

Sustainability Plan

2022-2024



“We’re not what we think or
do, but merely the **footprint** of
what we leave behind”

ANONYMOUS

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Sustainability plan 2022-2024, our roadmap

Sustainability is among the best recognised and commonly encountered concepts in all areas of today's society, as it is tied to the need to converge towards a sustainable economic development model, that coexist with the planet from the viewpoint of conserving natural resources and ecosystems while guaranteeing the well-being of current and future generations and favouring progress.

As a global infrastructure company, at OHLA we treat sustainability as a cornerstone and thus a cross-organisational aspect of our activities in all business lines, areas and geographies. This allows us to align our social and environmental commitment with progress in business.

OHLA plays a role in the transition to a more sustainable world through a clear purpose, a coherent strategy and a long-term vision. In response to the new challenges facing us as a company, we have upgraded our commitments by designing a new 3-year sustainability strategy, which will enable us to lay the groundwork to achieve the 2030-2050 horizon goals. Our new



“At OHLA we believe in the transformative power of our business and we seek to leave a positive footprint”

José Antonio Fernández Gallar
CHIEF EXECUTIVE OFFICER OF OHLA GROUP

roadmap contains more ambitious objectives focusing on three strategic priorities –sustainable business, responsible management and social progress–, reflecting our stakeholders’ main concerns and expectations. Thanks to this plan, OHLA's commitment to a sustainable business model that responds to stakeholder expectations helps to combat climate change and promotes social justice and progress is bolstered- guided all along by ethics, transparency and good governance.

OHLA's sustainable nature is also embodied in our adherence to international initiatives such as the Sustainable Development Goals (SDGs) promoted through the United Nations 2030 Agenda and the Spanish Network of the UN Global Compact. We are also a promoting partner and member of Forética's Spanish Business Council for Sustainable Development, a signatory to the New Deal for Europe manifesto and a member of the CEO Alliance for Diversity.

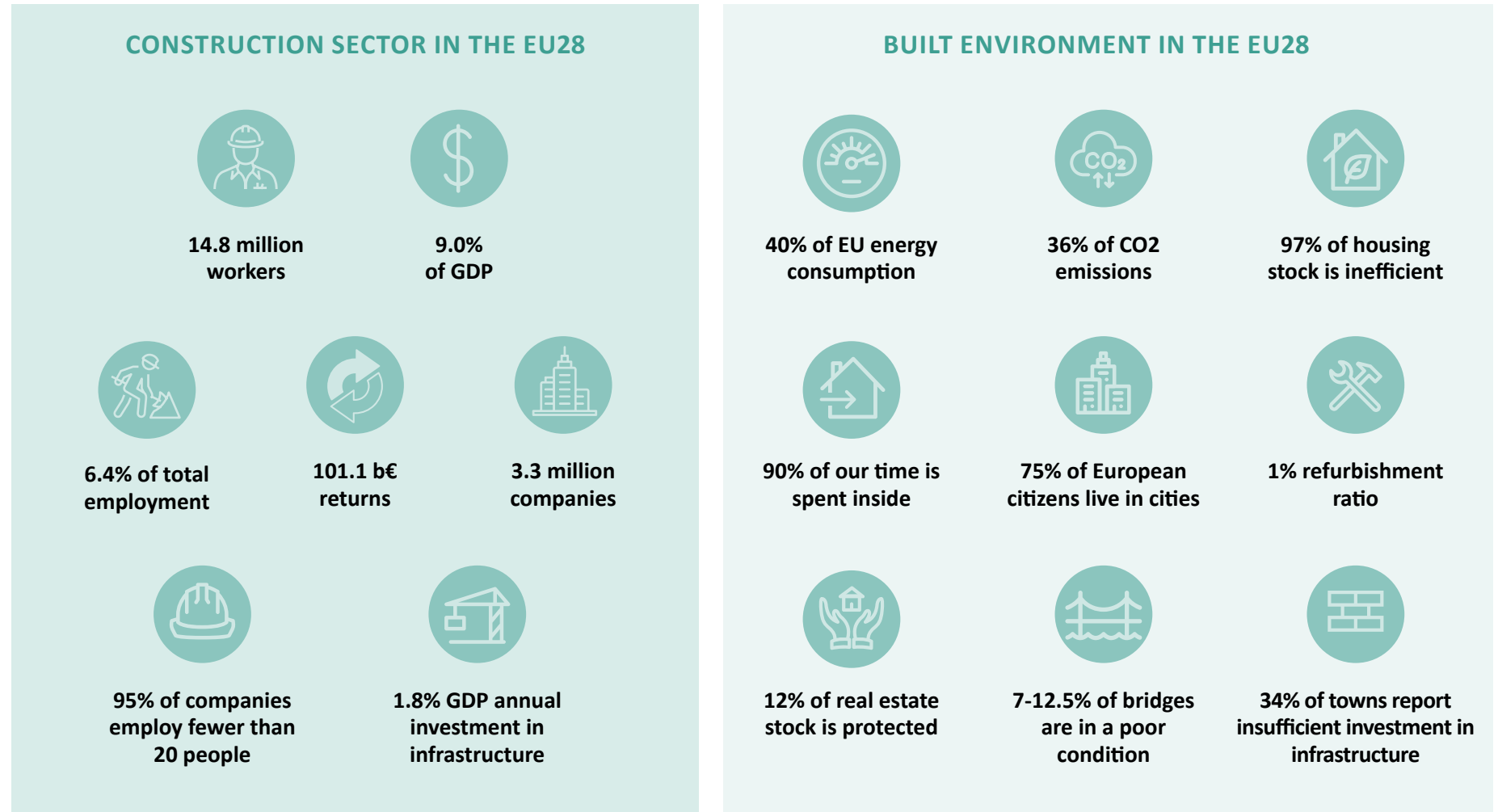
At OHLA we believe in the transformative power of our business and we seek, in each project we undertake, to leave a positive footprint that responds to the challenges described and positions us as a benchmark company in our industry, which is immersed in a digital and ecological transition. In this way, we are helping to build an equitable green economy in which public-private partnerships are essential to enable society to move towards a cleaner and, above all, a fairer planet.

“Change is the only
constant”

ARTHUR SCHOPENHAUER

The construction sector...

The construction sector is vital to the economy, given its importance to GDP, the number of workers it engages directly and indirectly, its transcendence across industries and its use of raw materials.



Source: Based on construction industry statistics from FIEC, ACE and EIB (2017 and 2018 figures).

...must respond to the global challenges

“Extreme weather” and “climate action failure” are among the five leading short-term risks worldwide, while the five most threatening long-term risks are all environmental. “Social cohesion erosion”, “livelihood crises” and “deteriorating mental health” are three of the five risks that have most deteriorated globally during the crisis. “Goeconomic confrontation” will arise as a critical threat worldwide in the medium and long term and potentially one of the most serious risks in the coming decade.



Leading severe global risks identified in the next 10 years

● Economic ● Environmental
● Societal ● Geopolitical

1º	Climate action failure
2º	Extreme weather
3º	Biodiversity loss
4º	Social cohesion erosion
5º	Livelihood crises
6º	Infectious diseases
7º	Human environmental damage
8º	Natural resource crises
9º	Debt crises
10º	Goeconomic confrontation

Source: World Economic Forum Global Risks Perception Survey 2021-2022

The economic and social paradigm shift triggers...

Direct and indirect impacts on businesses



Spiraling inflation of raw material prices



Declining production



High cost of insurance/policy



Business interruption due to extreme weather events



Social, economic and financial instability exacerbated by COVID-19

Heightened scrutiny of ESG by relevant interest groups

Investors

84% are at least considering integrating ESG criteria into their investment process.

Funders

In the last year, sharp acceleration in ESG regulations in the financial sector, which has heightened pressure when obtaining financing.

Public Administration

Decarbonizing the EU economy. The Spanish Government has committed to becoming carbon neutral by 2050, a commitment that will trickle down to local level and collaborating businesses.

Employees

Loyalty among employees grows as companies meet employees' needs, ranging from diversity and inclusion to sustainability.

Civil society

Protests calling for action to combat climate change in more than 150 countries, in which more than 6 million people took part; marches against gender inequality.

All this has prompted new initiatives to promote a new, more sustainable economy, often accompanied by higher regulatory requirements and greater transparency in terms of the public information on ESG produced by companies.

Key challenges and drivers of the sector

Social challenges:

The leading social challenges faced by the construction sector relate to climate change, the aging population and urbanization:

- Policies to mitigate climate change and transition to a climate neutral society require profound transformation by the European industry and the construction sector as a key contributor and facilitator
- Unprecedented demographic change, with one in three Europeans aged 60 and over by 2060
- By 2030, 80% of European citizens will live in urban areas

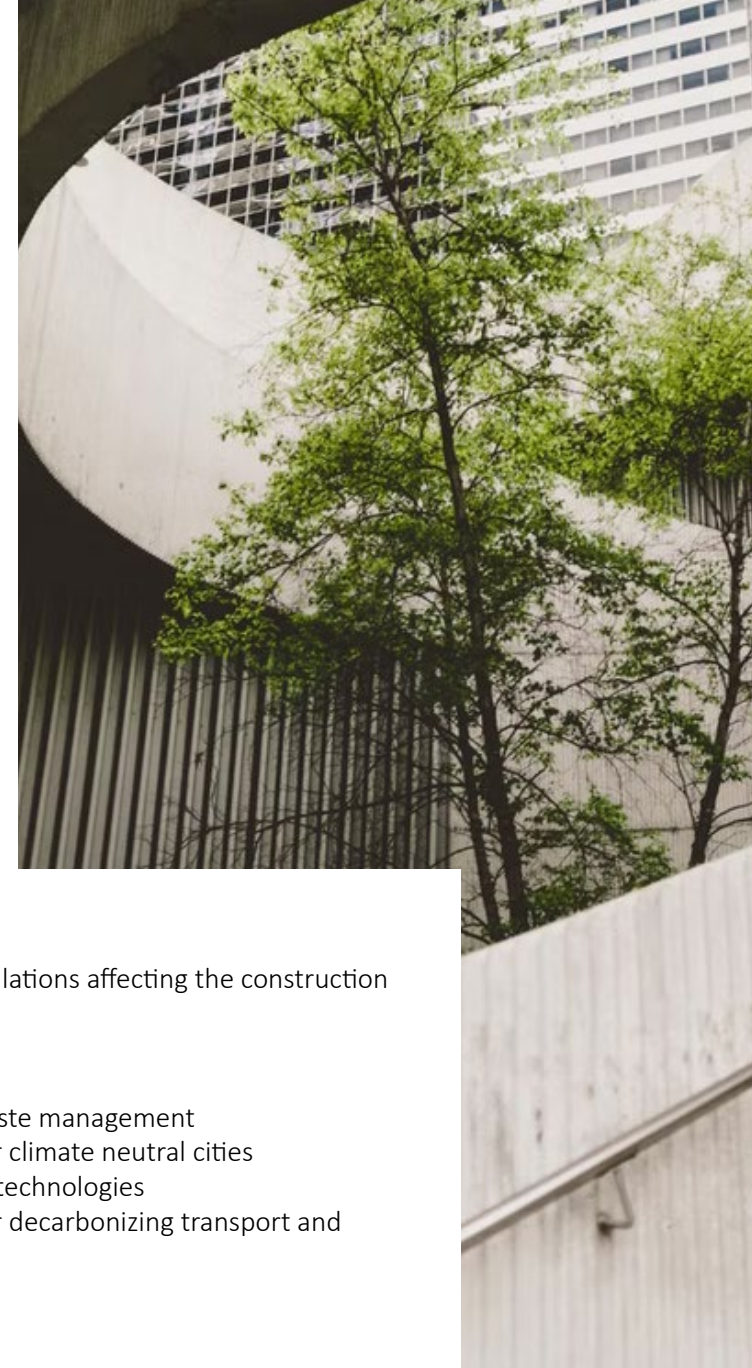
Industry and technology trends:

Certain profound technological and industrial trends in the construction sector can be considered challenges or opportunities for the coming decade: aging infrastructures, industrialization of construction processes, new materials and digitization.

Regulatory drivers:

Wide variety of rules and regulations affecting the construction sector:

- Building energy use
- Circular economy and waste management
- Regulatory framework for climate neutral cities
- Strategic plan for energy technologies
- Regulatory framework for decarbonizing transport and infrastructures
- Paris Agreement

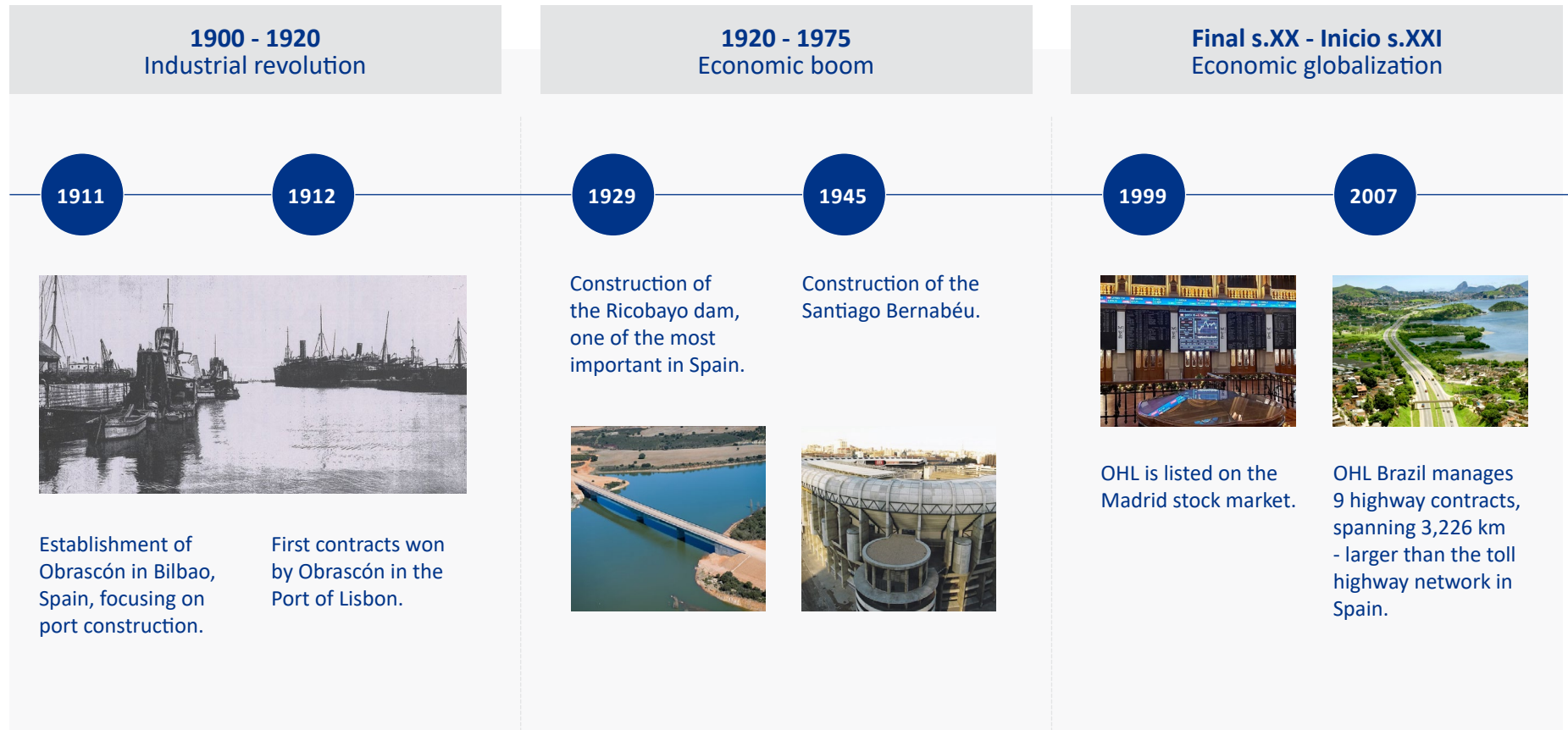


“The secret of change is to focus
all of your energy, not on the fighting
the old, but on **building** the new”

SÓCRATES

OHLA, builders for 110 years

It has always been our dream to make a contribution to progress through resilient, everlasting infrastructure that improves people's lives and makes the planet a better place.



OHLA, builders for 110 years

We have never stopped advancing and progressing, in step with economic and social change

Last 10 years Growth, digitization and economic-social crisis



OHLA, facilitators of the future

We are builders, contractors, engineers, workers, but above all, Progress Enablers, because we contribute to society's progress. We are ready to build the future, through infrastructure that is more respectful of the environment and more resilient, thanks to:

TRACK RECORD

More than 110
years of experience



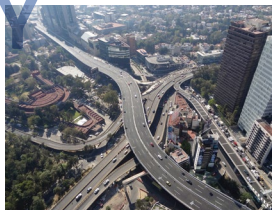
TALENT

Team with
advanced expertise,
experience and
technical skills



GLOBALITY

Steadfast presence in Europe,
the US and Latin America.



ADAPTABILITY

We develop infrastructures for
every challenge that arises

SUSTAINABILITY

- Commitment to economic, social and environmental sustainability
- Business model based on sustainable building



INNOVATION

More than 300
R&D+i

SUSTAINABILITY, THE CORNERSTONE OF OHLA

“We aim to contribute to
progress with infrastructures
that make a positive impact on
society”

We are Progress Enablers



“Some people want it to happen, some wish it would happen, others make it happen”

MICHAEL JORDAN

Listening and collaborating

In order to define the Sustainability Plan, we need to listen to people, to society, to our stakeholders and to experts, as well as contributing to the global effort demanded of the 2030 agenda.



Our sustainability ambitions and goals encompass and address global and local trends



INTERNAL ANALYSIS

Interviews with the Senior Management team

More than 70 personal and individual interviews on sustainability with Senior Management, Directors and Middle Management.

Employment surveys across different countries, divisions, professional categories and roles.

Site and project visits

Visiting sites to gain a better understanding of the needs and expectations of interest groups.



EXTERNAL ANALYSIS

Surveying interest groups

Companies, non-profits, benchmark sustainability organizations, education centers and public authorities.

Institutions and regulation

Analysis and review of public information from the Spanish Securities Exchange Commission and most recent sustainability regulations.

Benchmark

Analysis and review of the commitments undertaken by companies in the sector.

Sustainability trends

Analysis and review from international sources of reference of the principal business or sustainability situations that could have an effect on OHLA's activities now or in future.

Analysts and indexes

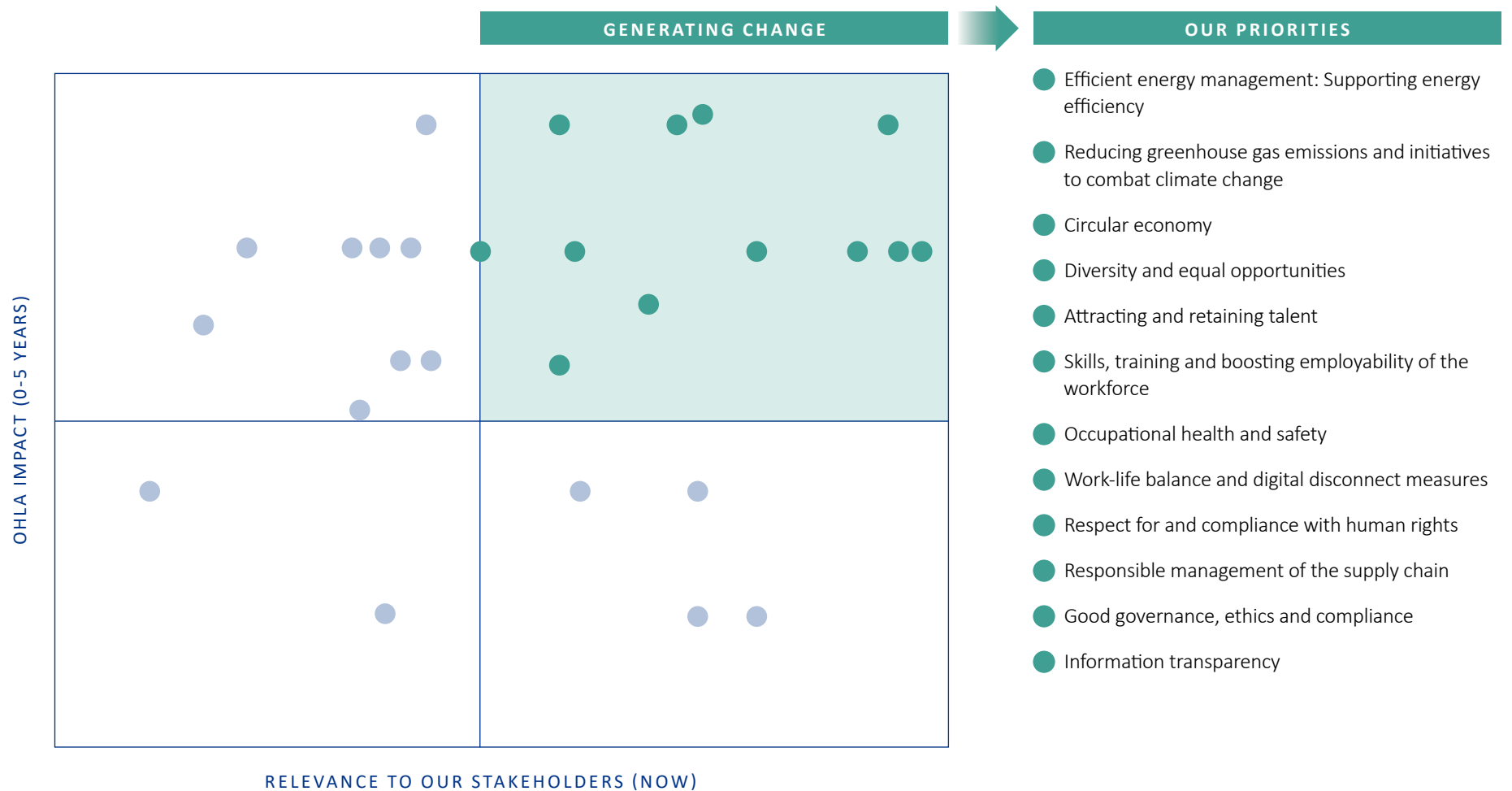
Analysis of the areas addressed in international sustainability indexes: DJSI, FTSE4Good, GRESB, CDP, MSCI.



2030 Agenda as a benchmark on which we set our priorities



Listening and analyzing

To make sure we focus on what is important, we analyze what is most concerning and urgent to our interest groups, but also where our action can have the greatest impact.



Responding and dreaming of a better future

Our sustainability ambitions do not just respond to our stakeholders but demonstrate our dream to contribute to progress, improving people's lives and making the planet a better place

OUR PRIORITIES		OUR AMBITIONS	
E	Environmental Energy efficiency Combating climate change Circular economy	<ul style="list-style-type: none"> → Net zero emissions. → Less waste: reuse, value and recycle. → Use of the best sustainable construction techniques and practices. → Constant innovation. → Sustainability baked into the strategy and decision making. 	
	Social Diversity and equality Employability and talent Work-life balance and digital disconnect Health and safety Responsible management of the supply chain Human rights	<ul style="list-style-type: none"> → Nurturing diversity at all levels of the company. → Motivating work environment that connects with talent. → Promoting sustainability with our suppliers. → Investment and positive impact action in countries where OHLA is present. 	
G	Governance Good governance, ethics and compliance Information transparency	<ul style="list-style-type: none"> → Best practice in terms of good governance and anti-corruption. → Transparency: adopting national and international standards in financial and non-financial matters. 	

Responding and working for a better future

To succeed, we need to develop a responsible and sustainable business model that seeks to generate value in the long term, through ambition, commitment, transparency, innovation and talent in our workforce. Through analyzing materiality, we have drawn up a Sustainability Plan that incorporates the company's financial and non-financial areas and is distilled into 3 strategic priorities.

STRATEGIC PRIORITIES



SUSTAINABLE BUSINESS

Improving people's lives and making the planet a better place.

8 Challenges

16 Courses of action

16 Yearly targets



RESPONSIBLE MANAGEMENT

Generating trust in our investors and society as a whole.

7 Challenges

9 Courses of action

9 Yearly targets



SOCIAL PROGRESS

Contributing to social and economic progress of the societies where we operate.

6 Challenges

15 Courses of action

15 Yearly targets

Sustainability as a business opportunity

The infrastructures sector plays a key role in the transition towards a more sustainable world, and we are at the forefront. New Sustainability Policy and new Sustainability Plan 2022-2024: 21 challenges and 40 courses of action and targets distilled into our 3 strategic priorities: a clear purpose, a coherent strategy and a long-term vision. Key targets:



SUSTAINABLE BUSINESS

- Net Zero Strategy 2030-2050: managing our emissions.
- -40% greenhouse gas emissions (GGEs) (scope 1+ scope 2) compared with 2017.
- ≥80% of non-hazardous waste to be reused / recycled (diverted from landfill).
- Evaluating eligibility and aligning with EU taxonomy.
- Sustainable fleet commitment: 100% of Senior Management vehicle fleet with ecolabel or zero emissions.
- ≥80% of innovation projects with a positive impact on society.
- 100% of digitization projects with sustainability indicators.



RESPONSIBLE MANAGEMENT

- 20% of the Senior Management team's individual management targets are linked to ESG metrics.
- Including suppliers in the human rights self-evaluation campaign.
- Renewing anti-corruption and criminal compliance certifications (UNE ISO 37001 and UNE 19601).
- Defining the roadmap to respond to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
- Adopting the standards of the SASB (Sustainability Accounting Standards Board) and the TCFD (Task Force on Climate-related Financial Disclosures) in the Annual Report.
- Inclusion in the MSCI ESG index, part of the United Nations Global Compact and committed to the 2030 Agenda.

MSCI



SOCIAL PROGRESS

- Commitment to equal pay and reducing the gender pay gap: <15% gender pay gap.
- Promoting new ways of working to create a motivating environment that attracts and retains talent and nurtures professional and personal development.
- Reducing accident rates through training and awareness.
- Including additional ESG criteria in the supplier approval process.
- Increasing investment in social action (€1 million in 2024).



Sustainable business

Improving **people's lives** and making the **planet** a better place



CLIMATE CHANGE

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Gradually decarbonizing OHLA	1. Designing the roadmap	Engaging an external company to tackle the decarbonization project Defining the work plan	Approving the roadmap	-	
	2. Reducing the intensity of emissions	Reducing the intensity of emissions* by 35% vs 2017	Reducing the intensity of emissions* by 37% vs 2017	Reducing the intensity of emissions* by 40% vs 2017	

* (Scope 1 + 2) / Sales (tCO2e (millions of euros)).



CIRCULAR ECONOMY

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Apply circular criteria in projects	3. More non-hazardous waste (NHW) diverted from landfill	≥75% of NHW diverted from landfill	≥78% of NHW diverted from landfill	≥80% of NHW diverted from landfill	
	4. Promoting the use of environmentally friendly materials	-	Launch a campaign to circulate the sustainable construction materials catalog	Promote the use of environmentally friendly materials (Construction) Add two centers certified with the EU Ecolabel (Services)	
	5. Quantifying our water footprint and promoting the efficient use of water, with special focus on reducing water abstraction in construction	Collect information to prepare a water footprint calculator	Calculate OHLA's water footprint	Monitor and report OHLA's water footprint on an annual basis	



BIODIVERSITY

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Best practices in biodiversity	6. Implement biodiversity best practice at site and in projects	Promote best practices in biodiversity on site	Promote best practices in biodiversity on site	Promote best practices and conducting a pilot to evaluate natural capital (Construction)	 
				100 % of sites using biocides (Services)	



SUSTAINABLE CONSTRUCTION

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Nurture sustainable construction practices and techniques	7. Training in LEED, BREEAM and other sustainable certification.	Launch sustainable certification training program	Increase the number of employees with this certification	Increase the number of employees with this certification	 



MOBILITY AND EFFICIENT TRAVEL

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Efficient management of buildings	8. Maintain or increase the % of sites certified under the integrated management system (ISO 14001, 9001, 45001)	>90% of sites certified (ISO 14001, 9001, ISO 45001)			
	9. Reduce office paper consumption	5% reduction in paper vs. 2017*	6% reduction in paper vs. 2017*	9% reduction in paper vs. 2017*	
	10. Green or renewable energy contracts signed for offices	20% of offices using green energy**	50% of offices using green energy**	100% of offices using green energy**	
Managing travel efficiently	11. Replace the current company vehicle fleet with ecolabel or zero emission vehicles	25% of the Senior Management fleet; 10% of the Services fleet and 10% of the Construction fleet ecolabel or zero emissions			

* Total consumption per employee in the office

** Percentage calculated based on the gradual plan defined, which will take into account contract renewal dates and viability of change (supplier and cost).



SUSTAINABLE TENDERING

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Apply sustainability criteria to tenders	12. Create the "Green Book"	Identify criteria to include in the "Green Book"	Create and circulate the "Green Book"	Update the "Green Book", if necessary, as new requirements arise.	



INNOVATION AND TRANSFORMATION

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Align innovation and transformation projects with sustainability	13. Identify innovation projects that help to combat climate change and reinforce our social commitment	Create projects / impact matrix	-	80% of innovation projects with a positive impact on society	
	14. Participation of the regions in innovation initiatives	-	Foster the development and deployment of own brand R&D or innovation projects	Foster the development and deployment of own brand R&D or innovation projects	
	15. Include sustainability on the bid dashboard	Identify sustainability indicators for inclusion	Include indicators in P&C	Implement the tender information system with new sustainability indicators	
	16. Include sustainability in works digitization processes	At least one new pilot project	-	All these sustainability concepts to be included in all new works*	

* New works are the new projects undertaken each financial year.



Responsible management

We build transparent, solid and trustworthy relationships



CORPORATE GOVERNANCE

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Continue to promote and incorporate best practices in corporate governance	1. Include ESG metrics in the Senior Management's bonus structure	10% of the individual management targets linked to ESG metrics (Senior Management team)	15% of the individual management targets linked to ESG metrics (Senior Management team)	20% of the individual management targets linked to ESG metrics (Senior Management team)	
	2. Senior Management and Board training in sustainability, risks and compliance	Designing the training content	100% of components from the Steering Committee and CNR trained	100% of components from the Steering Committee and CAC trained	



DERECHOS HUMANOS

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Continue to promote respect and compliance with human rights	3. Run the human rights compliance self-evaluation campaign across the Group, including supply chain	-	Run the OHLA Group human rights evaluation campaign	Run the human rights evaluation campaign for suppliers of the OHLA Group	
	4. Provide human rights training and awareness to the employee and other interest groups	-	>50% of employees trained in human rights	-	





INTERNAL AUDIT

CHALLENGE	COURSE OF ACTION	TARGETS			
Involve Internal Audit in sustainability matters	5. Include tracking the commitments made in the Sustainability Plan in Annual Internal Audit Plan	2022	2023	2024	ODS
		Include sustainability or ESG matters in the Annual Internal Audit Plan			-




ETHICS AND COMPLIANCE

CHALLENGE	COURSE OF ACTION	TARGETS			
Renew anti-bribery and criminal compliance management systems certifications	6. Maintain criminal compliance (UNE 19601) and anti-bribery (UNE ISO 37001) certifications	2022	2023	2024	ODS
		Maintaining certifications			
Ethical conduct training	7. Develop training on ethical conduct for employees	>90% of employees train in ethical conduct (with email)			



RISK MANAGEMENT

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Include recommendations from the TCFD	8. Establish the roadmap to respond to the climate-related risks and opportunities according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the G20 Financial Stability Board	Define the roadmap to incorporate the TCFD's recommendations and implement actions	-	-	



TRANSPARENCY

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Increase the amount of non-financial information reported to investors	9. Adopt the standards of the SASB (Sustainability Accounting Standards Board) and the TCFD (Task Force on Climate-related Financial Disclosures) to offer greater transparency to shareholders on non-financial matters	Include SASB and TCFD indicators in the Group's 2021 Annual Report	-	-	



Social progress

Contributing to social and economic progress of the societies where we operate



DIVERSITY AND INCLUSION

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Backing diversity and inclusion as a differential factor	1. Design a specific action plan for pay parity and reducing the gender pay gap	Approve an action plan and implement actions	-	Pay gap* below 15%	
		Equal pay certification from AENOR (Spain)		Equal pay certification from from AENOR (Group)	
	2. Greater presence of women in positions of responsibility (Senior Management and Directors)	-	-	10% of Management and Senior Management roles occupied by women	

* Pay gap for the same roles or roles of equal value according to the company's role grading system.



TALENT AND PROFESSIONAL DEVELOPMENT




CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Promote new ways of working to create a motivating working environment that attracts and retains talent and nurtures professional and personal development	3. OHLA Group performance appraisal model and skills dictionary	Launch of performance appraisal model	-	Implementing in 100% of eligible professional groups*	
	4. Align the knowledge and skill needs of OHLA roles according to organizational structure (Roles Map)	Launch for key roles		Apply the new professional pathways to 100% of the workforce**	
	5. Review and develop the Succession Model	Implement the model in critical positions	Implement the model among Directors and Middle Management	Implement the model for the rest of the company	
	6. Design an attractive and competitive compensation package	Assess possible remuneration elements to be included in Senior Management and employee compensation packages from a technical and economic point of view	Implement and launch (phase 1)	Implement and launch (phase 2)	

* Eligible staff are all those included within the Group's performance appraisal model

** Employed by the structure and indirectly



WORKPLACE HEALTH AND WELLBEING

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Engage workers in preventing behavior that promotes an active and healthy lifestyle	7. Maintain or increase the percentage of sites certified for occupational risk prevention (ISO 45001)	>90% sites			
	8. Foster the use of the OHLA Cuidate program	-	-	Increase the number of the program's active users by 10% on the first year	
	9. More training on occupational risk prevention and awareness among Senior Management in order to reduce accident rates	Complete 6 training sessions and 3 site visits by the region / country head	Complete 8 training sessions and 3 site visits by the region / country head	Complete 8 training sessions and 3 site visits by the region / country head	



SOCIAL ACTION AND VOLUNTEERING

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
More actions and funds to generate shared value	10. More investment in social action	Reach investment of €500,000	Reach investment of €750,000	Reach investment of €1,000,000	
	11. Invigorate and nurture greater employee engagement in volunteering	Create a volunteering network and communications plan	Get more than 1,000 volunteers involved	Get more than 2,000 volunteers involved	
	12. Measure the impact of social action	Set metrics and measure in Spain	Extend measuring to Europe and LATAM	Measure at Group level	



VALUE CHAIN

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Foster sustainability in our value chain	13. Review and update official approval criteria for inclusion of additional sustainability matters	Define new sustainable criteria in official approvals	Add criteria to the tool and approve suppliers in Spain and Europe according to the new criteria	Extend these criteria to US Construction and the Services division	 
	14. Prepare a catalog of material and machinery suppliers with a smaller environmental impact	-	Create catalog and circulate in Construction Spain	Create the catalog and circulate to other European Construction countries	 



CLIENTS

CHALLENGE	COURSE OF ACTION	TARGETS			
		2022	2023	2024	ODS
Measure satisfaction in our works and services	15. Greater involvement of our clients in measuring satisfaction with the service provided by the business during the contract	-	Increase involvement by 10%	Increase involvement by 20%	-

“Believing something is possible is
to make it come true”

FRIEDRICH HEBBEL

How to make it happen

Wanting things to change is not enough; we have to act. And OHLA acts from all levels, from the main governance bodies to each of our employees, which creates a culture we pass on to our suppliers and subcontractors.

Our Board's regulations and our Sustainability Policy set out our sustainability governance and oversight model.

Board of Directors:

- Approving the Sustainability Plan and strategy.
- Overseeing the Sustainability Policy.

Appointments and Remuneration Committee:

- Monitoring the Sustainability Policy targets.
- Monitoring the Sustainability Plan or strategy and regular appraisal of whether targets are being met.

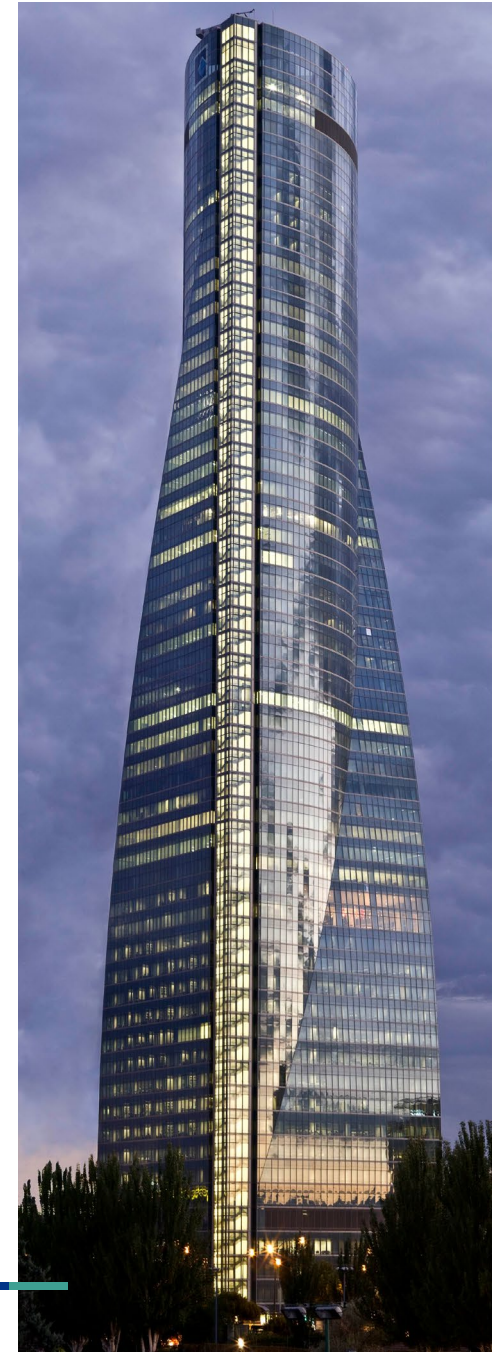
Steering Committee:

- Monitoring the Sustainability Plan.
- Incorporating sustainability into group processes.

Business units / corporate departments:

- Incorporating sustainability into decision making and our everyday operations.

Every year we report our performance against the goals and courses of action defined in the Sustainability Plan throughout the OHLA Group Integrated Report.



“Be the change that you
wish to see in the world”

MAHATMA GANDHI

