2 and 3, emissions reduction, and participation in the value chain.

As regards governance, TR has assigned the Board, through the Audit and Control Committee, the task of supervising its sustainability matters, including climate issues.

The Secretariat of the Board of Técnicas Reunidas is responsible for coordinating the activities of the Board of Directors and other areas of the Company in matters of sustainability. This facilitates and streamlines the implementation of resolutions on climate issues, which is TR's main governance mechanism in relation to climate change.

TR identifies the main climate change risks affecting the Company. Against this backdrop, the Company is mainly exposed to transitional risks, in particular those dependent on increasingly demanding regulatory development that could have an impact on various customers and entail reputational risk at the corporate level. In fact, in the Company's ESG risk diagnosis that was completed in 2023, the most relevant risk was compliance with the European Union's plan for full decarbonisation by 2050. Another risk that must be taken into account is the introduction of new taxes that may lead to higher energy prices.

Physical climate risks include the geographical location of certain projects that are executed in areas with extreme temperatures (e.g., the Middle East or Canada), thus changing working conditions. In addition, the increase in extreme weather events, such as rising sea levels, torrential rains or water stress in some regions, may have an impact on the projects.

On the other hand, in the area of climate change opportunities, TR is well positioned, thanks to its leadership on climate change, the diversification of its activities, especially in fields related to the energy transition, and its adaptation to new trends, which go beyond legal issues. This enables the Company to benefit from the opportunities that will arise from increased regulatory pressure on environmental issues, as it has the technology and solutions to help its customers meet these growing environmental demands.

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This diversification of activities focuses on working with the customer to improve the environmental performance of their facilities and, therefore, reduce their greenhouse gas emissions.

A noteworthy milestone in 2023 is the participation of the track strategy in multiple conceptual development projects, basic and detailed engineering in the energy transition (low-carbon technology such as blue and green hydrogen, ammonia, carbon capture, biofuels, and other circular economy projects), both in Europe and in the rest of the world. In total, 14 of these projects have been carried out.

Regarding climate scenarios, the Company takes into account those designed by leading organisations such as the International Energy Agency (IEA), the World Energy Outlook and BP Energy Outlook. In all scenarios, the structure of demand changes, with fossil fuels becoming less important in 2050, while renewable energies gain a greater share. All the projected scenarios call for a drop in oil demand due to increased efficiency and the electrification of transport, while gas consumption will benefit from increased demand until the 2030s. On the other hand, wind and solar energy are leading the rapid growth of renewable energies and hydrogen use will increase starting in the 2030s.

Based on these scenarios, Técnicas Reunidas has defined its short-, medium- and long-term horizons, the objective of which is to adapt to the challenges posed by climate change, to meet the needs of its customers and maintain its technical advantage, a key factor for competing successfully in the future:

- **Short term (0-2 years):** the Company will continue with its current strategy in the planning and construction of industrial plants, taking advantage of its technological leadership and the context of growing climate sensitivity to help its customers produce cleaner energy more efficiently, reducing the carbon footprint in the projects in which it participates and adapting to current law.
- **Medium term (2-6 years):** this time horizon will include the progressive adaptation of the Company's current strategies, adapting them to the new regulatory requirements, which are expected to be more restrictive in relation to the reduction of emissions and the objective of decarbonisation. The Company will also advise its customers on the need to produce clean energy, offering the best available solution in each case.
- **Long term (6-30 years):** current strategies will be combined with the implementation of new ones to maximise the use of climate opportunities and minimise the Company's exposure to the different risks derived from climate change. To this end, TR bases the development of its future scenarios on the three reference organisations mentioned above. In this regard, TR will increase its efforts and technical capacity to provide solutions that match the needs of its clients in each of the three scenarios, seeking to anticipate the confirmation of the scenario as far in advance as possible so that the appropriate operational, technical and financial measures can be taken.

A more comprehensive climate scenario analysis is planned for the near future which, considering the best available climate scenarios (including at least one aligned with the objective of limiting the global temperature increase to 1.5°C), will allow TR to obtain greater detail in its estimate of the financial impacts of the risks and opportunities related to climate change.

15.3.2.1. Information relating to EU Taxonomy

a) Introduction

The Taxonomy Regulation² (Regulation 2020/852) is a key component of the European Commission's action plan to redirect capital flows toward a more sustainable economy and represents a fundamental step toward achieving the EU's stated goal of achieving GHG neutrality by 2050.

The Taxonomy Regulation also envisages the creation of a classification system for environmentally sustainable economic activities throughout the EU. It therefore creates a common language that companies, investors and policy makers can use to identify projects and economic activities with a positive and substantial impact on the climate and the environment, based on the recommendations of experts and scientists. The taxonomy also introduces reporting obligations for companies and financial market participants.³

A first step in shaping this classification system ('European Taxonomy') was the enactment of Delegated Regulation 2021/2139,⁴ which sets out the economic activities eligible under climate change mitigation and adaptation objectives, as well as the criteria for determining whether those activities are aligned with the Taxonomy. After that, a Supplementary Delegated Act to the Climate Taxonomy on climate change mitigation and adaptation was published, covering a number of activities related to gas and nuclear energy.⁵

Following the publication of those technical criteria, Delegated Regulation 2021/2178 was enacted, which describes the quantitative and qualitative information relating to the EU Taxonomy to be disclosed by the different types of companies, including companies subject to the obligation to publish non-financial information statements (NFI), in accordance with Articles 19(a) and 29(a) of Directive 2013/34.

Therefore, Técnicas Reunidas, in response to Article 8 of Regulation 2020/852, reports in this section of its statement of non-financial information the proportion of eligible, aligned and non-eligible activities according to the taxonomy in terms of its turnover (billing), its investments in fixed assets (CapEx) and its operating expenses (OpEx). These indicators have been obtained at a consolidated level, i.e. at the Técnicas Reunidas Group level.

² Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

³ Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by specifying the content and presentation of information to be disclosed by undertakings subject to Articles 19a or 29a of Directive 2013/34/EU concerning environmentally sustainable economic activities, and specifying the methodology to comply with that disclosure obligation.

⁴ Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to climate change mitigation or climate change adaptation and for determining whether that economic activity causes no significant harm to any of the other environmental objectives.

⁵ Commission Delegated Regulation (EU) 2022/1214 of 9 March 2022 amending Delegated Regulation (EU) 2021/2139 as regards economic activities in certain energy sectors and Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

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In 2023 new amendments were made to the regulatory framework of the taxonomy. First, Commission Delegated Regulation (EU) 2023/2485 entered into force on 27 June this year⁶, which expands the number of activities with the potential to contribute substantially to climate change mitigation and adaptation objectives, and also adds and amends some of the technical screening criteria for certain activities already defined in Delegated Regulation 2021/2139, in relation to those climate objectives.

In addition, Delegated Regulation (EU) 2023/2486 was published on 27 June⁷, which establishes a series of new activities and technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems.

The **eligible economic activities** of a company according to the taxonomy are defined as those that comply with the description set out in the regulation, which includes activities that substantially contribute to one or more environmental objectives, regardless of whether the activity complies with any of the technical criteria established in the regulation.

Taxonomy-aligned economic activities are those eligible activities that meet the technical screening criteria set out in the regulation (Delegated Regulation 2021/2139 and Delegated Regulation 2022/1214) and the minimum safeguards, in accordance with Article 3 of the Taxonomy Regulation:

- Meets the criteria of substantial contribution to one or more environmental objectives.
- Does no significant harm to any of the environmental objectives.
- Is carried out in compliance with the minimum safeguards.

Finally, **taxonomy non-eligible economic activities** refer to any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.⁸

In the **report for 2022**, non-financial companies (which includes Tecnicas Reunidas) only had to disclose their KPIs considering the **eligibility** and **alignment** of its taxonomy activities based on that established in Delegated Regulation 2021/2139 and Delegated Regulation 2022/1214.

However, in the **report for 2023**, the Company must also disclose its analysis of **eligibility** in relation to the new activities included in Delegated Regulation 2023/2485 and Delegated Regulation 2023/4286, in accordance with the reporting guidance set out in the regulations.

⁶ Commission Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending Delegated Regulation (EU) 2021/2139 establishing additional technical screening criteria for determining the conditions under which certain economic activities qualify as contributing substantially to climate change mitigation or climate change adaptation and for determining whether those activities cause no significant harm to any of the other environmental objectives.

⁷ Commission Delegated Regulation (EU) 2023/2486 of 27 June 2023 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria for determining the conditions under which an economic activity qualifies as contributing substantially to the sustainable use and protection of water and marine resources, to the transition to a circular economy, to pollution prevention and control, or to the protection and restoration of biodiversity and ecosystems and for determining whether that economic activity causes no significant harm to any of the other environmental objectives and amending Commission Delegated Regulation (EU) 2021/2178 as regards specific public disclosures for those economic activities.

⁸ Given the complexity of this classification system, the EU taxonomy is in progress; the regulations on the technical criteria for climate change mitigation and adaptation objectives have currently been published. However, the remaining four objectives covered by the taxonomy are in draft form. Furthermore, it should be noted that, in its current configuration, the taxonomy does not consider all economic activities.

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b) The activity of Técnicas Reunidas

The Técnicas Reunidas Group engages in the provision of all manner of value-added engineering and construction services for industrial plants for the production of clean fuels, natural gas and chemical products, while also offering its customers a wide range of solutions linked to the energy transition, the circular economy and decarbonisation (renewable hydrogen, biofuels, waste recovery, CO₂ sequestration and capture, etc.). Therefore, and according to the taxonomy, a relevant part of the Company's technical capabilities have the potential to contribute substantially to climate change mitigation, and are therefore categorised as eligible. Accordingly, TR is developing a set of energy transition projects whose impact on the taxonomy KPIs of turnover, OpEx and CapEx will be gradually reflected in the coming years, as their presence in the Company's portfolio becomes more significant in percentage terms.

1. Eligibility

To identify eligible activities, an exhaustive analysis of each of the Group's project types was first carried out as the basis for identifying the activities carried out by TR that could be linked to the taxonomy. After this, and to confirm the eligibility of each of the activities identified as 'presumably eligible', these were cross-checked against the definitions in Delegated Regulation 2021/2139 and Delegated Regulation (EU) 2022/1214. Thus, as a conclusion of this analysis, the following table lists the eligible activities for the climate change mitigation objective.

Table 1. TR's economic activities analysed in accordance with the environmental taxonomy

Economic activity in accordance with the Taxonomy	Description of the activity	Eligibility	Alignment
CCM 1.1 Afforestation	Projects to plant trees on land where no vegetation was initially found, which may include tasks such as the provision of detailed design and landscaping, tree transfer and seed planting, excavation, fertilisation, filling and complete irrigation system.	✓	✗
CCM 3.2 Manufacture of equipment for the production and use of hydrogen	Projects for designing facilities for green H ₂ production, developed by the Energy Transition area ⁹	✓	✗
CCM 3.6 Manufacture of other low carbon technologies	Projects for designing facilities that produce fertilisers and other compounds from green ammonia, developed for the Energy Transition area ¹⁰	✓	✗
CCM 4.13 Manufacture of biogas and biofuels for use in transport and of bioliquids	Projects for the construction of biofuel (biomethanol) production plants, developed by the Energy Transition area.	✓	✓

⁹ Técnicas Reunidas designs and assembles green H₂ production facilities, however, it does not manufacture the equipment and its activity, insofar as the Company designs and assembles the equipment, is essential for performing eligible activity 3.2. For this reason, and also considering the FAQs documents published by the European Commission on Taxonomy regulation, this activity is considered eligible.

¹⁰ See footnote above, ammonia production requires the production of green hydrogen.

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Economic activity in accordance with the Taxonomy	Description of the activity	Eligibility	Alignment
CCM 4.25 Production of heat/cool using waste heat	Construction and assembly projects for shell and tube heat exchangers, waste heat recovery boilers, air coolers and cooling towers	✓	✓
CCM 4.29 Electricity generation from fossil gaseous fuels	Projects for the construction or operation of electricity generation facilities from fossil gaseous fuels (natural gas)	✓	✗
CCM 5.3. Construction, extension and operation of waste water collection and treatment	Projects for the construction of networks of oily effluent collection collectors and associated treatment plants	✓	✓
CCM 5.11. Transport of CO ₂	Projects for pipelines designed to transport CO ₂ for subsequent underground injection	✓	✗
CCM 6.10. Sea and coastal freight water transport, vessels for port operations and auxiliary activities	Modular maritime transport activities	✓	✗
CCM 7.1. Construction of new buildings	Building construction projects	✓	✗
CCM 7.2 Renovation of existing buildings	Building renovation projects	✓	✗
CCM 9.1 Close to market research, development and innovation	Implementation of applied research projects in the area of Energy Transition.	✓	✗

Legend

✓	Eligible or aligned (according to column)
✓	Partially eligible or aligned (according to column)
✗	Not eligible or not aligned (according to column)

Second, the activities listed in Delegated Regulations 2023/2485 and 2023/2486 were also analysed. After performing this analysis, the following activities were considered to be **eligible** for the transition to a circular economy:

Table 2. TR's economic activities analysed in accordance with the environmental taxonomy (new objectives: Circular economy)

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Economic activity in accordance with the Taxonomy	Description of the activity	Eligibility
CE 2.4. Treatment of hazardous waste	Projects to recover gases that normally go to the flaring, thanks to which chemical products are extracted that are then reintroduced into the customer's production process, without being used as fuel.	✓
CE 4.1. Provision of IT/TO data-driven solutions	<p>TR has several automation systems in place along with a corrosion monitoring system. This system has preventative and predictive maintenance features to make appropriate maintenance decisions, since it prevents possible failures early on, and raises the possibility of implementing adjustment and degradation control measures. Therefore, the useful life of the equipment is extended further by reducing this rate of degradation.</p> <p>This monitoring system is combined with other systems that provide essential data for the proper functioning of the equipment, for example, systems that detect abnormal values and efficiency losses in the processes, thus detecting possible malfunctions of the equipment and enabling the necessary measures to be taken to address these malfunctions.</p>	✓

It should be noted that the eligibility analysis did not show that TR carried out any taxonomy activities in 2023 that were related to the objectives of protecting water and marine resources, pollution prevention and control, or the protection and restoration of biodiversity and ecosystems that could be attributed to TR's business activities.

In relation to the climate change adaptation objective, no specific measures aimed at increasing the resilience of the projects undertaken by the Group in view of the physical effects of climate change were identified in 2023. Therefore, no activity is reported as eligible as regards the climate change adaptation objective.

2. Alignment

Based on the eligible economic activities indicated above, in a second step TR conducted a detailed analysis to assess compliance with the technical screening criteria relating to the climate change mitigation objective, as set out in Delegated Regulation 2021/2139 and Delegated Regulation 2022/1214, in terms of substantial contribution to one or more environmental objectives and causing no significant harm to any of the other environmental objectives, as well as compliance with the minimum safeguards.

The actions taken in each case are detailed below.

i. Criteria for substantial contribution to climate change mitigation

The first criterion requires that the economic activity **makes a substantial contribution to one or more of the environmental objectives**. To make this determination, each activity¹¹ and its technical characteristics were analysed to

¹¹ Only those projects in which Técnicas Reunidas exercises effective control over the project are analysed for compliance with the technical criteria.

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determine whether it meets the criteria for substantial contribution to climate change mitigation specified in Delegated Regulation 2021/2139 and Delegated Regulation 2022/1214.

These substantial contribution criteria were assessed for each of the eligible activities listed in the table above (see the 'Eligibility' section). Following this assessment, TR performed the calculations and gathered the information necessary to demonstrate the substantial contribution of the taxonomy activities for CCM 4.13 'Manufacture of biogas and biofuels for use in transport and of bioliquids' and CCM 4.25 'Production of heat/cool using waste heat'¹² and, in certain cases, CCM 5.3. 'Construction, extension and operation of wastewater collection and treatment'. The main methodological considerations of this assessment are presented below:

- 4.13 'Manufacture of biogas and biofuels for use in transport and of bioliquids': the evaluated project (BIONER-COFUSA, Uruguay) uses agricultural or forestry biomass that complies with the criteria set by Directive (EU) 2018/2001. Also, the type of biomass used (wood chips) and the proximity to timber areas guarantees not exceeding the limit of 65% GHG emission reduction, based on Directive (EU) 2018/2001, as well as its Annex V.
- 5.3. 'Construction, extension and operation of wastewater collection and treatment': the substantial contribution criteria established by the Taxonomy have been re-expressed in terms of COD (Chemical Oxygen Demand), as this pollutant is the most characteristic one in the effluents of most of the facilities in which TR carries out its activity. In this way, the net energy consumption limits established by the Taxonomy (re-expressed in terms of COD) were contrasted with the energy consumption recorded in the eligible treatment plants.

Furthermore, in relation to activity 4.29. 'Electricity generation from fossil gaseous fuels', the substantial contribution criteria required by the Taxonomy were assessed, concluding that none of the projects meet the established criteria.

For the remaining activities of the Taxonomy for the climate change mitigation objective (with codes: 3.2., 5.11., 6.10., 7.1., 7.2. and 9.1.), although it is likely that either part or even, in certain cases, all these activities may provide a substantial contribution, it was decided to choose not to carry out the assessment against the substantial contribution criteria of application due to a lack of availability of information to test this type of criteria. TR will continue to work in subsequent years to gather the necessary information and effectively assess compliance with the substantial contribution criteria for this group of eligible activities.

ii. Does no significant harm to any of the environmental objectives

The second criterion requires that the economic activity **does no significant harm to any of the other environmental objectives** (DNSH).

In this regard, TR carried out the following analysis of compliance with this set of criteria:

- First, TR demonstrated, across its operations as a whole, compliance with the DNSH criterion relating to adaptation to climate change. Compliance with this criterion at the corporate level implies compliance across all potentially taxonomy-aligned activities.
- For all economic activities where TR could demonstrate a substantial contribution to climate change mitigation, the compliance with the respective DNSH criteria in relation to the other four remaining environmental objectives was analysed in more detail.

¹² Activity 4.25 does not itself meet the criteria for substantial contribution (its criterion for substantial contribution coincides with the description of the activity).

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The analysis for each of the two points above is set out below:

- **Compliance with DNSH criteria relating to climate change adaptation**

In 2023, TR assessed the physical climate risks in accordance with Appendix A of Annex I on Mitigation of the European Taxonomy to assess compliance with DNSH relating to climate change adaptation.

This assessment took into consideration the Group's eligible activities to determine the physical climate risks that may affect the performance of economic activity over their expected duration, including all of TR's assets (corporate offices and projects executed for third parties) in the different countries in which it has a direct presence.

The physical climate risks identified were assessed over three time horizons: short (2023-2040), medium (2041-2060) and long term (2081-2100), with the analysis incorporating two climate scenarios (RCP 4.5 and 8.5).

As a result of the analysis performed, it was determined that the risks associated with the hazards of cyclone, hurricane and typhoon, and those associated with heat stress, are material for Técnicas Reunidas in the projects executed for third parties. Furthermore, the results of the analysis determined that no identified risk would be material for the offices of Técnicas Reunidas.

TR has various measures that ensure the mitigation of the impacts arising from the potential risks identified, such as:

- All-risk policies for all its projects (construction and assembly) covering the potential damage to the facilities;
- Environmental and third-party liability policy for potential damage in the environment as a result of climate events;
- Reduced working hours in months of high temperatures;
- Health and Safety Management System extended to its suppliers and subcontractors.
- Compliance with DNSH criteria relating to the 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.

For this group of DNSH criteria, TR studied the characteristics of the Taxonomy activities for which it has proven they substantially contribute to mitigating climate change:

- In relation to activity 4.13 'Manufacture of biogas and biofuels for use in transport and of bioliquids', the analysis took into account the fact that the project is at a preliminary stage, so the technological solutions on the basis of which to contrast the DNSH criteria with respect to the objectives of 'Sustainable use and protection of water and marine resources' and 'Pollution prevention and control' have not yet been developed and implemented. TR will work in the coming years to ensure compliance with these criteria in the development of this project, selecting the necessary systems for this purpose.
- In relation to activity 4.25 'Production of heat/cool using waste heat', all this equipment is dimensioned by TR using specific software, which guarantees the highest levels of quality and maximum efficiency of the system in terms of heat transmission. Therefore, TR complies in all cases with the DNSH criterion established for the case of 'Pollution prevention and control'.
- In relation to activity 5.3. 'Construction, extension and operation of wastewater collection and treatment,' TR assessed, where applicable, the waste water discharge parameters, ensuring lower levels of COD than those established by regulation.

In addition, TR conducted an EIA (Environmental Impact Assessment) of the facility in all its engineering projects, including those corresponding to the activities already analysed (codes: 4.13., 4.25. and 5.3.).

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iii. Compliance with minimum safeguards

Finally, the third requirement involves demonstrating that the economic activity is conducted in compliance with the **minimum safeguards** (MS). The MS include all the procedures implemented in the company to ensure that its activities are carried out in accordance with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the principles and rights established in the eight fundamental conventions referred to in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights (Article 18 of Regulation 2020/852).

To assess compliance with the MS, and taking into consideration the Final Report on Minimum Safeguards, published by the European Commission in October 2022, Técnicas Reunidas analysed the four dimensions into which compliance with these minimum safeguards is divided (human rights, including labour rights; corruption and bribery; taxation and fair competition).

Técnicas Reunidas has a set of internal policies and procedures approved by the Board, which form part of its regulatory framework and establish the principles, directives and guidelines to be followed to ensure that the Group's activities comply with the highest standards of responsible conduct.

As a general framework, TR has a **Code of Corporate Conduct**, which shows the Company's commitment to the highest standards of ethical conduct, establishing the principles and values that the TR Group and all its professionals must observe at all times in the performance of their activities. This Code includes general principles relating to human rights, respect for free competition, rejection of child, forced or compulsory labour, prevention of money laundering and terrorist financing, among others. **Training** is also provided to ensure the upright behaviour of its professionals. The Company also has a Supply Chain Code of Ethics¹³ through which it reinforces the integrity of the supply chain. Moreover, Técnicas Reunidas has been a signatory of the United Nations **Global Compact** since 2011.

In addition to these preventive measures, TR has a **corporate whistleblower channel**, in accordance with the strictest confidentiality standards and in compliance with the European Directive on whistleblower protection¹⁴, through which employees, third parties or any other stakeholders may report potential breaches or irregularities committed within the Group or in its scope of action, or acts that may constitute breaches of the law and other internal regulations.

The specific measures available to TR by block of minimum safeguards are detailed below:

- **Human rights (including labour and consumer rights)¹⁵.**

In 2023, TR developed a **Human Rights Due Diligence Procedure**, with the aim of identifying and managing possible adverse impacts that may arise from its own activities and throughout its value chain.

As a result of this procedure, TR identified the most important human rights issues to focus on: occupational health and safety; slavery; torture and inhuman treatment; child labour; freedom and equality (opportunity and treatment); discrimination; the right to choose and accept to marry and have a family; freedom of thought and religion; freedom of opinion and expression. It should be noted that for all the issues identified as relevant, TR has various mitigation mechanisms that ensure the prevention and mitigation of possible adverse impacts related to these issues.

¹³ For more information, see section 15.7.3 Subcontracting and suppliers.

¹⁴ For more information, see section 15.5. Information on respect for human rights.

¹⁵ For more information, see section 15.5. Information on respect for human rights.

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As a supplement to this Due Diligence procedure, TR developed a **Human Rights Policy**, approved in November 2023 by the Board of Directors, which includes the Group's commitment to respect human rights in the activities carried out by the Company and its subsidiaries in its value chain.

- **Fight against corruption and bribery**¹⁶

The Group has a **Criminal Compliance Management System** certified in accordance with **UNE 19601**, which is reinforced through various integrity policies. The Group also has an **Anti-Corruption Policy** and offers anti-corruption and anti-bribery training, mainly aimed at the management team and particularly exposed persons as a result of their key role in the Group's decision-making chain.

- **Responsible taxation**¹⁷

Since the Company operates in several countries, it is aware of its tax responsibility and the complexity of its operations and has an **Internal Tax Risk Manual** and a **Tax Model based on the BEPS criteria** (OECD regulation on taxation). Among other mechanisms, in the bidding phase, tax strategies are defined that minimise risk with local advisers, including in the Group's usual markets.

- **Fair competition**

To reinforce the Criminal Compliance Management System, and as a result of the development of the principles of the Code of Conduct, the Group has a **Competition Policy**, of mandatory global application, which sets out the guidelines in relation to compliance with the regulations on protecting and defending competition in markets. In addition, the topics considered in the Compliance training offered to Técnicas Reunidas' senior executives include those related to competition.

c) Taxonomy KPIs and accounting policy

The KPIs of turnover, CapEx and OpEx are considered in terms of eligibility and alignment, prepared and reported in accordance with the applicable regulations for 2023, indicating in each case the accounting policy applied.

1. Turnover

The key indicator referring to turnover is calculated as the proportion of revenue derived from taxonomy-aligned activities, and the proportion derived from eligible activities that do not meet the technical screening criteria (numerator) divided by the Company's total revenue (denominator). This revenue corresponds to revenue recognised in accordance with International Accounting Standard (IAS) 1, paragraph 82(a), as adopted by Commission Regulation (EC) No 1126/2008. The denominator of this KPI is provided in the Notes to the 2022 Financial Statements (note 22: 'Revenue and other operating income', see 'Total revenue').

¹⁶ For more information, see section 15.6. Information related to the fight against corruption and bribery.

¹⁷ For more information, see section 15.7.5 Tax information.

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Furthermore, the numerator referring to revenue, first, the calculation of the revenue from eligible activities set out in Table 1 was calculated by analysing each of the Group's projects from which revenue was recognised in 2023. In doing so, an exhaustive breakdown of the different activities carried out in the projects was performed and those that meet the eligibility criteria established by the Taxonomy were identified. Projects were considered individually, as were their activities, thus avoiding any possible double counting of information.

Subsequently, the costs derived from each of the activities identified as eligible were extracted. These costs comprise both direct calculation costs, mainly linked to the costs associated with the purchase orders of equipment linked to the eligible activity, as well as the costs of subcontractors, who carry out the site work for the fine-tuning of the industrial processes linked to the eligible activity; and also passed-on costs, referring to costs of activities linked to the project as a whole which, although not specifically destined to a particular eligible activity, contribute to the development and execution of the eligible activities of the project within the framework of the work process as a whole. For these latter items, a different allocation criterion has been established, adjusted to the particularities of each of them.

Lastly, following the models for allocating revenue from projects in the Group's consolidated financial statements, the costs linked to eligible activities per project were multiplied by the degree of progress of the work in 2023 per project, obtaining the cost incurred in 2023 associated with eligible activities. In turn, this cost incurred per project was increased by the profitability (sales/cost) assigned to each project at year-end, thus obtaining the sales accrued in the year associated with eligible activities (the numerator used in the key indicator).

Next, the numerator relating to income from aligned activities (environmentally sustainable activities, categorised as 'A.1' in table 1) was determined. In this case, based on the breakdown of eligible activities in the projects, those that meet all the technical screening criteria and minimum safeguards and can therefore be considered aligned were identified. The calculation of revenues follows the same methodology as for eligible activities.

According to the calculations performed, the numerator of taxonomy-eligible but not environmentally sustainable activities (eligible activities that do not comply with the taxonomy, categorised as 'A.2' in table 1), is the result of the numerator relating to revenue derived from eligible activities minus the numerator of revenue associated with aligned activities.

Therefore, the following table presents the proportion of TR's turnover associated with taxonomy-aligned activities, and taxonomy-eligible but not taxonomy-aligned activities, following the template provided in Annex V of Delegated Regulation 2023/2486.

As a result of the calculations performed, 22.39% of the Group's turnover in 2023 is eligible, and 4.62% of the Group's turnover in 2023 is aligned. In addition, the proportion of eligible turnover in 2022, as reported in the previous year¹⁸, was 10.51% (which means that in 2023 this KPI increased by 69% compared to 2022), and aligned turnover was 4.76% (which means that in 2023 this KPI decreased by 3% compared to 2022). The increase in the eligibility KPI is mainly due to the fact that the activity linked to the circular economy objective CE 4.1., which was not classified as eligible in 2022 but is in 2023¹⁹, and the activity related to CCM 4.29 on electricity generation as a result of more production related to that activity,

¹⁸ In 2022, information on eligibility and alignment was reported only with respect to Delegated Regulations 2021/2139 and 2022/1214.

¹⁹ In accordance with Delegated Regulations 2023/2485 and 2023/2486.

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were considered to be eligible.

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Template: Proportion of turnover from products or services associated with taxonomy-aligned economic activities — disclosure covering 2023 (Regulation 2021/2178)

Financial year 2023	Year			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')							Proportion of taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2022	Category enabling activity	Category transitional activity
	Code	Turnover (thousands of euros)	Proportion of turnover, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards			
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of biogas and biofuels for use in transport and of bioliquids	CCM 4.13	21	0.00%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.00%		

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Production of heat/cool using waste heat	CCM 4.25	151,107	3.65%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	3.98%		
Construction, extension and operation of wastewater collection and treatment	CCM 5.3	39,897	0.96%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y	0.78%		
Turnover of environmentally sustainable activities (Taxonomy-aligned)		191,026	4.62%	4.62%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	Y	4.76%		
Of which: enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	Y	0%	E	
Of which: transitional		0	0%	0%						Y	Y	Y	Y	Y	Y	Y	Y	0%		T
A.2. Taxonomy-eligible activities but not environmentally sustainable (not Taxonomy-aligned activities)																				
Afforestation	CCM 1.1	7	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.00%		
Manufacture of equipment for the production and use of hydrogen	CCM 3.2	2,346	0.06%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.03%		
Manufacture of other low carbon technologies	CCM 3.6	5,232	0.13%	EL	N/EL	N/EL	N/EL	N/EL	N/EL									0.00%		

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Electricity generation from fossil gaseous fuels	CCM 4.29	462,408	11.18 %	EL	N/EL	N/EL	N/EL	N/EL	N/EL		3.94%
Construction, extension and operation of waste water collection and treatment	CCM 5.3	3,351	0.08%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.31%
CO ₂ transport	CCM 5.11	8,143	0.20%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.08%
Sea and coastal freight water transport, vessels for port operations and auxiliary activities	CCM 6.10	8,533	0.21%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.20%
Construction of new buildings	CCM 7.1 / CE 3.1.	25,937	0.63%	EL	N/EL	N/EL	N/EL	EL	N/EL		1.17%
Renovation of existing buildings	CCM 7.2 / CE 3.2	65	0.00%	EL	N/EL	N/EL	N/EL	EL	N/EL		0.00%
Close to market research, development and innovation	CCM 9.1	2,925	0.07%	EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.02%
Treatment of hazardous waste	CE 2.4	112	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL		N/A
Provision of IT/TO data-driven solutions	CE 4.1	215,581	5.21%	N/EL	N/EL	N/EL	N/EL	EL	N/EL		N/A
Turnover of taxonomy-eligible activities but not environmentally sustainable (not Taxonomy-aligned activities) (A.2)		734,639	17.77 %	12.55 %	0.00 %	0.00 %	0.00 %	5.22 %	0.00 %		5.74%

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A. Turnover of Taxonomy-eligible activities (A.1+A.2)		925,665	22.39 %	17.17 %	0.00 %	0.00 %	0.00 %	5.22 %	0.00 %		10.51%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES												
Turnover of Taxonomy-non-eligible activities (B)		3,209,487	77.61 %									
TOTAL		4,135,152	100%									

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	4.62%	17.17%

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CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	5.22%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

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2. CapEx.

This indicator is obtained as the proportion of fixed assets invested in taxonomy-aligned economic activities and taxonomy-eligible economic activities that do not meet technical screening criteria (numerator) as regards the total assets acquired in 2023 (denominator).

That denominator (total CapEx) is obtained as the additions to tangible and intangible assets before depreciation, amortisation, revaluations and impairments excluding changes in fair value.

Total CapEx thus covers costs that are accounted for in accordance with:

- a) IAS 16 Property, Plant and Equipment, paragraph 73 (e) (i) and (iii);
- b) IAS 38 Intangible Assets, paragraph 118 (e), point (i);
- c) IAS 40 Investment Property, paragraph 76, points (a) and (b) (for the fair value model);
- d) IAS 40 Investment Property, paragraph 79 (d), points (i) and (ii) (for the cost model);
- e) IAS 41 Agriculture, paragraphs 50 (b) and (e);
- f) IFRS 16 Leases, paragraph 53, point (h).

In accordance with TR's consolidated financial statements, the total CapEx is included in Notes 6: 'Property, plant and equipment', 7: 'Intangible assets' and 8: 'Rights of use on leased assets' in the notes to the consolidated financial statements for 2023, in the row corresponding to 'increases'. In total, in 2023 these items amounted to EUR 17,898 thousand (kEUR), while in the previous year they amounted to EUR 14,174 thousand.

Técnicas Reunidas' business model, mainly based on providing its clients with engineering services, implies minimal CapEx additions compared to turnover or total expenses. Furthermore, the Group's assets linked to the projects mentioned in the section referring to the turnover KPI are not allocated to eligible activities (and therefore are also not Taxonomy-aligned activities), but are of a more corporate, interdepartmental or sector-specific nature not covered by the Taxonomy (for example, additions associated with long-term office leases, R&D activities not linked to reduction of GHG emissions or development of solutions for the aerospace industry). Therefore, it has been decided to take a conservative approach and not consider these items in the calculation of the numerator of the CapEx indicator. In addition, an exercise has been carried out to identify other CapEx items that could be eligible, such as those referring to energy efficiency and the installation of renewable energy systems in buildings, and no relevant CapEx additions have been found in this respect. All of the above implies that the proportion of Taxonomy-eligible CapEx is close to 0%; in turn, the proportion of Taxonomy-adjusted CapEx would also be 0%.

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Template: Proportion of CapEx from products or services associated with taxonomy-aligned economic activities — disclosure covering 2023 (Regulation 2021/2178)²⁰

Financial year 2023	Year		Substantial contribution criteria					DNSH criteria ('Does Not Significantly Harm')					Minimum safeguards	Proportion of taxonomy aligned (A.1.) or eligible (A.2.) CapEx, 2022	Category enabling activity	Category transitional activity	
	Code	CapEx (euros, thousands, or millions)	Proportion of CapEx, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water					Pollution
Economic activities																	

²⁰ All the investments (CapEx) made by TR are either of a transversal nature (corporate) or specific to a sector not included in the Taxonomy. *Based on TR's business model, the CapEx of eligible activities is not considered significant for the Company (marked as '0*').*

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A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0*	0%	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	0%	
Of which: enabling		0*	0%	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	0%	E
Of which: transitional		0*	0%	0%							Y	Y	Y	Y	Y	Y	0%	T
A.2. Taxonomy-eligible activities but not environmentally sustainable (not Taxonomy-aligned activities)																		
CapEx of taxonomy-eligible activities but not environmentally sustainable (not Taxonomy-aligned activities) (A.2)		0*	0%	0%	0%	0%	0%	0%	0%	0%							0.000%	
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		0*	0%	0%	0%	0%	0%	0%	0%	0%							0.000%	

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B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
CapEx of Taxonomy-non-eligible activities (B)		€ 29,746	100%
TOTAL		€ 29,746	100%

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	0.0%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%

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BIO	0.0%	0.0%
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3. OpEx.

This indicator is defined as the proportion of taxonomy-adjusted OpEx and the proportion of taxonomy-eligible OpEx that does not meet technical screening criteria (numerator) divided by total taxonomy OpEx (denominator).

This denominator reduces total operating expenses to non-capitalised direct costs that relate to research and development, building renovation measures, short-term leases, maintenance and repairs, as well as other direct expenses related to the day-to-day maintenance of tangible fixed assets by the company or a third party to whom activities are outsourced and that are necessary to ensure the continuous and efficient operation of these assets. The first numerator, on the other hand, includes the operating expenses included in the denominator that is allocated to eligible activities that meet the technical screening criteria set out in the regulations and the minimum safeguards. The second numerator, in turn, includes operating expenses included in the denominator for eligible activities that do not meet the technical screening criteria set out in the regulations.

In the case of TR, the non-capitalised direct costs covered by the EU Taxonomy, i.e. those included in the denominator, represented less than 5% of the Company's total operating expenses in 2023 (see Table 2). In 2022 they represented less than 5%. Therefore, their value is considered non-material and, in accordance with section 1.1.3.2 of Annex I of the Delegated Regulation 2021/2178, the numerator of the OpEx key indicator is reported as zero. Also, in compliance with this Delegated Regulation, the denominator of this indicator is shown in the following table.

Table 2 - Proportion of the Company's OpEx out of total OpEx under EU Taxonomy

	Total (kEUR)	Proportion of total OpEx (%)
Non-capitalised expenses²¹	3,027,563	
Non-capitalised expenses covered under the Taxonomy (indicator denominator)	68,882	2.28%

However, it is worth mentioning that Técnicas Reunidas is committed to corporate initiatives to reduce the Group's GHG emissions, which involve certain expenses not contemplated by the OpEx definition of the EU Taxonomy Regulation, such as the use of carbon footprint management or remote technical attendance tools to reduce the number of trips made by its employees.

Técnicas Reunidas constantly monitors the development of changes in Taxonomy regulations and carries out numerous activities that contribute to the development of sustainability policies, the fight against climate change and decarbonisation also in countries outside the European Union, where the customers that make up its main portfolio are located, in accordance with the best international practices in this area, improving the requirements

²¹ Non-capitalised expenses include procurement and other operating expenses (see Note 23 to the consolidated financial statements), employee benefits expenses (Note 24), and lease and royalty expenses.

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of local regulations and being pioneers through our activity in contributing to the energy transition and sustainable development.

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Template: Proportion of OpEx from products or services associated with taxonomy-aligned economic activities — disclosure covering 2023 (Regulation 2021/2178)

Financial year 2023	Year		Substantial contribution criteria					DNSH criteria ('Does Not Significantly Harm')					Minimum safeguards	Proportion of taxonomy aligned (A.1.) or eligible (A.2.) OpEx, 2022	Category enabling activity	Category transitiona l activity	
	Code	OpEx (millions of euros)	Proportion of OpEx, 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water					Pollution
Economic activities																	
A. TAXONOMY-ELIGIBLE ACTIVITIES																	

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A.1. Environmentally sustainable activities (Taxonomy-aligned)																		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		N/A	N/A	N / A	N/A	N/A	N/A	N/A	N/A	-	-	-	-	-	-	-	N/A	
Of which: enabling		N/A	N/A	N / A	N/A	N/A	N/A	N/A	N/A	-	-	-	-	-	-	-	N/A	E
Of which: transitional		N/A	N/A	N / A						-	-	-	-	-	-	-	N/A	T
A.2. Taxonomy-eligible activities but not environmentally sustainable (not Taxonomy-aligned activities)																		
OpEx of taxonomy-eligible activities but not environmentally sustainable (not Taxonomy-aligned activities) (A.2)		N/A	N/A	N / A	N/A	N/A	N/A	N/A	N/A								N/A	
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		N/A	N/A	N / A	N/A	N/A	N/A	N/A	N/A								N/A	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																		

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OpEx of Taxonomy-non-eligible activities (B)		N/A	N/A
TOTAL		68,882	100%

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Template 1 Nuclear and fossil gas related activities (Delegated Regulation 2022/1214)

Row	Nuclear energy related activities	
1.	The company carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The company carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The company carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4.	The company carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	Yes
5.	The company carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The company carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

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Template 2 Taxonomy-aligned economic activities (denominator) (Delegated Regulation 2022/1214)²²

Row	Economic activities	Revenues (thousands of euros)					
		(CCM + CCA)		Climate change management		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	-	-
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in row 4 above in the denominator of the applicable KPI	0	0%	0	0%	-	-
8.	Total applicable KPI	0	0%	0	0%	-	-

²² The following tables only report data on since the CapEx associated with natural gas activities is equal to zero, and the OpEx is immaterial for the Group.

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Template 3 Taxonomy-aligned economic activities (numerator) (Delegated Regulation 2022/1214)

Row	Economic activities	Revenues (thousands of euros)					
		(CCM + CCA)		Climate change management		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0%	0	0%	-	-
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in row 4 above in the numerator of the applicable KPI	0	0%	0	0%	-	-
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	0	0%	0	0%	-	-

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Template 4. Taxonomy-eligible but not taxonomy-aligned economic activities (Delegated Regulation 2022/1214)

Row	Economic activities	Revenues (thousands of euros)					
		(CCM + CCA)		Climate change management		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	462,408	11.18%	462,408	11.18%	-	-
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in row 4 above in the denominator of the applicable KPI	0	0%	0	0%	-	-
8.	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	462,408	11.18%	462,408	11.18%	-	-

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Template 5. Taxonomy non-eligible economic activities (Delegated Regulation 2022/1214)

Row	Economic activities	Revenues (thousands of euros)					
		(CCM + CCA)		Climate change management		Climate change adaptation	
		Amount	%	Amount	%	Amount	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0%	0	0%	-	-
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in row 4 above in the denominator of the applicable KPI	0	0%	0	0%	-	-
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	0	0%	0	0%	-	-

15.3.3. Circular economy and waste prevention and management

This year Técnicas Reunidas once again implemented an environmental strategy based on circular economy principles to minimise the potential impacts of its activities.

Within the framework of the Sustainability Policy and Plan, the Company has developed a circular economy strategy for both offices and projects that establish the main lines of action and include the actions carried out, and new objectives in this area.

As regards the initiatives carried out at the offices, the Group encourages awareness-raising campaigns aimed at the entire workforce and carries out waste segregation, and recycles various materials and water:

During the year, the following actions in particular stand out:

- TR has continued its collaboration with the SEUR Foundation and the collection of plastic caps for the social cause 'Caps for a new life'. In 2023, 750 kg of plastic caps were collected, which represents 1.125 t of CO₂ equivalent avoided.
- Bottled water is supplied by AUARA, which supplies 100% recycled plastic bottles and containers for recycling the packaging of its bottles, with a social purpose related to access to drinking water in the world. In 2023, 20,988 bottles were recycled, avoiding 636 kilos of waste.
- Caritas made containers available to the workforce on the premises of TR's offices to collect clothes and shoes so that they can be given a second chance or recycled.

The Company also promotes the circular economy in its projects to avoid waste generation and reuse materials and to optimise the management of hazardous and non-hazardous waste. Through the systems in place, targets and goals are set regarding, among other aspects, waste reduction, compliance with good practices and the use of recycled materials.

For their management, TR takes actions such as promoting prevention, reusing and recycling rather than generation and dumping, along with waste mitigation and control through the integration of cutting-edge environmental design techniques in the processes at its plants and conducting awareness campaigns at its offices and work sites.

The Company has had an internal multidisciplinary group since 2022 to collect, classify and systematise all the activities that are or can be carried out in the implementation of circular economy projects.

The Company is currently committed to three main lines of work in this area: optimisation of consumption, use of recycled materials and correct management of waste to promote its conversion into raw materials. This has resulted in the following initiatives:

Reuse of waste and treated wastewater on site:

- Use of excavated soils and land for backfilling foundations and trenches, levelling of land or similar.
- Use of concrete demolition rubble for the improvement of roads used during the construction of the project.

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- Use of wastewater after on-site treatment for irrigation required in construction, dust control of roads and paths, and irrigation of landscaped areas.
- Reuse of wood, metal and other materials to make information panels, handrails, pedestals, road barriers and other support elements.

Reuse of off-site waste:

- Sale to material management companies of reusable waste materials, such as cable drums, scrap metal, pallets, cable scrap and barrels that will go back into the supply chain.
- Selection or replacement of waste managers according to the final destination of the waste, promoting the search for managers that ensure the reuse and revaluation of waste.

TR's project-related activities generate a variety of waste types, both hazardous and non-hazardous. The waste generated by the Company in 2023, which is included in the following table, increased by around 199% compared to 2022, mainly due to the increase in wastewater from cleaning of piping systems and hydrostatic tests as a result of the degree of progress of several projects.

Generation of waste*	Amount generated in 2022 (t)	Amount generated in 2023 (t)
Hazardous waste (including oils, filter materials and other categories)	2,490.98 **	53,566.07**
Non-hazardous waste (including wood, household equivalent waste and other categories)	16,645.17	3,607.14
TOTAL	19,136.15	57,173.21

* The waste associated with the last three months of the year was estimated. The estimate consisted of projecting the months of October to December based on the average waste from the first three quarters.

** 99% (53537.39 t) of hazardous waste relates to the management of water from the cleaning of piping systems and hydrostatic tests during the pre-commissioning of the facilities. The commissioning of different plants coincided in 2023.

15.3.4. Actions to combat food waste

Aside from the waste from its operations, in recent years Técnicas Reunidas has implemented various measures to prevent food waste at subcontracted canteens, actively promoting its environmental commitments with responsible conduct at work sites.

Given that most of the projects executed by the Company are located at sites far away from urban centres, the majority of the measures are aimed at preventing waste and promoting the responsible use of food, including aspects relating to transportation, storage, handling, processing and consumption. The following preventive measures have been implemented in the management of these services:

- Planning purchases and calculating portions adapted to staff histograms, while also ensuring a balanced diet.
- Managing stock rotation to plan food preparation.

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- Preference for quality ingredients from local markets to serve fresh, locally sourced meals.
- Transport, handling and adequate storage of food, respecting the conditions that each item requires based on its type, to preserve and take full advantage of its use.
- Facilities designed and adapted to best provide the service, also using kitchen equipment and utensils that ensure proper storage, handling and preparation processes, to ensure the safety, conservation and consumption of meals in adequate conditions.
- Optimal conditions of hygiene to avoid contamination and the subsequent need to discard deteriorated products.

Food waste is minimal at the offices. In addition, in the event of damage to or a breakdown of a refrigerator, the food bank is contacted to take advantage of its content.

15.3.5. Sustainable use of resources

Energy is one of the main resources needed for all the Company's operations. In 2023, the Group consumed 384,819.93 GJ of energy in its activities (mainly in the form of diesel, petrol and electricity), down 12% on the previous year. This reduction is due to the degree of progress or completion of some projects, where there is more or less fuel consumption depending on the needs, and the reduction in electricity consumption at the offices in Spain (where most of the electricity consumption is concentrated), as a result of space optimisation and the energy efficiency measures adopted at the offices.

Energy consumption*	Amount consumed in 2022 (GJ)	Amount consumed in 2023 (GJ)
Diesel	293,088.93	307,647.03
Petrol	119,571.85	46,790.05
Fuel oil	0	0
Total electricity consumption	25,782.51	30,382.85
Total consumption of electricity from renewable sources**	19,856.33	15,471.39
TOTAL	438,443.30	384,819.93

* The fuel consumption for the last three months of the year was estimated. For fuel, the estimate consisted of projecting the months of October to December based on the average fuel consumed in the first three quarters. For electricity, however since its consumption is mainly in offices and depends to a large extent on the time of year, the last quarter was estimated on the basis of the consumption recorded from October to December of the previous year.

**Renewable energy supply has been implemented in all the Spanish offices: Adequa 3, 5 and 6, Gorbea, Technology Centre and the Cartagena office.

To ensure that this consumption is properly managed, in 2023 TR continued carrying out the various actions initiated in previous years, such as the adoption of energy efficiency plans and the implementation of awareness raising campaigns.

TR has also worked on optimising the use of material resources in all phases of the value chain and the recovery of materials through R&D activities. Steel, copper and paper are the main materials used by the Company. The

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variations from one year to the next in these indicators depend on the degree of progress of the projects, so that depending on the phase and the purchases made, they can undergo high variations. This was the case in the changes for copper and steel between 2022 and 2023. In the case of paper, the reduction is mainly due to the Remote Working Policy.

Raw materials consumption*	Amount consumed in 2022 (t)	Amount consumed in 2023 (t)
Steel	42,641.83	40,044.02
Copper	258.92	335.50
Paper	35.75	33.86
TOTAL	42,936.50	40,413.38

**To calculate the reported data, an estimate was conducted of the materials consumption associated with the last quarter of the year. The estimate consisted of projecting the months of October to December based on the average materials consumed in the first three quarters.*

Although water consumption is outside the Company's material scope, it endeavours to make responsible use of this resource at all times, both in its projects and in the office buildings.

In relation to its offices, water consumption is outside the scope of TR, given that it is the responsibility of the building owners. Nevertheless, the Company conducts campaigns to reduce water consumption in all its offices based on a commitment to savings and efficient consumption.

In the case of its projects, TR is responsible, within the scope of the contract, for providing potable water for site and office activities, together with the construction works.

15.3.6. Other forms of pollution

Técnicas Reunidas does not just focus its efforts on minimising greenhouse gas emissions, reducing its consumption of materials and generating less waste. The Company uses all resources at its disposal to identify the environmental circumstances existing on each occasion and to establish the most appropriate preventive and, where appropriate, mitigation measures in accordance with the best available techniques. The Company therefore analyses other possible forms of pollution, such as noise or light pollution. In relation to light pollution, the office buildings have automatic night shutdown systems between 8:00 pm and 6:00 am. In the case of the works, they are illuminated in accordance with the safety and energy efficiency standards corresponding to each country.

For the proper management of all environmental issues, the Company has a wide range of supporting documents in the various project phases — including the Environmental Management Plan and the Construction Environmental Management Plan — which identify the limits of mandatory compliance, along with the actions to be implemented at all times. It also has specific Environmental Management Manuals for each certified Environmental Management System.

15.3.7. Protection of biodiversity

One of the principles of action of the Environmental Sustainability Policy is to preserve and promote the biodiversity of the ecosystems, landscapes and species in the territories in which the Company operates.

Técnicas Reunidas carries out all its projects on industrial land, which is why biodiversity is not among the Company's material aspects. In this regard, there were no impacts on biodiversity or protected areas in 2023. TR carries out all its projects in accordance with the environmental impact studies developed by its clients, all of which

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take into account the Equator Principles and aspects such as environmental protection and the diversity of plant and animal species living in the environment.

In biodiversity matters, Técnicas Reunidas implements the measures included in the customer's contractual scope, offering, when necessary, specific consulting services for customer advice and support. For those projects where the protection of biodiversity is assumed by Técnicas Reunidas in the scope of the contract, the Company implements several initiatives, such as planting trees, aimed at offsetting the CO₂ emissions from these projects, thus reducing its carbon footprint and generating great benefits for the environment.

15.3.8. Provisions and guarantees for environmental risks

The environmental expenses, assets, provisions and contingencies of the Group companies are considered immaterial in relation to their equity, financial position and results. However, the Company identifies these items for each office/subsidiary, and for each project through the various applicable accounting items; this facilitates the monitoring of environmental indicators since, based on the concept of sustainable management, the verification documents are the invoices that support these items.

TR also has a risk management system that includes an analysis of both offices and projects (from the bidding phase to completion) for potential environmental impacts. This analysis includes the identification of measures addressing the precautionary principle and reduction of undesirable effects.

In addition to environmental expenses and provisions, all projects include a contingency account to cover possible unforeseen events that may arise in the project for situations that may include environmental issues and that are capitalised if necessary.

The Company is also insured under an environmental third-party liability policy that guarantees coverage of potential environmental damage arising from Técnicas Reunidas' activities, including environmental liability at its own facilities and offsite, liability for pollution or liability during transport to and from third-party facilities.

15.3.9. Resources assigned to prevention of environmental risks

In the preparation and development phase of the projects, the HSE department and the Sustainability area are responsible for gathering information on the requirements to ensure adequate prevention and management of environmental risks in the projects.

In the project development phase, the HSE department is responsible for gathering information on the requirements to ensure adequate identification, analysis, prevention and management of environmental risks, and to establish any mitigation mechanisms, if necessary. The HSE team has interdisciplinary professionals who work in a cross-cutting manner throughout the Group's companies and divisions, implementing a common methodology in all projects.

15.4. Information on social and personnel issues

15.4.1. Employment

Técnicas Reunidas' professionals are the Company's main asset. The workforce increased in 2023 to 8,490 employees (an increase of 20.37% compared to 2022), which represents a major challenge in terms of management, and this is in addition to the need to adapt to the complex scenario arising from the challenges on an international level.

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Thanks to various tools and strategies, TR efficiently manages the relationship with its professionals and promotes their professional development. The tools available to the Company include policies, procedures and bodies that stipulate the principles, guidelines and decisions related to human resources. This framework enables the appropriate management of human resources, offering employees a safe and dependable environment that reinforces their commitment to the Company.

Técnicas Reunidas is aware of the main HR risks to which it is exposed. In 2023, these risks mainly included the following: difficulty in attracting qualified professionals and talent drain, maintaining a flexible system of subcontracting external service companies that collaborate with the Company to respond to business needs, managing expatriate personnel, hiring local personnel, and possible risks to the safety of workers due to their proximity to geographical areas that are in conflict.

However, TR is prepared to face all these possible contingencies through a flexible and globalised human resources structure, which facilitates the adoption of solutions to prevent and mitigate the risks associated with its activity. Specifically, some of the most important measures to address the main risks were: (i) establishing strategic plans to achieve a more attractive company that generates large-scale employment, including remuneration, work flexibility and training plans adapted to needs, (ii) centralisation of recruitment processes in a differentiated but coordinated manner at the national and international levels between Human Resources and Operations, (iii) establishing adequate controls at local offices, (iv) maintaining and improving flexible working conditions, which also take into account exceptional personal circumstances, (v) establishing a modern expatriation policy adapted to current needs, and (vi) monitoring and establishing internal security policies in projects through the centralisation of the Security in Corporate.

This global management of human resources is in accordance with its strategy to promote diversification in both services and geographical regions. This approach enables the Group to implement more comprehensive control of all sections related to human resources, increasing the reliability of information, optimising the management of these resources and offering a series of basic conditions to all employees.

In this area, TR has implemented a software tool (SAP Success Factors), which enables better management of aspects such as administration, remuneration plans, evaluations of employee performance and absenteeism, and training schemes. In relation to this last point, Técnicas Reunidas has a presence control system that complies with current law and allows for control of records, leave and absences.

The Group's workforce at 31 December 2023 had 8,490 employees (not including freelancers), who have a contract with the Company. In addition, Técnicas Reunidas has an average of more than 33,830 subcontracted workers on its projects in construction (see section 15.7.3). In 2023, there was an increase of around 20.37% in the workforce, due to the fulfilment of the strategic objectives of growth in the number of employees, in line with the needs of the business in the technology centres in Spain (Madrid and Cartagena), India, Turkey, Abu Dhabi and Chile. In addition, in coordination with Operations, organisational support is being provided to respond to the staffing needs of the various subsidiaries.

In relation to the review and implementation of the integrated organisational structure, it should be noted that in 2023 the integration of the different companies and divisions into a transversal unification of internal categories was consolidated and completed, allowing the business to easily identify profiles, detect needs and offer proposals to homogeneous groups.

In addition, in 2023 the Company increased the dissemination and effectiveness of its internal mobility programme 'MuéveTRe', which allows employees to find out about and apply for different open positions through the corporate intranet, thus facilitating the personal and professional enrichment of the workforce, and the interdisciplinary integration and retention of talent, knowledge and internal experience.

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The following tables show the breakdown of the indicators on TR's workforce. It should be noted that the applicable perimeter is 100% of the internal workforce in Spain and subsidiaries.

- **Distribution of staff by gender, age, country and professional category:**

In 2023, the workforce increased by around 20.37% compared to 2022 as a result of the implementation of the growth strategy. The gender distribution shows that 75.67% of the employees are men and 24% are women. By professional category, 91.32% are graduates, line personnel and clerical staff. In turn, by age, the bulk of the workforce, more specifically 65%, is concentrated between 30 and 49 years old; although in 2023 the number of employees under 30 and over 50 years old doubled. In terms of geographical distribution, Spain, India, Saudi Arabia and the United Arab Emirates (UAE) account for 78.52% of employees.

Distribution of staff by gender	2022		2023	
	No.	%	No.	%
Men	5,254	74.49 %	6,424	75.67 %
Women	1,799	25.51 %	2,066	24.33 %
TOTAL	7,053	100 %	8,490	100 %

Distribution of staff by professional category	2022		2023	
	No.	%	No.	%
Executive Directors	1	0.01 %	1	0.01 %
Senior executives	9	0.13 %	9	0.11 %
1st management level	87	1.23 %	84	0.99 %
2nd management level - Middle managers	399	5.66 %	461	5.43 %
Graduates, line personnel and clerical staff	6,372	90.34 %	7,753	91.32 %
Supervisors	162	2.30 %	125	1.47 %
Sales staff	23	0.33 %	57	0.67 %
TOTAL	7,053	100 %	8,490	100 %

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Distribution of staff by age	2022		2023	
	No.	%	No.	%
<30 years old	442	6.27 %	1,101	12.97%
>=30 years old, <50 years old	4,954	70.24 %	5,486	64.62 %
>=50 years old	1,657	23.49 %	1,903	22.41 %
TOTAL	7,053	100 %	8,490	100 %

* The increase between periods for these data is explained by the increase in recruitment at subsidiaries of employees <30 years old

Distribution of TR staff by country	2022		2023	
	No.	%	No.	%
TR SPAIN	4,108	58.24%	4,256	50.13 %
TR OMAN	173	2.45%	117	1.38 %
TR CHILE	103	1.46%	170	2.00 %
TR INDIA	528	7.49%	1,169	13.77 %
TR ARABIA SAUDI	647	9.17%	689	8.12 %
TR KUWAIT	52	0.74%	31	0.37 %
TR PERU	153	2.17%	96	1.13 %
TR MALAYSIA	9	0.13%	6	0.07 %
TR UAE	462	6.55%	552	6.50 %
TR TURKEY	70	0.99%	239	2.82 %
TR ALGERIA	9	0.13%	7	0.08%
TR AZERBAIJAN	85	1.21%	13	0.15%
TR MEXICO	10	0.14%	198	2.33 %
TR CANADA	25	0.35%	26	0.31 %
TR SINGAPORE	111	1.57%	209	2.46 %
TR POLAND	53	0.75%	98	1.15 %

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TR ITALY	9	0.13%	8	0.09%
TR BAHRAIN	4	0.06%	11	0.13 %
TR RUSSIA	9	0.13%	4	0.05 %
TR USA	2	0.03%	6	0.07 %
TR COLOMBIA	77	1.09%	37	0.44 %
TR THAILAND	230	3.26%	217	2.56 %
TR ARGENTINA	12	0.17%	34	0.40 %
TR QATAR	112	1.59%	294	3.46 %
TR KAZAJISTAN	0	0.00%	3	0.04 %
TOTAL	7,053	100%	8,490	100 %

**The significant changes in some of the subsidiaries are due to fluctuations in the needs of the Company's various projects in the regions in which it operates projects.*

- **Total number and distribution of employment contract types:**

Regarding the composition of the workforce by hiring model, in 2023 there was an increase in permanent contracts to 91.11% of employees (an increase of 10% with respect to the total, compared to 2022), which has led to a decrease in temporary contracts, representing 8.89% of the workforce. Furthermore, 100% of the workforce is employed on a full-time basis, although 5.96% of the workforce has reduced working hours.

Distribution of employment contract types	2022		2023	
	No.	%	No.	%
Permanent	5,747	81.48 %	7,735	91.11 %
Temporary	1,306	18.52 %	755	8.89 %
TOTAL	7,053	100 %	8,490	100 %

** The increase in the number of fixed employees in the year is due to the key employee retention policy.*

Distribution of employment contract types	2022		2023	
	No.	%	No.	%
Total employees	7,053	100 %	8,490	100.00 %

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Full time	6,426	91.11%	7,984	94.04 %
Reduced workday	627	8.89 %	506	5.96 %

* Virtually 100% of TR's contracts are full-time contracts and, therefore, TR does not in practice have part-time contracts, except for the specific needs of a person who request this type of contract for special reasons. This table includes those employees that have a full-time contract and that also have a reduced workday.

• **Annual average of contracts by contract type, gender, age and professional category:**

Average contracts by gender*	2022			2023		
	Men	Women	TOTAL	Men	Women	TOTAL
Permanent	3,884	1,601	5,485	5,241	1,764	7,005
Temporary	1,067	153	1,220	565	173	738
TOTAL	4,951	1,754	6,705	5,806	1,937	7,743
	6,705			7,743		

Average contracts by age*	2022			2023		
	<30	>=30, <50	>=50	<30	>=30, <50	>=50*
Permanent	175	3,964	1,346	621	4,763	1,621
Temporary	168	831	221	173	403	162
TOTAL	343	4,795	1,567	794	5,166	1,783
	6,705			7,743		

Average contracts by professional category		Executive directors	Senior executives	1st management level	2nd management level - Middle managers	Graduates, line personnel and clerical staff	Supervisors	Sales staff
2022	Permanent	1	9	88	358	4,889	118	23
	Temporary	-	-	3	47	1,132	36	1
	TOTAL	1	9	91	405	6,021	154	24
2023	Permanent	1	9	78	419	6,336	108	54
	Temporary	-	-	1	32	686	16	3
	TOTAL	1	9	79	451	7,022	124	57

* The average was calculated based on the average of the active employees in 2023. *** The increase between periods is due to the increase in employees at some of the international subsidiaries.

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- Number of dismissals by gender, age and professional category:**

In 2023 there was a 5.68% decrease in dismissals. The reason for the reduction in this rate is the completion of the workforce restructuring that took place in 2021 and the reactivation of projects that had been delayed or postponed due to the impact of Covid-19. By gender, there was an increase in the number of dismissals among women. By age, the bulk of the dismissals (around 93%) were concentrated between two age ranges: employees between 30 and 49 years old (48.39%) and employees of >50 years old or more (45.16%), who make up the majority of the workforce. In terms of professional category, the dismissals were concentrated among graduates, line personnel and clerical staff, who represent a large part of TR's workforce.

No. of dismissals	2022		2023	
	No.	%	No.	%
Distribution by gender				
Men	73	82.95 %	69	74.19 %
Women	15	17.05 %	24	25.81 %
TOTAL	88	100 %	93	100 %
Distribution by age	No.	%	No.	%
<30 years old	23	26.14 %	6	6.45 %
>=30 years old < 50 years old	39	44.32 %	45	48.39 %
>=50 years old	26	29.55 %	42	45.16 %
TOTAL	88	100 %	93	100 %
Distribution by professional category	No.	%	No.	%
Executive Directors	0	0.00%	0	0.00%
Senior executives	0	0.00%	0	0.00%
1st management level	4	4.55 %	2	2.15 %
2nd management level - Middle managers	1	1.14 %	5	5.38 %
Graduates, line personnel and clerical staff	82	93.18 %	80	86.02 %
Supervisors	1	1.14 %	4	4.30 %
Sales staff	0	0.00%	2	2.15 %
TOTAL	88	100 %	93	100 %

- Total average compensation (fixed and variable wages) of the workforce at year's end, broken down by gender, age and professional category or equivalent value:**

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Average remuneration by gender (EUR)	2022	2023
Men	52,595	58,219
Women	42,322	47,275
TOTAL	49,978	54,389

* Updated calculation formula.

Average compensation by professional category* (€)	2022		2023	
	Men	Women	Men	Women
Senior executives	511,005.04	415,071.82	791,301	313,644
1st management level	173,594.96	172,259.02	194,618	179,217
2nd management level - Middle managers	95,761.96	71,801.91	98,388	85,843
Graduates, line personnel and clerical staff	46,850.38	39,298.58	48,663	43,591
Supervisors	20,191.92	16,430.42	31,602	25,787
Sales staff	93,756.15	69,943.03	54,662	48,039

Average remuneration by age (€)*	2022	2023
<30 years old	20,202.61	26,676
>=30 years old < 50 years old	46,390.42	50,008
>=50 years old	67,168.91	70,967

* Remuneration calculated on a cash basis.

Wage gap by professional category*	2022	2023
Senior executives	18.77%	60.36 %
1st management level	0.77 %	7.91 %
2nd management level - Middle managers	25.02%	12.75 %
Graduates, line personnel and clerical staff	16.12%	10.42 %
Supervisors	18.63 %	18.40 %
Sales staff	25.40%	12.12 %

* The gap was calculated as follows: 1- (average remuneration of women by professional category/average remuneration of men by professional category)

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- **Wage gap:**

The data in these tables are broken down into broad categories that in turn include very different profiles and subcategories due to position, specialisation, experience and training, among other differences. In addition, in each case the salaries in Spain are added to those of the rest of the world, which causes a significant pay distortion due to the significant masculinisation existing in most projects outside Spain as a result of circumstances of both the sector itself and the social circumstances of the main geographical areas in which the Group operates. All this prevents the Company from obtaining effective conclusions regarding the analysis of its actual wage gap, which is analysed in a detailed and effective manner in the context of the TR Group's corresponding Equality Committees.

- **Directors' remuneration:**

Total average directors' remuneration by gender (€) - executive directors*	2022	2023
Men	897,928.04	901,746.28
Women	N/A	N/A
Total average directors' remuneration by gender (€) - non-executive directors*	2022	2023
Men	176,657.00	170,664.90
Women	130,214.66	129,144.67

* Directors' remuneration is broken down in detail in the Company's Annual Directors Remuneration Report. In this report, it was calculated on an accrual basis and the fixed and variable salary was considered.

With regard to the remuneration of the Company's directors, in 2022 Técnicas Reunidas submitted the 2023-2025 Directors Remuneration Policy to its shareholders for approval, with the aim of obtaining their approval before the end of the previous policy. The Policy, approved by 89.25% of the votes of the shareholders present and represented at the Annual General Meeting held on 28 June 2022, aims to ensure that the remuneration of all the directors is aligned with Técnicas Reunidas' strategies and with the interests of the Company and its shareholders, having taken into consideration the market standards of comparable companies, the remuneration and employment terms of the Company's employees and sustainability aspects. In particular, in the case of the executive director, his annual variable remuneration considers sustainability criteria, given that 20% of this remuneration is linked to safety (10%) and environmental (10%) objectives.

15.4.2. Work organisation, measures to encourage work-life balance and implementation of disconnection from work policies

Remote working, work flexibility and digital disconnection policies reflect the new needs of a society that is more aware of the need for a balance between work and personal life. The Company has addressed important structural reforms and improvements regarding the organisation of work, most notably including the implementation of a system where the entire workforce in Spain may work remotely two days a week, all within the framework of an agreement signed with the support of all employee representatives.

Another aspect that should be noted as one of the priorities in human resources management is the Company's strong commitment to work flexibility that allows for a better work-life balance. For several years now, the Company has been committed to establishing a flexible working hours model in its offices in Spain, based on trust and commitment to its professionals. This model allows employees to manage their time and perform their professional activities while enjoying a better quality of life.

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The Company also extended the cases in which, for personal reasons or special circumstances, the needs of employees are met so that they can balance their work and personal life. Other measures include personalised management of requests related to adapting working hours, family illnesses, personal circumstances, etc.

Against this same backdrop, the new expatriation policy provides for improved rotation times, breaks between weeks and special compensation in other cases.

15.4.3. Disabled employees

As part of its commitment to employment insertion, development and effective integration, in 2023 Técnicas Reunidas had 30 employees with disabilities among its staff, compared to the 25 recorded in 2022, offering them quality and stable employment. TR's commitment to people with disabilities is strengthened year after year, and has continued in 2023 by maintaining and improving strategic agreements with auxiliary service providers (cleaning, catering, etc.) to include a high percentage of staff with disabilities.

Regarding accessibility to its buildings, TR complies with the regulations in force in each country where it operates. In addition, with regard to the Company's corporate website, one of the main objectives is accessibility without difficulty, regardless of any physical or technical disability. To this end, TR adheres to the Web Accessibility Initiative (WAI) of the World Wide Web Consortium (W3C). This organisation developed the Web Content Accessibility Guidelines (WCAG) 1.0 aimed at making web content accessible to people with disabilities.

15.4.4. Training

The development of talent and adequate skills are key aspects that have a direct impact on the competitiveness of Técnicas Reunidas, which actively manages knowledge, mainly through training resources and the identification of skills necessary for employees to develop professionally and improve their performance.

To carry out its training management tasks, TR has three main policies, each with different objectives:

- a. 'Evaluation process and information records of employees' procedure: assures the quality of talent management processes.
- b. 'Skills, training and awareness procedure': ensures and provides employees the skills they need to perform the tasks assigned to them
- c. 'Annual training plan and course management' procedure: describes the Company's training plan preparation process, along with how the specific training actions are requested under the plan.

TR is aware of the importance of attracting talent through disseminating knowledge. Accordingly, the Company offers its employees a complete range of courses and adjusted training plans to help them maximise their skills and growth potential throughout their professional careers. Thanks to this commitment, TR supports its professionals and facilitates the achievement of new goals that contribute to fulfilling the Company's objectives.

To this end, TR analyses the trends in the assessment of skills and knowledge in each area. This procedure was updated in 2022 to identify the specific deficiencies and develop specific training programmes, establishing training itineraries for each job. In addition, after each training session or programme, the participants' supervisors receive a questionnaire to assess the effectiveness of the training and identify potential improvements and adjustments to the training for the future.

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A few years ago, TR identified the need to restructure its training plan, establishing digital solutions as a key aspect. Since then, the company has been working on three main lines of action:

- **Virtual Classroom Project:** numerous training actions planned within the Training Plan, both of a technical and skills nature, were channelled through a corporate tool and the instruction of internal staff trainers.
- **PHAROS Project:** e-learning platform with more than 800 courses, mainly of a technical nature in the construction, engineering and new technologies sector, which is open 365 days a year to all TR Group employees.
- **Homemade content factory:** production of homemade multimedia material to provide training through the corporate tool TR Aula, including collaborations with specific areas, as well as all kinds of small training pills and workshops.

In 2023, the Company developed and improved its training offer through the Employee Training Portal, which has a wide range of training options organised in thematic blocks. The training offer has been adapted to the new needs of the business: energy transition, regulatory compliance, social awareness and international sustainability awareness, etc., and the Annual Training Plan has been implemented with various themes (Technical-professional, Skills, Digitalisation, Languages and Corporate), modalities (classroom, online, blended), etc. The Employee Training Portal is complemented with training itineraries adjusted to the employee's professional category, including basic, convenient and desirable training in skills to reach positions of greater responsibility and management positions. Therefore, the Employee Training Portal, together with the portal with the training offer in thematic blocks and training itineraries grouped by professional categories, make up the ULTREIA Training Project, which is intended to be the main professional training vehicle for TR employees, both at the Home Office and Subsidiaries level. This new approach allows employees to manage their training and, additionally, enhance the sense of belonging to the Company.

Training by category (h)*	2022	2023
Senior executives	16	13
1st management level	575	545
2nd management level - Middle managers	3,400	4,869
Graduates, line personnel and clerical staff	190,929	222,098
Supervisors	200	67
Sales staff	139	1,931
TOTAL	195,259	229,523
Training by topic (h)*	2022	2023
Skills	11,264	13,763
Languages	7,349	7,149
Technical	176,646	208,611
TOTAL	195,259	229,523

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The training hours delivered in 2023 increased significantly over 2022 (18 % more). This increase is due to the increase in training hours at construction sites (which account for the majority of the data) due to the start of new projects and the growth of training hours in offices (where training plans that were put on hold during the pandemic have been implemented).

15.4.5. Equality

Técnicas Reunidas encourages a climate of respect for diversity and guaranteed equal opportunities, where people are judged and valued for their worth and professionalism.

TR's main policies on equality are based on the principles expressly set out in TR's Code of Conduct (available on the website), which states that TR 'does not accept any discrimination in the work or professional environment on the grounds of age, race, colour, sex, religion, political opinion, nationality, social origin, disability, sexual orientation or any other circumstance that could lead to discrimination'.

As reflected in the Code of Conduct, 'The TR Group is committed to promoting the moral and physical integrity of its professionals, guaranteeing conditions of respect and dignity in the workplace. In particular, the Group will take appropriate measures to prevent and, if necessary, correct the following: any manifestation of violence; physical, sexual, psychological, moral or other type of harassment; abuse of authority at work; or any other conduct that intimidates or infringes on the rights of TR Group associated people. Also, in view of the importance of balancing work and personal life, any reconciliation measures and actions in this area will be encouraged'.

The Company has recently set up various Equality Committees and negotiating tables to analyse the Company's situation and progress, showing its total rejection of any act that could go against this principle of equality, establishing the appropriate mechanisms in all cases to avoid any form of discrimination in each and every one of the areas in which the Company operates and thus anticipating possible conflicts in these areas and, in any case, with strong instruments that allow it to adopt the appropriate measures. In 2023, improvements were made to the Equality Plan after having reached a consensus with the Workers' Representatives on the Equality Plan for Initec Plantas Industriales, extending its more beneficial application to all TR Group employees in Spain. The TRSA Equality Plan is currently still being negotiated.

Within the framework of the Company's Workplace and Sexual Harassment Prevention Policy, the existing harassment protocols for dealing with workplace and sexual harassment have been maintained after a consensus was reached with the Workers' Representatives of the various TR Group companies.

To strengthen its rejection of any type of discriminatory conduct, the Company has launched numerous training and awareness-raising campaigns on matters such as dealing with sexual and gender-based harassment, inclusive communication and gender awareness.

Thanks to these activities, TR identifies, manages and mitigates any risks that may arise in this area during the Company's activities. The implementation of all these preventive measures has prevented the appearance of any significant impacts in this regard.

As regards measures to promote employment, the Company publishes numerous announcements on a continuous basis seeking professionals in all types of specialities, both in Spain and abroad, and has an ongoing relationship and framework agreements with universities and other institutions such as vocational training colleges, institutions that promote employment among women, etc.

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There are also ambitious scholarship programmes for young people in the final year of their degree who wish to carry out their internships or scholarships in the Técnicas Reunidas Group, with the aim of learning everything necessary to subsequently carry out their professional career as part of the Técnicas Reunidas Group's workforce.

Furthermore, TR actively participates in the Start ICEX Vives international internship programmes to attract and train talent in international subsidiaries, which for years has included professionals who then go on to continue their career and acquire positions of greater responsibility within the Company.

TR also favours the employment of people with disabilities, promoting their inclusion in the workforce through recruitment or agreements with service companies so that these people can work in the Company and thus have the opportunity to have stable, quality employment.

15.4.6. Occupational health and safety

Guaranteeing a safe and healthy working environment for all those involved in Técnicas Reunidas' activities requires a great effort and continuous improvement on the part of its employees, based on the engagement and leadership of senior management.

TR therefore has a Health, Safety and Environment department that consists of interdisciplinary professionals who work across the various Group companies and divisions, implementing a common methodology in all processes and projects.

To achieve full integration of occupational health and safety throughout the life cycle of Técnicas Reunidas' projects, the Company has had an Occupational Health and Safety Management System in place for 16 years, certified since 2008 under OSHA 18001: 2007. This system is implemented based on the corporate Quality, Health, Safety and Environment Policy (QHSE) and is based on three pillars: accident and incident prevention, integration of health and safety in corporate strategy, and continuous improvement of methods and processes.

In 2022, TR's Occupational Health and Safety Management System was successfully certified under ISO 45001, to which the system was migrated in 2020. Against this backdrop, the QHSE Policy was updated in March 2021 to bring it into line with the new requirements of the new ISO 45001: 2018 and 14001: 2015 standards. As a result, Técnicas Reunidas has renewed its ISO 45001 certification for a period of three years.

In 2023, the management systems corresponding to the ISO 45001 and ISO 14001 certifications will be integrated to optimise processes and to reduce time and costs, while ensuring the correct implementation of both management systems. The integrated certification was obtained with the BSI (British Standards Institution) and the ISO 45001 certificate expires on 27 November 2025.

The excellent results of this audit demonstrate the maturity of the management system and the Company's commitment to applying the best available practices in health, safety and environmental matters. In HSE matters, TR's leadership is increasingly visible among the Company's management as a standard bearer of a company that cares for the well-being and health of its workers, encouraging their consultation and participation.

In the bid preparation phase, the Sustainability area, together with the HSE department, is responsible for identifying the environmental and sustainability requirements included in the bid request and the laws of the country.

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In the project development phase, the HSE department and the Sustainability area are responsible for gathering information on the requirements to ensure adequate prevention and management of environmental risks in the projects.

In July of this year the health emergency caused by the COVID-19 pandemic was considered to have ended, and all restrictions and measures implemented in the TR Group to limit the effects of this pandemic were definitively lifted.

In relation to the Russia-Ukraine conflict, Técnicas Reunidas has plans for evacuation in conflict zones managed by companies specialising in the sector. In fact, the Company has evacuated its personnel in Russia, as the project it had in the region has been halted.

In addition, in 2023, regular medical check-ups and flu vaccination campaigns were carried out among employees. These campaigns were coordinated by TR's Joint Prevention Service and were very successful in terms of participation.

In addition, the management system corresponding to the ISO 45001 certification, issued by the BSI (British Standards Institution), was successfully integrated in 2023 to optimise processes and to reduce times and costs, while ensuring the correct implementation of the system.

Another important measure that has had a major impact on Técnicas Reunidas from a health and safety point of view was the inclusion of an in-company physiotherapy service in the central offices.

Técnicas Reunidas has HSE diligence procedures that cover all of the Company's activities, based on an exhaustive analysis of risks and opportunities, as well as an analysis of the needs and expectations of its stakeholders. As a result of these assessments, the following risks associated with TR's HSE activity were identified:

- Hiring of personnel with little experience in health and safety derived from the demands in the increased hiring of local labour by clients in a short period of time.
- Increase in high-risk activities due to the increase in the scope of the commissioning and start-up phases of the projects.
- Adaptation to the characteristics and safety requirements of new countries, clients and subcontractors.
- High rate of potentially serious incidents that can lead to serious accidents if immediate action is not taken.
- High volume of labour with low HSE culture.

To mitigate the risks to which the Company is exposed, and to ensure proper implementation of the management system and its adaptation to the established objectives, the requirements in the bid phase are identified and the adequate implementation of the system during engineering is ensured, and HSE assessments are carried out for the pre-qualification of subcontractors, as well as follow-up audits defined in the internal corporate plans and audits of the systems that form part of the Occupational Health and Safety Management System (OHSMS) and Environmental Management System (EMS). The results of these audits are discussed with the client or subcontractor at the site, facilitating the effectiveness of actions taken to correct any shortcomings.

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In 2023, TR conducted a series of audits aimed at improving processes and ensuring compliance with the corporate objectives and objectives of the EMS and OHSMS:

- EMS and OHSMS:
 - Internal: 12 internal corporate integrated engineering audits and 26 internal corporate integrated audits were carried out during the construction phase of the projects (5 of them in the commissioning or pre-commissioning phase).
 - External: In addition, an external certification audit was carried out for the integrated systems.
- Engineering: 18 internal technical audits to ensure that corporate processes and procedures (CRM - Corporate Requirements Monitoring) for projects are correctly implemented during the engineering phase.

TR ensures that high standards of occupational safety are observed by its entire supply chain, establishing stringent requirements and promoting good practices. Onsite health and safety managers oversee the application of specific health and safety plans by subcontractors, and implementing any preventive actions they consider necessary. To this end, the Company carries out information campaigns, prevention programmes and regular medical check-ups. In 2023, the following milestones were noteworthy of mention:

- Successful implementation of a pilot project for a new platform for recording health and safety observations in projects, improving the accessibility and effectiveness of its use.
- Creation of a Health and Safety Inspection Committee, which is responsible for assessing the health and safety inspections carried out in supplier workshops visited by Company employees belonging to the Procurement area. This Committee is multidisciplinary and is made up of personnel from different disciplines: Procurement, Quality and HSE.
- Implementation of a new KPI, 'Safe Practices and Conditions Reported', in all projects under construction.

In addition, since 2020, the Company has had the e-risk tool for identifying and managing the risks and opportunities of the Occupational Health and Safety Management System at all levels of the Company, and also updated the occupational risk assessment in 2023.

The Company also works to ensure the standardisation of health and safety procedures throughout the entire organisation to guarantee maximum efficiency in the dissemination and assimilation of corporate policies. This objective is based on an intensive drive toward training. In 2023, there were 1.66 hours of on-site training provided in this area for every 100 hours worked (21% more than in 2022), taking into account the personnel of both the Company and its subcontractors. Among the training actions provided in 2023, it is worth highlighting the development of training on legal liabilities associated with health and safety during the construction phase of projects, aimed at project managers.

With regard to the effectiveness of its safety policies, Técnicas Reunidas assesses their performance through a system of indicators. The information reported relates to the sites and offices, although it is in the construction and commissioning phase that an increased security risk is identified. Given the different degree of risk associated with each type of activity and the different scope of the indicators, the Company reports accident data and accident rates for work sites and offices separately, which are included in the tables below:

Number of accidents at work sites (TR employees)	
Value of the indicator in 2022	Value of the indicator in 2023

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	Women	Men	Total	Women	Men	Total
Accidents with leave	0	0	0	0	1	1
Accidents without leave	0	0	0	0	0	0
Fatal accidents*	0	0	0	0	0	0
No. of occupational diseases	0	0	0	0	0	0

Number of accidents at work sites (Subcontracted workers)						
	Value of the indicator in 2022			Value of the indicator in 2023		
	Women	Men	Total	Women	Men	Total
Accidents with leave	0	10	10	0	9	9
Accidents without leave	0	15	15	0	26	26
Fatal accidents*	0	1	1	0	0	0
No. of occupational diseases	0	0	0	0	0	0

* Unfortunately, an accident occurred in 2022 in one of the projects, which resulted in the death of a worker belonging to a subcontractor during pipe positioning work when he was hit during the manoeuvre due to overloading.

Number of accidents at offices (TR employees at offices in Spain)						
	Value of the indicator in 2022			Value of the indicator in 2023		
	Women	Men	Total	Women	Men	Total
Accidents with leave	1	0	1	1	3	4
Accidents without leave	5	3	8	5	3	8
Fatal accidents*	0	1	1	0	0	0
No. of occupational diseases	0	0	0	0	0	0

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* The investigation of the incident established that there was no link between the worker's death and the work. However, it is classified as an accident at work as it occurred during the working day.

The Group's accident rates at work sites and offices are as follows:

Work site accident rates						
(TR employees)						
	Value of the indicator in 2022			Value of the indicator in 2023		
	Women	Men	Total	Women	Men	Total
Lost time incident rate* (LTIR)	*****	0.000	0.000	*****	0.012	0.012
Total recordable incident rate** (TRIR)	*****	0.000	0.000	*****	0.012	0.012
Severity rate*** (SR)	*****	0.000	0.000	*****	0.014	0.014
Frequency rate****	*****	0.000	0.000	*****	0.021	0.021

Accident rates at work sites						
(Subcontracted workers)						
	Value of the indicator in 2022			Value of the indicator in 2023		
	Women	Men	Total	Women	Men	Total
Lost time incident rate* (LTIR)	*****	0.019	0.019	*****	0.020	0.020
Total recordable incident rate** (TRIR)	*****	0.051	0.051	*****	0.079	0.079
Severity rate*** (SR)	*****	0.002	0.002	*****	0.007	0.007
Frequency rate****	*****	0.002	0.002	*****	0.019	0.019

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Office accident rates						
(TR employees at offices in Spain)						
	Value of the indicator in 2022			Value of the indicator in 2023		
	Women	Men	Total	Women	Men	Total
Lost time incident rate* (LTIR)	0.000	0.044	0.028	0.094	0.157	0.112
Total recordable incident rate** (TRIR)	0.474	0.133	0.256	0.562	0.315	0.336
Severity rate*** (SR)	0.003	0.005	0.004	0.117	0.038	0.055
Frequency rate****	0.000	0.22	0.14	0.39	0.66	0.56

* LTIR (Lost Time Incident Rate): (No. of incidents involving lost time/No. of hours worked) * 200,000. This rate refers to the frequency of accidents. Does not include en route accidents and relapses.

** TRIR (Total Recordable Incident Rate): (No. of accidents recorded (according to OHSAS)/No. of hours worked) * 200,000. This rate refers to the frequency of accidents. Does not include en route accidents and relapses.

*** Severity Rate (SR): (No. of days lost through incidents/Total no. of hours worked) * 1000. This rate refers to the severity of accidents. Does not include en route accidents, but does include days lost due to relapses.

**** Frequency rate No. of processes involving occupational incidents with leave, not including en route accidents and relapses during the working day, for every million hours worked by workers exposed to the risk. (Accidents with leave/Total hours worked) * 1,000,000

***** Construction information is not broken down separately for men and women at this time.

The construction work in 2023 involved 106,002,436 working hours (compared to 112,065,699 in 2022), including hours worked by subcontractors, meaning that the Company had to manage a volume of more than 40,479 workers at peak time (including Company and subcontracted workers), 2% less than in the previous year.

Regarding the statistics on accident rates at construction sites, in 2023 both the lost time incident rate (LTIR) and the total recordable incident rate (TRIR) were once again well below the targets set by the Company. The increase in accident rates is related to an increase in the accidents recorded and a decrease in the hours worked, although there were no fatal accidents this year. It should be noted that the accident rates in 2023 remained below the targets set by Técnicas Reunidas. The Company monitors recorded accidents and adopts measures to maximise worker safety in all phases of project development, based on a solid Management System that is extended to suppliers and subcontractors.

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With regard to office accident rates, there has been an increase in all indicators, due to the general reduction of incidents and days lost compared to the previous year due to the prevention measures implemented and a lower impact from Covid-19.

In addition to the data mentioned above, the Group monitors absenteeism rates throughout the Company. The absenteeism hours for 2023 are shown below, which show a decrease compared to the previous year attributed to the lower impact of Covid-19.

	Value of the indicator in 2022	Value of the indicator in 2023
Total number of absenteeism hours	478,512	450,267

Finally, in promoting healthy lifestyle habits among employees, Madrid staff took part in the Companies' Race held in December 2023. This event has now been resumed, having been held in previous years before the Covid-19 pandemic.

15.4.7. Labour relations

In relation to the organisations representing TR employees, there are various specific committees for Equality, Training, Health and Safety, and the Expatriation Policy, among other ad hoc committees or tables for specific matters when considered necessary, with which TR meets on a regular basis or when necessary, to facilitate dialogue and improve the quality of life of all employees. The climate of respect and mutual commitment was maintained in 2023, which has allowed important agreements to be reached that have resulted in the well-being of and improvements for all employees, including with regard to expatriation policies, victims of gender-based violence, implementation of the voluntary and reversible intensive working hours, flexible working hours, equal opportunity measures, training plans, professional development, health and well-being, communication, etc.

Técnicas Reunidas is well aware of the role of unions as the legal representatives of employees. Therefore, the Company guarantees at all times equal and non-discriminatory treatment of its employees, respecting their freedom of association in line with the collective bargaining agreement of each of the countries in which the Company operates.

In relation to other mechanisms and procedures that the Company has in place to promote employee involvement in the management of the Company, in terms of information, consultation and participation, the Company carries out work climate surveys at least every two years to find out how satisfied its employees are with their jobs, their relationship with the Company and their superiors, and their workload, through which action plans are developed and improvement are made that result in the well-being of staff and mutual communication.

15.4.8. Employees covered by a collective agreement

For all countries where there is a collective bargaining agreement, 100% of the employees are covered by the collective bargaining agreement associated with the activity licence granted to the Company (engineering, construction, etc.), as was the case in 2022. In addition, health and safety clauses are included in all collective bargaining agreements, which are adapted to the corresponding local law.

15.5. Information on respect for human rights

Técnicas Reunidas considers respect for human rights to be a priority in carrying out its activities and an essential part of its corporate culture. This strategic approach is even more relevant for the Company due to its large international presence, sometimes in geographical areas with a high risk of human rights violations.

Therefore, TR ensures that all its activities are conducted in accordance with the values and principles contained in the United Nations Global Compact, of which it has been a signatory since 2011.

The Company therefore has a sustainability management framework based on its Sustainability Policy, which describes the Group's main commitments in terms of corporate governance, environmental and social matters, including respect for human rights among its social commitments.

In addition, in 2023 the Company approved a Human Rights Policy that takes into consideration the main Spanish and international regulations and the highest standards in this area, including the Universal Declaration of Human Rights and the Guidelines for Multinational Enterprises of the Organisation for Economic Cooperation and Development (OECD). This Policy includes key aspects for both the Company and its stakeholders, such as the rejection of forced or compulsory labour and child labour, the prohibition of slavery, respect for diversity and non-discrimination, just and favourable working conditions, the rejection of corruption in all its forms, the preservation and promotion of the biodiversity of ecosystems, the promotion of the transition to a low-carbon economy, the commitment to carry out its projects in a sustainable manner, the promotion of initiatives of cultural, social and economic value, and respect for local communities to foster their inclusion and socio-economic development through education and training.

In addition, the Company has various additional internal policies and procedures that ensure its commitment to human rights in all the territories where it carries out its activity, such as the Sustainability Policy or the Company's Code of Conduct, which includes the commitment to always act in accordance with current law, obtaining declarations of compliance with and respect for human rights in accordance with internationally accepted ethical practices. This formal declaration also includes TR's total rejection of child labour and forced or compulsory labour, and the corporate commitment to respect freedom of association and collective bargaining and to recognise the rights of ethnic minorities in the countries where it operates, rejecting any form of discrimination and exploitation, and thus ensuring compliance with the conventions of the International Labour Organisation (ILO).

The Code of Conduct, the Sustainability Policy and the Human Rights Policy extend to the Company's entire value chain. In particular, Técnicas Reunidas has a Supply Chain Code of Ethics, available on the corporate website, which includes specific ESG requirements (environmental, health and safety, work practices, data protection and human rights) for third parties with which the Company interacts (e.g. suppliers or subcontractors). These suppliers and subcontractors, in addition to passing a strict due diligence procedure, must guarantee compliance with minimum standards in the areas indicated to ensure that the Company's supply chain always operates in accordance with the legal frameworks in force and complies with the specific human rights requirements in accordance with their activity and level of risk. To identify and repair possible abuses, the Company carries out human rights compliance assessments.

The Company also has an Internal Reporting System (formerly the Whistleblower Channel), in accordance with the requirements established by Law 2/2023 on the protection of persons who report regulatory and anti-corruption violations. This is a secure and confidential channel, available in several languages, for employees, third parties or any other stakeholder to report potential breaches or irregularities committed within the Company or in its sphere of action, or acts that may involve or with respect to which there are reasonable grounds for suspicion of violations of the law and other internal regulations, for example, the Code of Conduct or other corporate policies, criminal or

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serious or very serious administrative offences, breaches of labour law relating to occupational health and safety or breaches of European Union law.

The communications received, which may be filed anonymously, are treated under strict confidentiality standards and in compliance with Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons reporting breaches of Union law. The receipt and management of the communications received through this Internal Reporting System is the responsibility of the collective body designated by the Company for these purposes.

In 2023, a total of 18 complaints were received through the Whistleblower Channel, of which 13 were closed or resolved during the year and 5 are under investigation and had yet to be resolved at the end of the year, in accordance mainly with the date on which they were received. In general, the nature of these complaints relates to employment relationships and rights, since 9 complaints were received in this area, of which 6 have been resolved or closed, and 3 had yet to be resolved at the end of the year. Three of the complaints related to discrimination in employment and occupation, of which 1 has been closed and another resolved before the end of the year. None of these complaints related to respect for freedom of association and the right to collective bargaining, occupation, forced or compulsory labour or child labour.

In any case, the complaints under investigation are not expected to have any impact on the Company and it can be confirmed that no claims, fines, penalties or significant complaints were received in 2023 for issues related to anti-trust and anti-competitive behaviour, and monopoly practices.

However, if, despite all the measures implemented by the Company, it detects any human rights violations or other actions with a negative impact on those rights, Técnicas Reunidas will act by immediately implementing the appropriate measures in each case, taking into account the zero-tolerance principle as regards such actions.

15.6. Information related to the fight against corruption and bribery

15.6.1. Management approach

The Code of Conduct shows the Company's commitment to the highest standards of ethical conduct, establishing the principles and values that the Group and all its professionals must observe at all times in the performance of their activities so as to act with integrity, professionalism and respect for the law, human rights and internationally accepted practices. The Code of Conduct, the Supply Chain Code of Ethics, together with the integrity policies, including the Anti-Corruption Policy, are the fundamental tools used by Técnicas Reunidas to prevent corruption, bribery, money laundering and terrorist financing.

The Group also has a Regulatory Compliance area, tasked with the dissemination of the Code of Conduct, the Criminal Commercial Policy and their related policies, the review and adaptation of prevention and reporting systems, and training in this area.

The establishment and dissemination of these policies, through face-to-face and online training sessions, and their internal publication on the TR Group's intranet, lead to the conclusion that the objective of these policies has been met, in that the Company and all its members have been made aware of the standards of conduct expected of the organisation with regard to corruption and bribery risks, based on the principle of 'Zero tolerance for corruption and bribery'.

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In this context, the Compliance area continued its anti-corruption and anti-bribery training, mainly aimed at TR's management team and particularly exposed persons, given their key role in the Group's decision-making chain.

Técnicas Reunidas also has a Criminal Compliance Management System. This is a set of measures aimed at preventing irregularities from being carried out, especially those of a criminal nature that may be committed in the Company as a result of their daily activities.

To strengthen the Criminal Compliance Management System, TR also has various policies and procedures in place, including the following: Criminal Compliance Policy and Catalogue of Criminal Risks and Expected Conduct, Gifts and Entertainment Policy, Policy on Relations with Public Officials, Anti-Corruption Policy, Conflict of Interest Policy, Anti-trust Policy and Donations, Sponsorship and Patronage Policy.

In 2023, the Company continued to improve its Criminal Compliance Management System to maintain the UNE19601 certification on Criminal Compliance Management Systems, certified by AENOR in January 2023. This standard establishes demanding requirements with the aim of going beyond compliance with the law, and helps companies and organisations to prevent crimes from being committed, promotes a culture of ethics and compliance, and reduces criminal risk, providing a greater guarantee of security and confidence to governing bodies and stakeholders. To maintain this certification, the criminal risks faced by the Company have to be reassessed, and new offences attributable to legal entities have to be included, all managed through the risk management tool and stored as documented information in the Criminal Compliance Management System.

The Company has also included clauses in the agreements establishing business relationships with third parties that reflect commitments and obligations in the prevention of corruption and bribery, and respect for human rights. Failure to comply with these clauses could lead to the termination of the business relationship.

Throughout 2023, TR continued to improve its due diligence procedures in its supply and subcontracting chain with the aim of obtaining a third-party integrity assessment report before entering the business relationship, which allows for the prevention and/or early detection of potential integrity risks, and their subsequent and continuous monitoring. The Regulatory Compliance area has created the position of the Due Diligence Officer.

In turn, the Internal Due Diligence Procedure has continued to be improved in the personnel selection and hiring processes, mainly for those positions and duties that, due to their nature, are considered to be particularly exposed from the point of view of integrity risks.

On a regular basis (normally annually), the Regulatory Compliance area collects Conflict of Interest Statements, particularly on the group of particularly exposed persons, and those who, as a result of the duties they perform, have contact with third parties during the award processes or other relevant areas from the point of view of the risk of corruption (i.e. Procurement, Subcontracts, General Services, Human Resources, IT or Business Development).

Regarding complaints, a complaint related to an alleged case of corruption was registered and investigated, and it was resolved without any harm to the Company.

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15.6.2. Contributions to foundations and non-profit organisations

In 2023, Técnicas Reunidas' contribution to foundations and non-profit organisations amounted to EUR 267,880.51 compared to EUR 187,380.51 in 2022, an increase of 43%. For more information, see section 15.7.2.

The Company has made social contributions within the framework of projects amounting to EUR 31,714.07, and a social investment in training of EUR 2.05 million in 2023, as detailed in section 15.7.1.

15.7. General information on the Company

15.7.1. The Company's commitment to the sustainable development of local communities

Técnicas Reunidas is a leading company in its sector on an international scale, with a presence in 25 countries and a track record that totals more than 1,000 industrial plants throughout its over 60 years of experience carrying out major projects.

Técnicas Reunidas' activity is focused on the development of engineering projects, design and construction of industrial plants for the production of clean fuels, natural gas and chemical products, and solutions linked to the energy transition, circular economy and decarbonisation (renewable hydrogen, biofuels, waste recovery, CO₂ capture and storage, etc.).

The Company contributes through its activity to the protection of the environment and the fight against climate change by developing technical solutions that enable it to design and build sustainable and efficient plants for its customers, helping them to achieve their sustainability and decarbonisation objectives. In the exercise of responsible business conduct, Técnicas Reunidas offers quality jobs for its professionals, promotes equality, fosters research and innovation, as well as carrying out actions so that its projects contribute significantly to the sustainable development of the local communities in the countries where it operates. The Project Sustainability area was created with this objective in mind, which focuses on making improvements for all the stakeholders of a project, getting to know them first hand and thus promoting both social and environmental well-being and sustainability.

The success of Técnicas Reunidas' social impact is due to the integration and acceptance by all the Company's stakeholders of the Sustainability Policy and the United Nations Sustainable Development Goals (SDGs) in Técnicas Reunidas. With the aim of implementing best practices and placing the Company at the forefront of sustainability, the Company carries out various activities aimed at generating shared value in the environment in which it operates, increasing its social contribution to local communities, offering solutions linked to the energy transition and collaborating on projects that help the development of vulnerable groups or that aim to raise awareness on matters that contribute to sustainable development.

Stakeholders are at the centre of the sustainability strategy and comprise all activities, both corporate and operational. Técnicas Reunidas' objectives and lines of action encompass environmental, social and governance aspects, providing added value and increasing the positive impact, while avoiding, mitigating and remedying real or potential negative effects, and adapting them across all projects.

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To promote the sustainability strategy, Técnicas Reunidas works with the Master Sustainability Plan, approved in 2021. The purpose of this Plan is to define specific and ambitious actions for those material topics for which short, medium and long-term objectives have been established, thus forming a robust and clear governance model in the Company. The Company uses key performance indicators to periodically monitor the performance of the initiatives and to continuously monitor the Plan. This aspect is key to understanding the impact generated by its activity and therefore analyse the effectiveness and results of the actions implemented, measuring the Group's social contribution in the communities in which it operates.

The Company publicly discloses the progress of the Plan in its Integrated Report and reports to the Company's Board, which supervises the Group's entire sustainability strategy, with the support of the Audit and Control Committee within the scope of its competencies.

Due to its commitment to well-being and the positive impact on society and the environment, TR has been a signatory to the United Nations Global Compact since 2011. In September 2015, the UN launched a roadmap known as the 2030 Agenda, which includes the 17 Sustainable Development Goals (SDGs) to which Técnicas Reunidas is committed; however, due to its activities, the Company focuses on SDGs 7, 9 and 13, i.e., the supply of affordable, safe and non-polluting energy, the construction of resilient infrastructures and the promotion of sustainable industrialisation and innovation, and the fight against climate change, respectively.

In particular, the technical solutions developed by the Company and its actions aim to create value in the environment and in the communities in which it operates:

- Design and build quality, safe and sustainable industrial plants, promoting energy efficiency and universal access to energy services.
- Contribute to the decarbonisation of the economy and preserve the environment through the projects it promotes and in which the Company collaborates.
- Promote the contracting of local suppliers and subcontractors with the aim of generating a positive socioeconomic impact on the environments in which it operates.
- Support local talent and invest in their training.
- Preserve cultural and natural heritage, promoting the efficient management of resources and their reuse where possible.
- Collaborate with institutions in the fields of culture, science, research and education.
- Responsibly manage the risks and opportunities derived from the evolution of the environment, avoiding short-term approaches or those that do not adequately consider the interests of all stakeholders.
- Use the most appropriate channels of communication, participation and dialogue with local communities.

To this end, Técnicas Reunidas applies the following principles in relation to the different territories and communities in which it operates:

- Develop strong links with the communities to establish relationships of trust and forge a sense of belonging to a leading company.
- Adapt the Group's activities to the different countries in which it operates, taking into account each of their different social and cultural realities.
- Strengthen relations with the various local communities, supporting public authorities or relevant social organisations.
- Respect the rights of all people.
- Carry out campaigns that promote the participation of TR's professionals in solidarity actions that have a positive impact on society and the environment.
- Preserve and promote cultural and artistic heritage.
Support and promote initiatives that contribute to an inclusive, equal and just society.

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In all its projects and during the execution phase, Técnicas Reunidas prioritises the identification and management of possible risks associated with local communities, in particular, potential damage to the local environment that may arise from the project. To prevent these or any other risks, the Company has a Social Management Framework that is implemented through policies and action protocols. The Framework allows us to plan the actions required, in which fluid and constant coordination and collaboration with local communities and other local stakeholders (public authorities, partners, suppliers or subcontractors) is critical.

SOCIAL MANAGEMENT FRAMEWORK	
Evaluation and management of social impact	Specific analysis at the bidding phase of the social impact of each project. Obtaining the 'social license' is the client's responsibility.
Projects supporting the local community	Técnicas Reunidas finds out about the needs and expectations of the local community so that it can analyse the ways in which it can support them according to the characteristics of each project.
Continuous monitoring of the local environment	Técnicas Reunidas continuously monitors the local environment, as well as the performance of third parties involved in the implementation of projects, including suppliers and contractors.
Social impact grievance and reparation mechanisms	The Company analyses local regulations to detect possible negative social impacts and make appropriate complaint and restoration mechanisms available to the community.
Dialogue with local communities	The project manager maintains an ongoing dialogue with representatives of the local community throughout the life of the project.

These stakeholders include local communities, which are at the centre of the Group's projects, promoting staff recruitment and training, encouraging social impact and improving their environment, and mitigating any adverse environmental and cultural effect, as included in the Human Rights Policy.

Along with this corporate policy, due diligence procedures are applied to all third parties with which TR has a business relationship, thus avoiding any undesirable issues for the Company, for which it also has a Supply Chain Code of Ethics.

Given the key role played by Técnicas Reunidas' employees in the projects, the suitability of its professionals to the environments in which they operate and their preparation for executing each project is thoroughly analysed. The hiring process and the Social Management Framework allow local hiring requirements to be met and balanced with the need for expatriate labour, within the deadlines established for the successful and timely implementation of the projects.

Some of the social and environmental actions with a positive impact that were carried out in the various projects in 2023 are detailed below:

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- Employability of personnel and strengthening of the local business fabric. In 2023, the number of Técnicas Reunidas professionals increased with respect to 2022, reaching 8,490 employees. 49.82% work outside of Spain.
- Técnicas Reunidas has contracted local suppliers and subcontractors, strengthening the positive economic contribution of the area, investing EUR 2,586.56 million, which represents 85% of total procurement and subcontracting expenditure (compared to EUR 3,351.7 million in 2022, 72%).
- Technical and STEM training in the projects aimed at companies, local staff and subcontractors. Social investment in training in 2023 amounted to EUR 2.05 million.
- Facilitating access to energy and the creation of infrastructure in the projects where TR has a presence.
- Development of corporate volunteering initiatives with local communities, with a special focus on vulnerable groups. In 2023, social contributions of EUR 31,714.07 were made within the framework of its projects (compared to EUR 10,834 in 2022²³). Some of these volunteering programmes and solidarity campaigns were:
 - Handing out food or drinking water in areas where these resources are limited;
 - Renovation work on buildings and surfaces;
 - Delivery of school materials, sports equipment and toys for children.
 - Cleaning of public spaces.

In turn, in 2023, Técnicas Reunidas increased its positive impact on society, raising the workforce's awareness in aspects of participation, humanitarian aid and human rights, etc. One example of this is the multiple reports supporting social actions such as collecting food and clothing or encouraging blood donations with the Red Cross. The most noteworthy initiatives promoted from the TR headquarters in Madrid are as follows:

- Técnicas Reunidas allocated EUR 267,880.50 to foundations and non-profit organisations in 2023 compared to EUR 187,380.51 in 2022 (an increase of 43%).
- The Company has collaborated in the food collection organised by Cáritas by carrying out an internal dissemination campaign and making the organisation's facilities available so that professionals can participate.
- The Company has carried out a major external communication campaign, participating in numerous employment forums, working on the search for present and future talent, paying special attention to and highlighting the important role played by women in the sector.
- In 2023, within IndesIA, Técnicas Reunidas led the design and development of a Mentoring Programme with the School of Industrial Engineers of the Polytechnic University of Madrid.
- As part of its commitment to innovation and young talent, in 2023 Técnicas Reunidas participated as an Innovation Partner in Hunger4innovation, an innovation competition in which university students in Spain work on a challenge in the Company-s business to offer disruptive solutions and be agents of change.

15.7.2. Partnership or sponsorship actions

Técnicas Reunidas develops its social action through four lines of work: education, social and business initiatives, culture and science and research. The initiatives carried out in each of these areas are proof of its commitment in this area and are deployed through numerous activities and projects.

To carry out this social work, the situation is located and assessed before starting the work with other organisations, sharing objectives by studying the opportunity to collaborate, both financially and through other instruments, such as participating in working groups or forums, but ruling out any type of associations, partnerships and economic contributions to political parties.

²³ The sharp increase in social contributions in the framework of the projects (+193%) is due to the start-up of projects in Mexico, where strong social action is carried out.

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Main organisations Técnicas Reunidas collaborates with

- Promotion of business and entrepreneurial activity



- Commitment to social action by Técnicas Reunidas



- Culture



- Science and research and education



Técnicas Reunidas collaborates with various leading organisations in the field of sustainability, such as the United Nations Global Compact, Fundación Seres, Forética, Carbon Disclosure Project and the Sustainability Excellence Club.

At the sector level, TR collaborates with various associations and organisations that promote transparency and responsibility, related to the Company-s business activities by promoting its business and entrepreneurial activity.

In the area of association and sponsorship, the main risks are those derived from the possibility that improper actions by a third party could generate reputational problems for the Company. To avoid any type of contingency in this regard, TR carries out due diligence procedures in these types of activities, assessing in each specific case whether the organisations with which TR works could be detrimental to the Company and regulating these actions and many others through its Code of Conduct.

15.7.3. Subcontracting and suppliers

TR's subcontractors and suppliers play an important role in TR's value chain, mainly during the procurement and construction phases of industrial plants that, due to their large scale, require the participation of a large number of workers from suppliers and subcontractors to be implemented.

To manage this complex supply chain, TR has a management framework governing the two main areas responsible for the supply chain: the Procurement area (responsible for purchases from suppliers of materials and equipment) and the Construction area (responsible for construction and assembly subcontracting).

Técnicas Reunidas' main aim in managing its supply chain is thus to achieve competitive procurement of materials, equipment and assembly services in line with the standards demanded by the sector. Another key aspect for the Company is that its supply chain must be in line with its values and meet the highest standards. Therefore, both suppliers and subcontractors must adhere to the Supply Chain Code of Ethics through the eSupplier Portal. This Code of Ethics describes the standards of conduct expected of these third parties and establishes a series of detailed requirements in matters such as health and safety, the environment, ethical and integrity principles, social, employment, and human rights protection, and includes specific requirements in line with ISO 14001, such as compliance with environmental regulations and sustainability reporting.

To strengthen the integrity of the supply chain and mitigate potential associated risks, the Company has had a Third-Party Integrity Assessment Policy and Procedure in place since 2021 that describes and regulates the integrity analysis before entering into any business relationship. This strict due diligence process includes the assessment of risks regarding security, the environment, social matters, integrity, human rights (based on the framework of the United Nations and the International Labour Organisation), international corruption lists, money laundering, terrorist financing or a lack of confidentiality policies. This Policy establishes different levels of preliminary risk that give rise to differentiated integrity analyses: standard, enhanced or very enhanced.

Given the strategic nature of carrying out these integrity analyses of suppliers and subcontractors, internal KPIs were established in 2023, linked to the implementation of the Due Diligence Policy, for monitoring and control purposes.

In addition, to increase security and prevent potential risks in the supply chain, Técnicas Reunidas expressly regulates the subcontracting of work and services to significant suppliers and subcontractors through clauses included in the corresponding contracts.

The risks in the supply chain include production risks (which are minimised through exhaustive monitoring of the progress of work), financial risks (managed through an assessment before awarding contracts) and those associated with lack of quality (which are controlled through monitoring during the execution of the work).

In addition, in recent years as a result of Covid-19, there was a particular increase in risks related to delays or cancellations of projects and delivery of materials, and the impact on execution costs and commercial conditions of construction work. This had less of an impact on most projects in 2023. Nevertheless, the Company's supply chain management has been exposed, especially in terms of inspection activities, workshop visits and logistics. In particular, the main impacts were an increase in the price of land transport from the place of origin to port, mobility restrictions, reduced availability of personnel, quarantines and delays.

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The Russia-Ukraine conflict has also increased the production cost of certain industrial materials, increasing the risk involved in the execution of turnkey contracts. Along these lines, the high volatility of raw material and energy prices has had an impact on the economic and operational viability of projects, and on new investments; for example, it has meant that construction solutions such as heating and hoarding and the like are no longer viable. In addition, it has also had a localised effect on some projects in areas close to the conflict due to labour shortages.

It should be noted that the level of activity in the sector and the number of projects worldwide rose significantly in 2022 and 2023. This leads to a greater shortage of available subcontractors to execute the projects, means that orders exceed the capacity of suppliers, and results in greater competition for technical resources, which entails significant risks in the execution of the projects both in terms of time and cost.

However, this complex situation has highlighted the creativity, responsiveness and commitment of the different teams involved in the management of the Company's purchases and subcontracting, as well as that of clients, subcontractors and suppliers. As a result, TR has been able to strengthen its operations and improve the efficiency of its processes thanks to the way in which the response to this exceptional situation has been handled. The main actions to adapt the supply chain and project implementation to the effects of Covid-19 and the management of the impacts from the Russia-Ukraine conflict are detailed below:

- Issuance of work instructions to all project teams to facilitate archiving, transfer of documentation, support and evidence, between the departments that detect the impact and the departments that manage them.
- Improvement of the tool to detect risks and impacts at an early stage.
- Hedging through the purchase of futures and financial entities to insure nickel, copper, silver and palladium.
- Implementation of price review formulas for the purchase of metal structures.
- Early identification of all costs incurred due to Covid-19.
- Technical and commercial agreements with suppliers.
- Expansion of the list of suppliers to those not located in the conflict zone or maximisation of work in prefabrication workshops and their subsequent transfer to projects.
- Reinforcement of internal communication and coordination.
- Ongoing communication with subcontractors to adapt the contractual terms (subject to customer authorisation) and manage any unforeseen circumstances.
- Negotiation of new terms and agreements with subcontractors.
- Acceleration of the Company's digital transformation process (continuous improvement and development of advanced digital platforms for project management, the digitisation of processes and the promotion of remote inspections, among others).
- Finding logistics containers within the same country of origin to ensure supply to the site.
- Slowing down the awarding of logistics services contracts in projects close to the start of the execution phase, to avoid contractual commitments that would force the project to operate with transport costs affected by the volatility of the markets.
- Coordination of the real need for materials on site between procurement and construction to assess potential delays and avoid extra transport costs.

In addition to the tools mentioned above, TR has a worldwide database of 29,197 material suppliers and construction subcontractors (in 2022 it had 28,145), of which 2,161 suppliers and 1,138 subcontractors have already been approved by the Company (compared to the 1,983 suppliers and 1,151 subcontractors approved in 2022). This global platform with updated information allows the Company to mitigate the risk in the selection of suppliers and subcontractors from the financial, performance and quality points of view, among other aspects.

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Due to the nature of its business, each year the Company handles high volumes of purchases and subcontracts. In 2023, the total spending on purchases from suppliers of materials and subcontracts stood at EUR 3,027 million. The number of employees of construction subcontractors assigned to TR projects exceeded 35,926 workers on average (and 40,479 workers at peak times).

These two areas manage the TR supply chain in accordance with five axes:

- Constant innovation in the management of the supply chain.
- Presence of rules and regulations in all processes (bidding, award and management).
- Development of annual internal strategic plans in line with TR's overall objectives and responding to the business context.
- Existence of an Integrated Management System that enables both individual and global evaluation and monitoring of suppliers' and subcontractors' performance.
- Centralised contract award system that ensures transparency throughout the award procedure for suppliers and subcontractors.

In line with the above, TR also continues with the digitalisation of the area's processes to optimise the work carried out. The digitisation of the Third-Party Integrity Assessment procedure was consolidated and integrated into all the processes for updating and creating new documentation. As a single advanced repository, it allows the compliance documentation between the Company's various areas to be centralised and managed from a single point. These advances optimise the visualisation of the workload assigned to each party, the status of documentation and document searches. A scorecard has been optimised for control, monitoring and reporting purposes. In 2023, due to the high number of Integrity Reports, alerts were set up to help the teams identify those reports that had yet to be issued.

In 2023, the Company also began developing AI-driven predictive models to improve decision-making and efficiency in various processes, which are expected to be launched in 2024.

In terms of cybersecurity, the training campaigns continued in 2023 for all personnel in significant areas in cybersecurity with content that is constantly updated, thus allowing security in this area to be continuously strengthened. After the data was gathered in 2023, the objectives set for 2024 are to initiate the process of categorising the supply chain in terms of cybersecurity and privacy through the e-Supplier tool and to launch cybersecurity training campaigns for users of strategic suppliers, thus strengthening cybersecurity in the supply chain.

In addition, the security of third-party access to our Smat tool has been strengthened by establishing an approval protocol and creating a centralised register of all users with access, the dates on which access was granted and withdrawn, and the definition of their roles and permits, all of which are set out in a specific internal procedure.

As described in at the start of this section, TR considers social and environmental responsibility as part of its relationships with its suppliers and subcontractors. These aspects are not only considered in the approval process, but are kept in mind throughout the relationship with suppliers, monitoring their compliance. After the delivery of the supply or completion of the assembly services, the performance of the supplier and the subcontractor are assessed in accordance with various aspects. The results of evaluations are disclosed and serve as a reference in identifying improvement actions. Safety and environmental performance are two of the aspects included in Técnicas Reunidas' evaluations. Since 2014, the Company has implemented the use of a specific checklist for health, safety and environmental conditions at the workshops, which is filled out by inspectors during their visits.

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As part of the implementation of the Sustainability Policy, the Procurement Area carried out the following actions in 2023:

- Gather ESG (Environment, Social and Governance) data, included in the pre-qualification questionnaires (e-Supplier) since 2022.
- Start the classification of suppliers as regards ESG Sustainability.

The actions described above reinforce the consideration of ESG criteria within the processes related to the supply chain and reaffirm TR's commitment to improve its social and environmental performance.

Similarly, subcontractors undergo monitoring during the execution of the work to ensure compliance with all contractual requirements.

These audits involve the inspection of all work performed by the subcontractor, which is only accepted once Company inspectors have verified that it has been carried out in accordance with the project designs and specifications. The verification of corrective actions is a regular practice during these inspections, which is documented in detail in the quality dossiers submitted to the client.

In the event that TR detects an environmental, social or ethical deviation, this is then studied in detail. Depending on the type of deviation and its severity, the supplier or subcontractors is required to take corrective and preventive action, and if the deviation is serious, blacklisting may be considered for new tenders or contract awards.

In 2023, a total of 310 HSE audits were carried out (1,520 were carried out in 2022), of which 289 (93%) were completed successfully (compared to 1,430 in 2022) and 21 (7%) were not completed successfully (90 were not passed in 2022). All audits featuring incidents will be appropriately addressed by TR with the implementation of improvement plans. The decrease in HSE audit indicators in 2023, 80% compared to the previous year, is due to a change in the criteria for HSE assessments in 2023 to maximise the Company's efficiency, focusing the HSE sampling on the facilities of the most representative vendors and, therefore, with a greater presence of their staff. The criteria for gathering data are adjusted for taking a sample at those facilities where the decision has been made to implement resident inspectors in the seller's facilities.

In addition, the Company carried out, as it does every year, an assessment of the supply chain according to social and environmental criteria. In 2023, a total of 1,448 suppliers were assessed based on both social and environmental criteria (1,529 in 2022). The reduction between periods (5%) stems from the implementation of two new subcontractor integrity due diligence processes, which include both social and environmental criteria, prior to the procurement process. The new assessment processes implemented were the Integrity Due Diligence Report (IDDR) and World-Check One. In no case were significant impacts identified in the supply chain in relation to these issues.

15.7.4. Consumers

Técnicas Reunidas does not have consumers, as the concept of this term is defined in Spanish regulations.

The Company evaluates 100% of its projects from the point of view of health and safety, protecting its collaborators at all times. Up to the time of delivery, TR ensures that its projects meet both its own health and safety standards, and those required by the customer and applicable law, which is included in the Safe Start-Up Plan.

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To guarantee the health and safety of its customers, TR carries out its projects, where appropriate, at sites owned by the customers, who normally start operating the plant once it has been delivered, with the customer assuming responsibility for the health and safety of its own workers.

As regards the systems for claims, complaints received and their resolution, customers have ongoing dialogue with the manager of each specific project, and they also have the possibility of communicating with members of the Operations department. The manager of each project is responsible for receiving any complaints that clients may wish to report to the Company. The Company assesses (in each case with the collaboration of the necessary internal and/or external personnel) the merits of the claim and complaint and approves the measures required for its resolution.

In addition, all contracts signed by the Company with its clients establish mechanisms and procedures for conflict resolution that are fully adapted to the circumstances of each client and project. Similarly, customers have at their disposal, as any other business partner, the Internal Reporting System of Técnicas Reunidas.

TR's risks relating to the management of its customers are included in the general risk procedure and, among many other mitigation mechanisms, they focus on adequate communication with the customer for the correct execution of the projects. This communication must take place from the bidding phase, clearly defining their needs and the terms of the Company's proposal, through to the full completion of the project. Improper management of a client by the Company can lead to delays in execution, the application of penalties and, ultimately, the rescheduling or cancellation of the project. Similarly, there may be occasional and external cases, such as the COVID-19 virus or the current Russia-Ukraine conflict, which, on an exceptional basis, may make it difficult to execute the projects and lead to delays or even their cancellation.

- The Sustainability Policy establishes the Group's principles of conduct to understand the needs and expectations of its customers and to offer them the best solutions, with the aim of always taking care of and increasing customer satisfaction, strengthening their link to the Group. The following principles of conduct are therefore adopted:
- Provide advanced technical solutions that enable clients to have sustainable and efficient industrial plants to develop the best sustainability policies and achieve their objectives.
- Pursue continuous improvement of the services it provides to its clients in the different countries in which it operates
- Monitor the quality of the service provided to its clients.

Técnicas Reunidas applies the same due diligence procedures with its clients as it does with the other third parties with which it operates, which it classifies as high, medium or low risk third parties.

15.7.5. Tax information

The body or office responsible for tax strategy is the Audit and Control Committee, which has approved an Internal Group Tax Risk Manual that establishes the Company's tax strategy and internal tax risk management procedures. The Manual also includes training actions and internal research plans in this area. The Manual, and thus the tax

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strategy, is reviewed annually.²⁴ In addition, in 2022 the Company adhered to the Code of Good Tax Practices developed and approved by the Large Companies Forum to promote a reciprocally cooperative relationship between the Tax Agency and the companies that subscribe to it.

In addition, the Group prepares tax strategies at the bidding stage of projects to minimise the risks that may arise. These strategies are defined with the help of local advisors in all markets, including those that are customary for the Group. In any case, these tax strategies are prepared in accordance with the applicable legal frameworks and taking into account the Group's business strategy.

The Group operates in countries where it carries out a single project or a set of projects for the same client, and therefore information broken down by country may prejudice the commercial and implementation interests of the projects. The data are presented aggregated by geographical area using the same criteria used for different financial indicators presented in the consolidated financial statements.

On the other hand, as it is aware of its tax liability and the complexity of its operations, the Company has launched a tax model based on BEPS value chain criteria that seeks to correctly allocate taxation in those jurisdictions where value is created.

- **Contribution by geographical area to the consolidated income statement before taxes**

Geographical area	Profit/(loss) before tax in thousands of euros	
	2022	2023
America	103,054	10,281
Asia	16,166	53,738
Spain	(120,832)	164,569
Europe	5,049	56,314
Mediterranean	1,034	1,552
Middle East	(22,895)	(182,707)
Total	(18,424)	103,748

** The results by region represent their contribution to consolidated profit before tax prepared in accordance with EU-IFRS and include, among other consolidation adjustments, the elimination of all intercompany transactions. These results are therefore not representative of the taxable amounts in each region. The results of the Spanish companies that make up the Group but are accounted for using the equity method are not included. The amounts not taken into account amount to EUR 416 thousand (EUR 110 thousand in 2022) in losses.*

Countries with earnings in the year by geographical area:

²⁴ For more information on the approach to tax risks, please refer to sections E.1 and E.2 of the Group's Annual Corporate Governance Report, accessible via the following link <https://www.tecnicasreunidas.es/es/sostenibilidad/certificados-y-documentos/>

CONSOLIDATED DIRECTORS' REPORT FOR 2023

America: Argentina, Bolivia, Canada, Chile, Colombia, Dominican Republic, Mexico, Peru and the United States.

Asia: Australia, Bangladesh, India, Indonesia, Kazakhstan, Malaysia, Singapore and Thailand.

Europe: Belgium, Finland, France, Great Britain, Italy, the Netherlands, Poland and Portugal.

Spain: Spain.

Mediterranean: Algeria, Morocco and Turkey.

Middle East: Abu Dhabi, Saudi Arabia, Azerbaijan, Bahrain, Jordan, Kuwait, Oman, Qatar.

- **Corporate income tax paid**

Geographical area	Income tax paid in thousands of euros*	
	2022	2023
America	3,391	29,501
Asia	4,421	4,707
Spain	-	-
Europe	824	7,739
Mediterranean	1,671	1,320
Middle East	5,780	4,061
Total	16,088	47,329

* Information calculated on the basis of tax criteria. These data may include payments associated with deferred liabilities under IFRSs settled locally in 2023.

Government grants received: EUR 4,405 thousand (compared to EUR 2,811 thousand in 2022).

15.8. About the non-financial information statement

By means of this Non-Financial Information Statement, Técnicas Reunidas responds to the requirements of Spanish Law 11/2018, of 28 December and Delegated Regulation (EU) 2021/2178. This report has been prepared with reference to a selection of indicators of the GRI Standards identified in the table in compliance with Law 11/2018, of 28 December and taking as a reference the recommendations of the IIRC framework for integrated reporting.

In relation to the scope of this report, it includes all companies in TR's financial scope of consolidation, included in Appendices I and II of the consolidated financial statements. Where there are significant changes in this regard, a clarification note will be included.

To design the contents of this report and select the most relevant aspects, TR has conducted a materiality analysis that has allowed it to identify material aspects to be reported to its stakeholders (see the section on stakeholders on pages 187-188 of the Técnicas Reunidas 2022 Integrated Report), and to meet the requirements for reporting non-financial information based on current regulations.

CONSOLIDATED DIRECTORS' REPORT FOR 2023

To determine its material topics, Técnicas Reunidas performed a materiality analysis, the process of which is as follows:

1. Identification of material topics

- Review the material topics identified in the last year reported and those identified by the GRI Standards.
- Analyse the financial and sustainability reports of other companies.
- Hold meetings with investors.
- Monitor the most relevant topics for the ESG proxy advisers and analysts through the questionnaires.
- Gather the opinions of other stakeholders: meetings with senior executives, customer requests, assessment of regulations, assessment of suppliers and subcontractors, working groups with employees, etc.
- Analyse the Sustainable Development Goals and identify trends.

2. Assessment and prioritisation of material topics

- Allocate a priority order to each of the topics identified in the previous stage based on interviews with executives of Técnicas Reunidas.

3. Materiality matrix and content development

- Develop a materiality matrix that prioritises topics based on the importance for stakeholders and for Técnicas Reunidas
- Identify the content requested by the GRI Standards to respond to and develop content in the Integrated Report.

On the other hand, in all aspects that are not material for TR, this report addresses the management approach but does not give detailed information on KPIs or other quantitative indicators, given that these are not considered as representative of the Group's activities. These non-material aspects for the Company required by law are as follows: light and noise pollution, water consumption, food waste and biodiversity. In relation to this aspect, it should be noted that the Company has not considered it necessary to update its materiality analysis in 2023 as it has not identified any new demands from its stakeholders and its activity has remained stable.

In addition, TR has prepared a traceability analysis that links aspects of the law with the associated GRI contents, published by the Company. In conclusion, Técnicas Reunidas presents the information provided

CONSOLIDATED DIRECTORS' REPORT FOR 2023

in the following table (Table of compliance with Law 11/2018, of 28 December - GRI) for the period from 1 January 2023 to 31 December 2023 using a selection of indicators from the GRI Standards as a reference²⁵.

See the table of contents in the table attached below:

Table of compliance with Law 11/2018, of 28 December - GRI

Content	Section	GRI	
		GRI standard	Content
Business mode			
<ul style="list-style-type: none"> Business environment, organisation and structure, and business model 	15.1.1-15.1.4	GRI 2: General disclosures	2-1 Organisational details 2-6 a., b. i, b ii., c Activities, value chain and other business relationships
<ul style="list-style-type: none"> Markets in which the Company operates 	15.1.4	GRI 2: General disclosures	2-1 Organisational details 2-6 a., b. i, b ii., c Activities, value chain and other business relationships
<ul style="list-style-type: none"> Objectives and strategies 	15.1.6	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Factors and trends affecting the evolution 	15.1.5	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Policies 	15.2 / Section associated with each aspect of the Law	GRI 3: Material topics	3-3 Management of material topics
Risks	15.2 / Section associated with each aspect of the Law	GRI 3: Material topics	3-3 Management of material topics
Key performance indicators	Section associated with each aspect of the Law	GRI 3: Material topics	3-3 Management of material topics

²⁵ Statement of use made in accordance with GRI 1: Foundation 2021.

CONSOLIDATED DIRECTORS' REPORT FOR 2023

Content	Section	GRI	
		GRI standard	Content
I. Environmental issues			
<ul style="list-style-type: none"> Effects of the Company's activities on the environment and, if applicable, on health and safety 	15.3.1	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Environmental assessment and certification procedures 	15.3.1	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Resources assigned to prevention of environmental risks 	15.3.9	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Application of the precautionary principle 	15.3.1 15.3.8	GRI 3: Material topics	In view of the business activities of the Group's companies, the Group has no assets or provisions for environmental contingencies that could be material with respect to its equity, financial position and earnings.
<ul style="list-style-type: none"> Amount of provisions and guarantees for environmental risks 	15.3.8	GRI 3: Material topics	
Pollution			
<ul style="list-style-type: none"> Measures associated with carbon emissions 	15.3.1/ 15.3.2	GRI 305: Emissions	305-5 a. Reduction of GHG emissions
<ul style="list-style-type: none"> Measurements associated with atmospheric, light, noise and other types of pollution 	15.3.2/ 15.3.6		Non-material/Air emissions, light pollution and noise are not considered relevant, and they do not generate significant impacts given TR's activity.
Circular economy and waste prevention and management			
<ul style="list-style-type: none"> Initiatives for promoting the circular economy 	15.3.3	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Measures associated with waste management 	15.3.3	GRI 306: Waste	306-3 Waste generated
<ul style="list-style-type: none"> Actions to combat food waste 	15.3.4		Non-material
Sustainable use of resources			

CONSOLIDATED DIRECTORS' REPORT FOR 2023

Content	Section	GRI	
		GRI standard	Content
<ul style="list-style-type: none"> Water: consumption and supply 	15.3.5		Non-material
<ul style="list-style-type: none"> Raw materials: consumption and measures 	15.3.5	GRI 301: Materials	301-1 a. Materials used by weight or volume
<ul style="list-style-type: none"> Energy: consumption, measures and use of renewable sources 	15.3.5	GRI 302: Power	302-1 a., c.i, e. f. Energy consumption within the organisation
Climate change			
<ul style="list-style-type: none"> Greenhouse gas emissions 	15.3.2	GRI 305: Emissions	305-1 a, e, g. Direct GHG issues (scope 1) 305-2 a, e, g. Energy indirect GHG emissions (scope 2) 305-3 a, d, f, g Other indirect GHG emissions (scope 3)
<ul style="list-style-type: none"> Climate change adaptation measures 	15.3.2	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Emissions reduction targets 	15.3.2	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Taxonomy 	15.3.2.1		Regulation (EU) 2020/852 and related Delegated Regulations
Biodiversity			
<ul style="list-style-type: none"> Preservation measures 	15.3.7		Non-material
<ul style="list-style-type: none"> Impacts caused in protected areas 	15.3.7		Non-material
II. Social and personnel issues			
Employment			
<ul style="list-style-type: none"> Total number of staff and distribution by gender, age, country and professional classification 	15.4.1	GRI 405: Diversity and equal opportunities	405-1 b.i and ii. Diversity of governance bodies and employees
<ul style="list-style-type: none"> Total number and distribution of employment contract types 	15.4.1	GRI 405: Diversity and equal opportunities	405-1 b. Diversity of governance bodies and employees

CONSOLIDATED DIRECTORS' REPORT FOR 2023

Content	Section	GRI	
		GRI standard	Content
<ul style="list-style-type: none"> Annual average of permanent, temporary and part-time contracts by gender, age and professional classification 	15.4.1	GRI 405: Diversity and equal opportunities	405-1 b. Diversity of governance bodies and employees
<ul style="list-style-type: none"> Number of dismissals by gender, age and professional classification 	15.4.1	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Average remuneration and its evolution broken down by gender, age and professional category or similar value 	15.4.1	GRI 405: Diversity and equal opportunities	405-2 a. Ratio of base salary and remuneration of women to men
<ul style="list-style-type: none"> Wage gap 	15.4.1	GRI 405: Diversity and equal opportunities	405-2 a. Ratio of base salary and remuneration of women to men
<ul style="list-style-type: none"> Remuneration for equivalent jobs or on average for the Company 	15.4.1	GRI 405: Diversity and equal opportunities	405-2 a. Ratio of base salary and remuneration of women to men
<ul style="list-style-type: none"> Average remuneration of directors and executives 	15.4.1	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Disconnection from work policies 	15.4.2	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Disabled employees 	15.4.3	GRI 405: Diversity and equal opportunities	405-1 b.iii Diversity of governance bodies and employees
Organisation of working hours			
<ul style="list-style-type: none"> Work organisation 	15.4.2	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Number of hours of absenteeism 	15.4.6	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Work-life balance measures 	15.4.2	GRI 3: Material topics	3-3 Management of material topics
Health and safety			
<ul style="list-style-type: none"> Occupational health and safety conditions 	15.4.6	GRI 403: Occupational health and safety	403-1 a.ii Occupational health and safety management system
<ul style="list-style-type: none"> Work-related accidents, in particular their rate and severity, broken down by gender 	15.4.6	GRI 403: Occupational health and safety	403-9 a.i, a. iii, a. v Work-related injuries
<ul style="list-style-type: none"> Work-related illness, broken down by gender 	15.4.6	GRI 403: Occupational health and safety	403-9 a.i, a. iii, a. v Work-related injuries

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Content	Section	GRI	
		GRI standard	Content
Labour relations			
<ul style="list-style-type: none"> Organisation of social dialogue 	15.4.7	GRI 2: General disclosures	2-29 Approach to stakeholder engagement
<ul style="list-style-type: none"> Percentage of workers covered by collective agreements by country 	15.4.8	GRI 2: General disclosures	2-30 Collective bargaining agreements
<ul style="list-style-type: none"> Balance of collective agreements on occupational health and safety 	15.4.8	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Mechanisms and procedures that the Company has in place to promote the involvement of employees in the Company's management, in terms of information, consultation and participation 	15.4.7	GRI 3: Material topics	3-3 Management of material topics
Training			
<ul style="list-style-type: none"> Policies implemented in the field of training 	15.4.4	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Total number of training hours by professional category 	15.4.4	GRI 404: Training and education	404-1 a.ii Average hours of training per year per employee
Universal accessibility and integration of persons with disabilities	15.4.3	GRI 405: Diversity and equal opportunities	405-1 a.iii Diversity of governance bodies and employees
Equality			
<ul style="list-style-type: none"> Measures taken to promote equality, equality plans, employment promotion, anti-harassment protocols and non-discrimination and diversity management policy 	15.4.5	GRI 3: Material topics	3-3 Management of material topics
III. Respect for Human Rights			
<ul style="list-style-type: none"> Application of human rights due diligence procedures 	15.5	GRI 2: General disclosures GRI 3: Material topics	2-26 Mechanisms for seeking advice and raising concerns 3-3 Management of material topics
<ul style="list-style-type: none"> Prevention of human rights abuses and any measures taken to mitigate, manage and repair possible abuses that have materialised 	15.5	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Complaints of human rights violations 	15.5	GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken

CONSOLIDATED DIRECTORS' REPORT FOR 2023

Content	Section	GRI	
		GRI standard	Content
<ul style="list-style-type: none"> Promotion of and compliance with ILO conventions related to freedom of association and collective bargaining 	15.5	GRI 407: Freedom of association and collective bargaining	407-1b Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
<ul style="list-style-type: none"> Elimination of discrimination in employment, forced or compulsory labour and child labour 	15.5	GRI 3: Material topics GRI 409: Forced or compulsory labour GRI 408: Child labour	3-3 Management of material topics 409-1b Operations and suppliers with significant risk of forced or compulsory labour 408-1c Operations and suppliers at significant risk for incidents of child labour
IV. Fight against corruption and bribery			
<ul style="list-style-type: none"> Measures taken to prevent corruption and bribery 	15.6.1	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Anti-money laundering measures 	15.6.1	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Contributions to foundations and non-profit entities 	15.6.2	GRI 3: Material topics	3-3 Management of material topics
V. Society			
-The Company's commitments to sustainable development			
<ul style="list-style-type: none"> Impact of the Company's activity: employment, local development, local populations and in the area 	15.7.1	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Partnership or sponsorship actions 	15.7.2	GRI 2: General disclosures	2-28 Membership in associations
<ul style="list-style-type: none"> Engagement with local community representatives, and communication channels in place 	15.7.1	GRI 2: General disclosures	2-29 Approach to stakeholder engagement
Subcontracting and suppliers			
<ul style="list-style-type: none"> Inclusion in the procurement policy of social, gender equality and environmental issues 	15.7.3	GRI 3: Material topics	3-3 Management of material topics

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Content	Section	GRI	
		GRI standard	Content
<ul style="list-style-type: none"> Consideration of social and environmental responsibility in relations with suppliers and subcontractors 	15.7.3	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Monitoring systems and their results 	15.7.3	GRI 3: Material topics	3-3 Management of material topics
Consumers			
<ul style="list-style-type: none"> Measures for the health and safety of consumers 	15.7.4	GRI 3: Material topics	3-3 Management of material topics
<ul style="list-style-type: none"> Claims systems, complaints received and complaint resolution 	15.7.4	GRI 3: Material topics	3-3 Management of material topics
Tax information			
<ul style="list-style-type: none"> Operating profit by geographical area 	15.7.5	GRI 207: Taxation	207-4 b.vi Country-by-country reporting
<ul style="list-style-type: none"> Corporate income tax paid 	15.7.5	GRI 207: Taxation	207-4 b.viii Country-by-country reporting
<ul style="list-style-type: none"> Government grants received 	15.7.5	GRI 201: Economic performance	201-4 a.iii Financial assistance received from government

16. Annual Corporate Governance Report and Annual Directors Remuneration Report

The Annual Corporate Governance Report of Técnicas Reunidas, S.A. and the Annual Directors Remuneration Report for 2023 form part of the consolidated directors' report and, from the date of publication of the consolidated financial statements, are available on the website of the Spanish National Securities Market Commission and on the Técnicas Reunidas, S.A. website.

Técnicas Reunidas, S.A. and subsidiaries

Independent Limited Assurance Report
on the Consolidated Non-Financial
Information Statement for the year
ended 31 December 2023

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT OF TÉCNICAS REUNIDAS, S.A. AND SUBSIDIARIES FOR 2023

To the Shareholders of Técnicas Reunidas, S.A.,

In accordance with Article 49 of the Spanish Commercial Code, we have performed the verification, with a scope of limited assurance, of the accompanying Consolidated Non-Financial Information Statement (NFIS) for the year ended 31 December 2023 of Técnicas Reunidas, S.A. (the Parent) and its subsidiaries (the Group), which forms part of the Group's consolidated directors' report for 2023.

The content of the NFIS includes information, additional to that required by current Spanish corporate legislation relating to non-financial reporting, that was not the subject matter of our verification. In this regard, our work was limited solely to verification of the information identified in the "Compliance table Law 11/2018, of December 28 - GRI" table included in section 15.8 of the accompanying NFIS.

Responsibilities of the Directors

The preparation and content of the NFIS included in the Group's consolidated directors' report are the responsibility of the Parent's directors. The NFIS was prepared in accordance with the content specified in current Spanish corporate legislation and with the criteria of the selected Global Reporting Initiative Sustainability Reporting Standards (GRI standards), as well as other criteria described as indicated for each matter in the "Compliance table Law 11/2018, of December 28 - GRI" of section 15.8 of the NFIS.

These responsibilities of the directors also include the design, implementation and maintenance of such internal control as is determined to be necessary to enable the NFIS to be free from material misstatement, whether due to fraud or error.

The Parent's directors are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFIS is obtained.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Management (ISQM) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of Non-Financial Information and, specifically, in information on economic, social and environmental performance.

Our Responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed which refers exclusively to the annual year ended December 31, 2023. We conducted our review in accordance with the requirements established in International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information, currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines published by the Spanish Institute of Certified Public Accountants on attestation engagements regarding non-financial information statements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower.

Our work consisted of making inquiries of management and the various units of the Group that participated in the preparation of the NFIS, reviewing the processes used to compile and validate the information presented in the NFIS, and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with Group personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external review.

- Analysis of the scope, relevance and completeness of the contents included in the 2023 NFIS based on the materiality analysis performed by the Group and described in “About the Statement of Non-Financial Information” section 15.8 thereof, taking into account the contents required under current Spanish corporate legislation.
- Analysis of the processes used to compile and validate the data presented in the 2023 NFIS.
- Review of the information relating to risks and the policies and management approaches applied in relation to the material matters presented in the 2023 NFIS.
- Verification, by means of sample-based review tests, of the information relating to the contents included in the 2023 NFIS, and the appropriate compilation thereof based on the data furnished by the information sources.
- Obtainment of a representation letter from the directors and management.

Emphasis of Matter

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, based on the Delegated Acts adopted in accordance with the provisions of that Regulation, establishes the obligation to disclose information on how and to what extent an undertaking’s activities are associated with eligible economic activities in relation to the environmental objectives of the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems (the other environmental objectives), and in respect of certain new activities included in the climate change mitigation and climate change adaptation objectives, for the first time for 2023, in addition to the information referring to eligible and aligned activities required in 2022 in relation to the climate change mitigation and climate change adaptation objectives. Therefore, the accompanying NFIS does not include comparative information on eligibility in relation to the other environmental objectives indicated above or to the new activities included in the climate change mitigation and climate change adaptation objectives. Also, since the information relating to 2022 was not required with the same level of detail as in 2023, the information disclosed in the accompanying NFIS is not strictly comparable either. In addition, it should be noted that the Parent's directors have included information on the criteria which, in their opinion, best enable them to comply with the aforementioned obligations and which are defined in section 15.3.2.1 "Information regarding EU Taxonomy" of the accompanying Consolidated Non-Financial Information Statement. Our conclusion is not modified in respect of this matter.

Conclusion

Based on the procedures performed in our verification and the evidence obtained, nothing has come to our attention that causes us to believe that the consolidated NFIS of Técnicas Reunidas, S.A. and its subsidiaries for the year ended 31 December 2023 was not prepared, in all material respects, in accordance with the content specified in current Spanish corporate legislation and with the criteria of the selected GRI standards, as well as other criteria described as indicated for each matter in the “Compliance table Law 11/2018, of December 28 - GRI” table included in section 15.8 of the NFIS.

Use and Distribution

This report has been prepared in response to the requirement established in corporate legislation in force in Spain and, therefore, it might not be appropriate for other purposes or jurisdictions.

DELOITTE, S.L.

Registered in the R.O.A.C nº S0692

Original signed in Spanish by

Antonio Sánchez-Covisa Martín-González

Registered in R.O.A.C nº 21.251

28 de febrero de 2024