

Integrated annual report

Consolidated director's report &
consolidated annual accounts
2022



Throgs Neck Bridge, New York, USA.



Los Olivares Solar Park. Spain.

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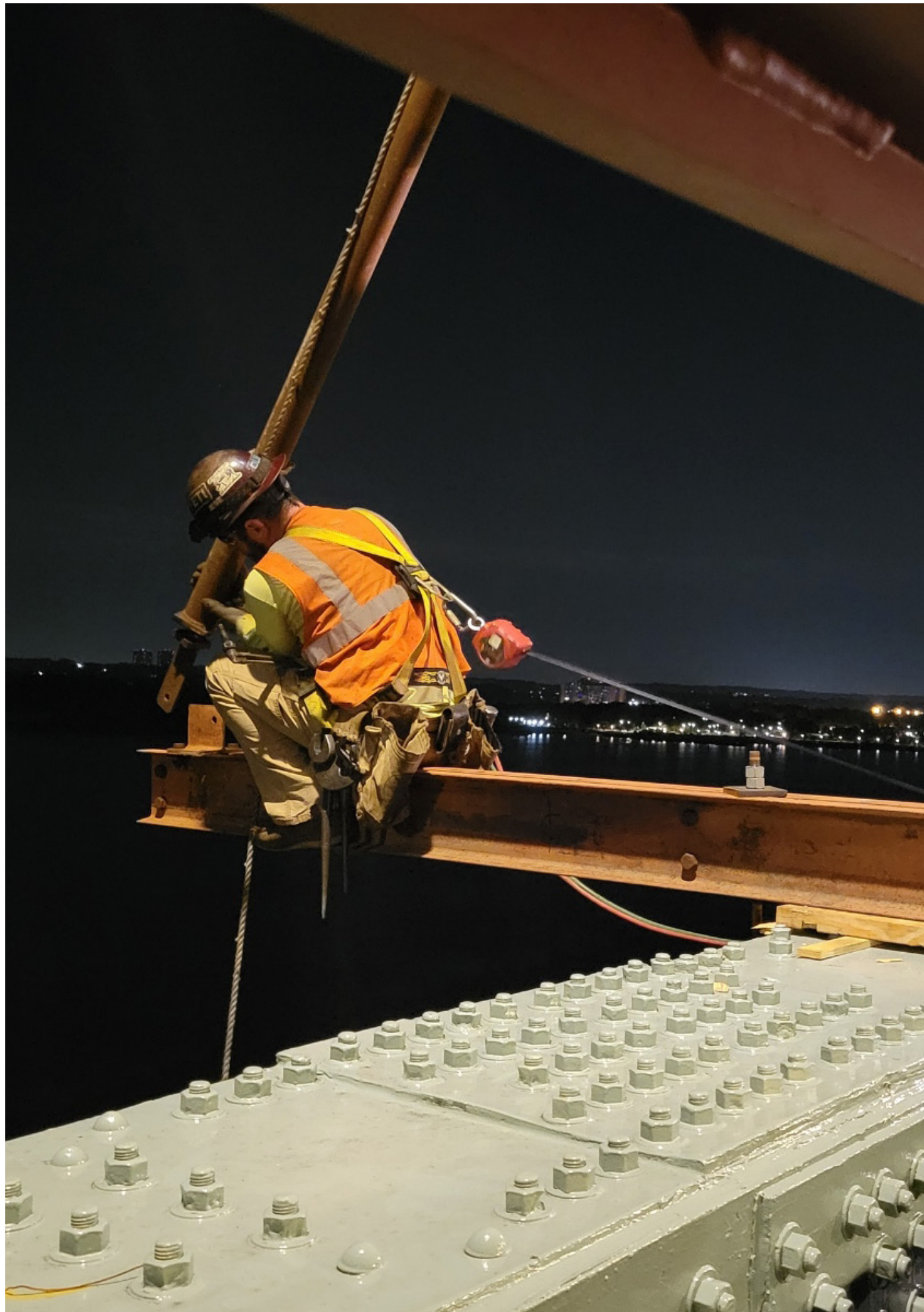
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Throgs Neck Bridge. USA.

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Message from the Chairman

Message from
the Chairman



Ladies and Gentlemen,

In this Integrated Report, we describe and discuss the performance of OHLA in 2022. The past year was one of global uncertainty and far-reaching change, but also offered attractive opportunities in the infrastructure industry.

The global pandemic and its aftermath were followed by war in Ukraine. These events have hurt societies worldwide and brought about a financial and macro-economic environment that will prove difficult to navigate.

Global inflation is persistently high. Finance is now more expensive, as a result of the higher borrowing rates driven by tighter monetary policy.

However, it is precisely in times of slower growth that infrastructure plays a key role as a counter-cyclical lever, creating jobs and supporting progress and development. It also falls to us, the infrastructure industry, to lead the ecological and digital transition that the world needs.

We help to meet the current and future requirements of society. We build new hospitals and safer, cleaner roads. We improve water management and sanitation. We deliver on our pledge to clean energy, to support sustainable mobility and higher living standards in our cities.

In 2022, therefore, we focused on driving forward with these goals. This was a year in which we achieved outstanding results at the operating level. We either achieved or even amply exceeded all our targets for the period. Revenue rose 17.3% year-on-year to approach EUR 3.26 billion. We achieved the largest order intake of the past eight years, winning contracts worth EUR 4.3 billion. At year-end, our total backlog exceeded EUR 7 billion, our best figure since 2015. EBITDA for 2022 was more than EUR 114 million, reflecting robust activity at the operating level.

Over the year, the company strengthened the balance sheet by reducing its debt burden, which we shall continue to do in 2023 as a strategic priority in our bid to achieve sustained growth and create value for our

shareholders and investors, for our employees, and for our stakeholders across the wider community.

In the Construction division – one of our core businesses – we had major contract wins in our key geographies. In the United States, we are a key joint venturer in the design and construction of one of the country's largest rail projects: the Maryland Purple Line. The new light rail line will lighten the daily road traffic burden by 17,000 vehicles. We are also working on a major project for the New York City Subway. Our track record in the United States over the past 16 years is a success story, and, every year, our order intake continues to grow.

In Latin America, where we have had a presence for more than four decades, we won new contracts in Mexico, Peru, Colombia and Chile.

And, in Europe, we were the winning bidders for projects to support sustainable mobility in Spain, the Czech Republic, Ireland and Sweden – where we are now the main contractor for the Stockholm Metro. We are a key player, for instance, in one of the most advanced rail digitalisation projects in Europe, upgrading the Lund-Arlöv rail route (Sweden).

Our Concessions division is also going from strength to strength. We now have two new major assets under management: the North 2 access corridor in Colombia, which will serve a population of close to eight million; and, in Spain, the expansion works of the Niño Jesús children's hospital. This confirms the breadth of our experience in hospital infrastructure, which we have amassed over our history of more than 100 years. As recently as February 2023 the company was awarded the concession for the Instituto Nacional del Cáncer, in Chile.

In the Services division, we strengthened our positioning and created value-added by leveraging our digital transformation. This enables us to provide proprietary digital design solutions for urban climate management and healthcare facilities.

In 2023, we shall focus on shoring up the stability of our financial position and returning our operations to the smooth forward track that is the hallmark of our

business, thus improving our margins and growing our profit.

At OHLA, our goal is to place infrastructure at the service of the wider community through the technical excellence of our expert team. And, in this endeavour, our efforts have earned a range of distinctions and accolades.

In Europe, in the United States and in Latin America, infrastructure built by OHLA has attracted major awards: in Spain, the LEED Gold sustainable certificate for Centro Canalejas Madrid; in the United States, 'Best Project in 2022', awarded by the widely respected publication *Engineering News-Record (ENR)* for the Robert F. Kennedy Bridge, New York; the River-Edge Park pedestrian bridge, Illinois; and the Ardie R. Copas State Veterans' Nursing Home, Florida.

These achievements reflect our bid to seek out and adopt the best new methods and innovative solutions for effective production, the circular economy and diversity protection.

Economic and social progress and enhanced living standards for the public are dependent on investment in infrastructure. At OHLA, therefore, we shall continue to create sustainable, safe and high-quality infrastructure, while using resources to a standard of efficiency that aligns with the UN Sustainable Development Goals. And we must do so while upholding our values of ethics, transparency and good governance.

The current environment provides attractive opportunities for innovation and digitalisation as external factors that support sustainability, aid societal progress, and create a competitive edge. I assure you that in that context we shall endeavour to create value to the full extent of our ability for our shareholders, investors, employees and the wider community.

Luis Fernando Martín Amodio Herrera

Chairman of the Board of Directors



1. We are OHLA

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Milestones of the year

OHLA is a global infrastructure group with more than 110 years of history and close to 25,000 employees. On 6 July 2021, the company unveiled its new corporate identity, OHLA. After 22 years of doing business under the OHL brand, the company's transformation was reflected in a new, modern and flexible visual identity that helps us to connect with our customers and suppliers, with our partners and investors, and with our stakeholders in the wider community.

With a total backlog of EUR 7,034.0 million, the company operates three core businesses: Construction, Industrial and Services. In 2022, we also made forward strides in our Concessions activity: the company was awarded new contracts in Colombia, Chile and Spain. I should note that, leveraging our positive experiences in high value-added developments in previous years, our Developments division is now carefully watching the property market to detect new business opportunities.

Global positioning

OHLA core businesses have a footprint in the United States, Latin America and Europe. According to the **Engineering News Record (ENR)** league table, we are the 43rd largest contractor worldwide.

In the United States, our subsidiary is one of the top 10 construction companies overall, and ranked 14th in the top 20 contractors by sector (Transportation) and 15th in the top 50 Domestic Heavy Contractors, according to the *ENR*.

Purpose and values

At OHLA, we contribute to progress by creating infrastructure that has a positive impact on society.

Our values:

- **We innovate.** Our advanced technical capabilities enable us to develop state-of-the-art solutions.
- **We are resilient.** We create infrastructure that is safe, secure and enduring.
- **We are sustainable.** We undertake projects that help care for the planet.
- **We are accountable.** We drive the social and economic progress of our host communities.
- **We are talent.** Almost 25,000 people working in support of the community.
- **We are progress enablers.** We enable progress by undertaking and completing flagship projects that improve the lives of millions of people.

Our standard of excellence is borne out by accolades and in Europe, The United States and Latin America

In 2022, we won wide range of prizes and awards in recognition of the technical excellence of our projects in the geographies within our footprint.

Engineering News-Record, a leading publication in the industry, awarded us several accolades for projects in Europe and the United States. Our design and construction of the National Forensic Mental Hospital in Ireland and us an **Award of Merit**.

In the United States, we won the prestigious **ENR Best Project 2022** awards for the Ardie R. Copas State Veterans' Nursing Home (Florida), the RiverEdge Park pedestrian bridge (Aurora, Illinois) and the Robert F. Kennedy (RFK) bridge ramp construction project over the Harlem River (New York).

The company earned the highest sustainability rating, 5 stars, in the **Global Real Estate Sustainability Benchmark (GRESB 2022)**, which recognises the good practices of companies in ESG (Environmental, Social and Governance) matters. This cements our position as the leading company in the "Infrastructure Maintenance and Operation" sector in terms of sustainability.

Centro Canalejas Madrid, one of the largest urban regeneration projects ever undertaken in Spain, obtained **LEED Gold certification for sustainability**. The Curicó Hospital in Chile, built and designed by OHLA, earned the CES 2022 green building certificate for its energy self-sufficiency and high sustainability and environmental performance scores.

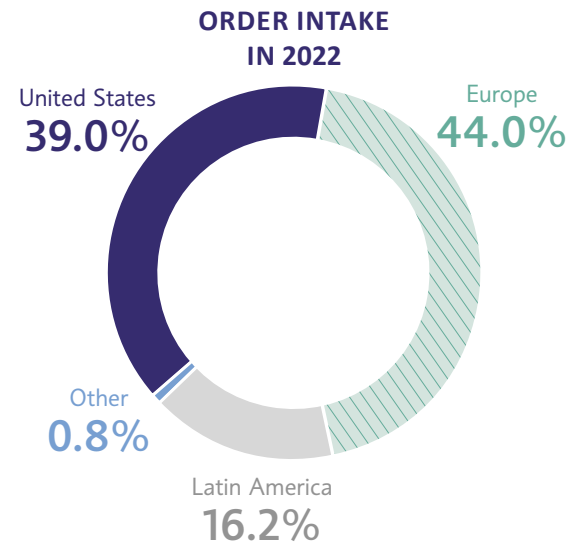
Elsewhere, the **Sweden Green Building Council** named our Lund-Arlöv (Malmö) development 'infrastructure project of the year' for its sustainable environmental, social and circular economy contribution. The initiative, which will increase the capacity of one of Sweden's busiest rail lines, emphasises construction material recovery and reuse.

We also won the **BIM 2022 Excellence Award**, which recognises good use of the Building Information Modelling methodology in our project for adaptation to the Transmilenio system of the Troncal Avenida Ciudad de Cali Tramo 1, in Bogotá, Colombia. This bus rapid transit system will improve the mobility of the public and benefit the more than 100.000 people who use this sustainable means of transport.



R. Copas State Veterans Nursing Home. EEUU.

Performance and headline figures



OHLA ended 2022 with strong performance figures, such as:

Revenue in excess of EUR 3,000 million **EUR 3,259.7 million**

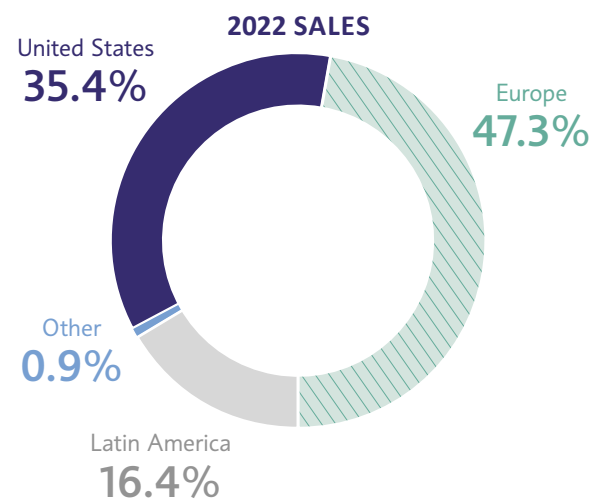
EBITDA close to EUR 110 million **EUR 114.1 million**

Order intake in excess of EUR 3,500 million **EUR 4,273.7 million**

Award of new concessions **done**

Leverage (gross financial debt/EBITDA) less than or equal to 4x **3.8x** after tender offer January 2023

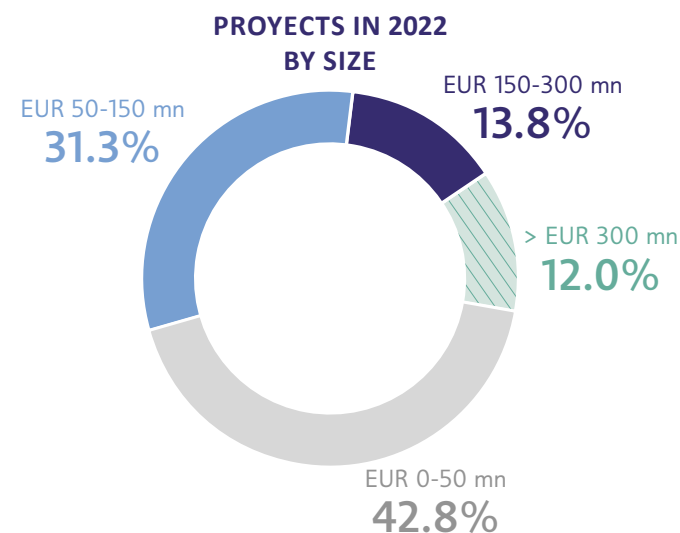
Outlook positive **Upgrade to B3** corporate rating



We ended 2022 with revenue of EUR 3,259.7 million (17.3% higher than in 2021), while generating EBITDA of EUR 114.1 million, 25.1% higher than the previous year's EUR 91.2 million. Margins improved at the operating level. The EBITDA margin rose to 3.5%, with the Construction division making a major contribution, with an EBITDA margin of 4.8%. Our performance at the operating level confirms that Grupo OHLA has been on the right track since 2018. We have improved our margins and delivered on our commitment to achieve operational and financial stability.

EBIT amounted to EUR 45.8 million, almost doubling the EUR 24.5 million for 2021. OHLA ended the year with Net Attributable Profit of EUR -96.8 million. This figure was affected by one-off effects, such as the fair value of our notes and bonds, foreign exchange differences, and the impairment loss recognised for our stake in Canalejas project.

Total short-term order intake for the period (new contract wins and extensions) amounted to EUR 4,273.7 million, up 15.6% from 2021 and leaving a book-to-bill ratio of 1.3x.

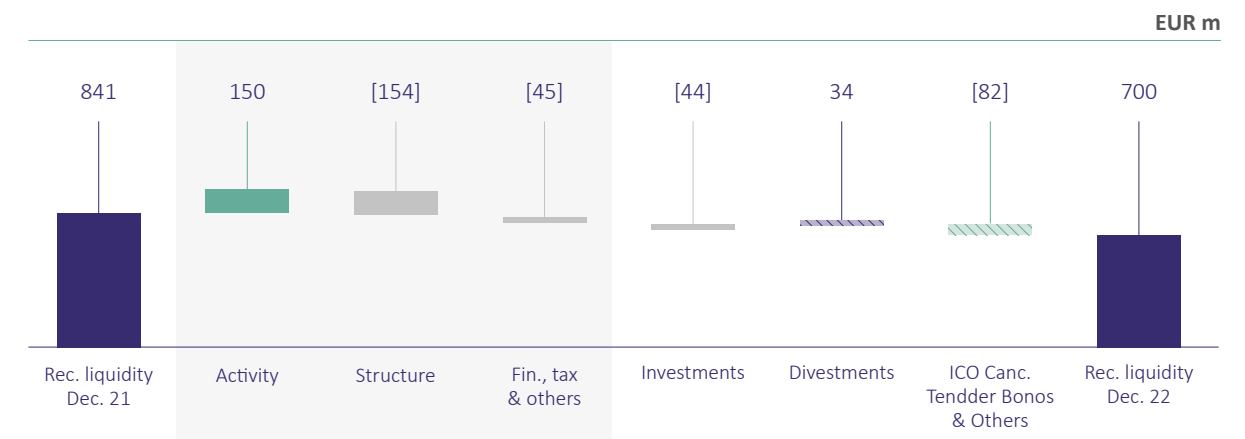


The total backlog at 31 December 2022 stood at EUR 7,034.0 million, up 21.1% from the year-earlier figure. The Group's short-term backlog at year-end stood at EUR 6,543.9 million, 21.6% higher than at 31 December 2021 and representing 24.1 months of sales. At year-end 2022, our backlog position was in line with our diversification goals by project value: 64.2% of the short-term backlog comprised projects worth less than EUR 100 million each; only one project had a value in excess of EUR 300 million (12.0% of the short-term backlog). Having received a larger order intake in 2022 than in previous years, Grupo OHLA continues committed to monitor and diversify risks across its three core areas of activity.

The Group is also determined gradually to grow its Concessions business. As disclosed previously in 2022, OHLA won the contract for "Accesos Norte 2" in Bogotá, Colombia (50% JV), valued at EUR 314.0 million. Also in Chile, the Ministry of Public Works announced

its intention to award to Grupo OHLA the design, construction, supply and installation of medical equipment and maintenance of the Instituto Nacional del Cáncer project in the city of Santiago, with an investment of more than EUR 300 million over the next 22.5 years. At year-end 2022, this project was not yet on the Group's books. However, the contract award was signed and closed in the first quarter of 2023. Finally, the OHLA Group was awarded a contract for the expansion of the Hospital del Niño Jesús, Madrid, for nearly EUR 12.0 million.

The Group ended 2022 with total recourse liquidity of EUR 699.7 million. Over the year, OHLA cancelled the ICO loan (EUR 54.5 million) and bought back some of its outstanding notes (EUR 44.6 million). On 20 February 2023, furthermore, having received the proceeds of late payments for the Old War Office project in London, we completed a partial buyback of notes in the amount of EUR 33.5 million.



Business lines

Net cash outflow in the period amounted to EUR 49.2 million (shaded portion of the chart above). The cash outflow is explained by delays in the receipt of payments from customers scheduled for 2022 which were finally completed in early January 2023. Grupo OHLA is approaching a point where it generates recurring cash before investing activities and disposals. However, we are still dragged down by an anomalous financial position. We hope to stabilise the situation over the medium term.



Aeropuerto-Tarajalejo Road. Fuerteventura. Spain.

Furthermore, OHLA Group continued to actively manage the sale of its stake in Centre hospitalier de l'Université de Montréal (CHUM), which is expected to materialise over the course of 2023.

Lastly, in March 2022 Moody's upgraded OHLA's corporate family rating (CFR) to B3, outlook positive.

Grupo OHLA has hit all the targets we announced in 2018. We continue to move forward in recovering financial stability and normal conditions at the operational level.

Against the current macroeconomic, social and political background, we have redoubled our efforts to reduce our leverage (gross borrowings/EBITDA) to a level close to 2.5x. We intend to achieve this by disposing of non-strategic assets. This forward step will enable us to generate recurring annual cash flow, improve our margins and achieve a positive bottom line.

Construction

HIGHLIGHTS	2022	2021	VAR. (%)
Revenue	2,709.3	2,232.9	21.3%
EBITDA	129.3	100.5	28.7%
Margin, %	4.8%	4.5%	-
EBIT	80.0	53.5	50.1%
Margin, %	3.0%	2.4%	-

EUR m

Revenue totalled EUR 2,709.3 million, up 21.3% year-on-year, thanks to the entry into production of the increasing order intake seen in previous periods. Construction revenue

accounted for 83.1% of the Group total, with 82.5% from projects carried out abroad.

EBITDA reached EUR 129.3 million, 28.7% up on the previous year and with an improved margin of 4.8% (2021: 4.5%). We continue, nevertheless, to conduct close scrutiny of our backlog by geography and by individual project and customer. Our aim is to avoid any deviation whatever.

The construction backlog stood at EUR 5,807.3 million, 21.1% higher than at 31 December 2021 and representing 25.7 months of sales. Order intake rose 16.2% in the year (new contract wins and extensions) to EUR 3,576.8 million. The main project wins in the period were as follows:

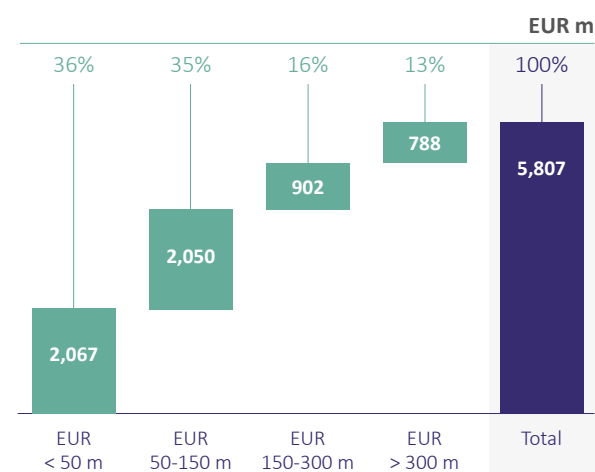
MAIN CONTRACT WINS IN 2022	COUNTRY	2022
Purple Line Light Rail Transit System	US	824.6
Repairs-5 Stations Flushing Ln	US	203.4
Prestación de servicios de ingeniería, procura y contr. Acc. Norte II	Colombia	163.9
Depósito Relaves Sgo, Proy. Spence Tailings & Waste Mgmt	Chile	130.3
D&B MTACD A-37145 Accessibility Upgrades at Borough Hall Station	US	102.5
MTACD Paint & Struct Repair to Bridges and Elevated Structures	US	88.4
9712 Sockenplan Etapp 2 Slakthusområdet	Sweden	80.2
Illinois. ISTHA 4831	US	78.3
Construcción del Tramo 4 Línea 7, Metro de Santiago	Chile	74.6
Total main contract wins		1,746.2
Other contract wins		1,830.6
Total contract wins		3,576.8

EUR m

The geographical breakdown of the Construction backlog is as follows:

BREAKDOWN GEOGRAPHICAL	31 DECEMBER 2022
Main regions	99.3%
United States	48.7%
Europe	30.0%
Latin America	20.6%
Other	0.7%

The distribution of the construction backlog by project size is as follows:



By project type, 29.6% of the construction backlog related to roads, 35.4% to railways, 17.8% to building, 16.8% to energy and mining, and the remaining 0.4% to ports and airports.

The main contracts in the Construction backlog at 31 December 2022 were as follows:

THE MAIN CONTRACTS IN THE CONSTRUCTION BACKLOG	COUNTRY	2022
Maryland Purple Line	US	788.2
I-5 North County Enhancements	US	292.0
Biobío hospital network concession	Chile	239.2
Repairs-5 Stations Flushing Ln	US	203.4
South corridor rapid tram main	US	167.9
Destination Sport Miami	US	139.9
Engineering, procurement and construction (EPC) services for North Access Highway 2	Colombia	133.0
River buffers of the Casma and Huarmey rivers	Peru	131.6
Rehab West 79 St Brdg-Rotunda	US	127.1
Height extension and construction of walls of the tailings deposit	Chile	123.0
Design Build Service-Boro Hall	US	98.8
Chicama and Virú rivers R-06 package	Peru	96.8
Largest projects in the backlog		2,540.9

EUR m

Industrial

HIGHLIGHTS	2022	2021	VAR. (%)
Revenue	130.6	165.5	-21.1%
EBITDA	4.4	0.0	N/A
Margin, %	3.4%	0.0%	-
EBIT	0.5	-0.3	N/A
Margin, %	0.4%	-0.2%	-

EUR m

In the Industrial division, revenue amounted to EUR 130.6 million, 21.1% down on the previous year. Revenue improved in the closing quarter of 2022 thanks to tighter concentration on renewables (with a migration from Engineering Procurement and Construction management projects). However, this transition in the business affected our total revenue in this area.



Perote photovoltaic solar plant. Mexico.

The Industrial division's EBITDA was EUR 4.4 million, well above the figure for 2021, with margins improved to 3.4%. The improvement reflects the entry into production of new contracts during the period in the renewables segment.

The backlog stood at EUR 116.0 million (10.7 months of sales), 53.0% higher than at 31 December 2021.

Services

HIGHLIGHTS	2022	2021	VAR. (%)
Revenue	394.3	361.5	+9.1%
EBITDA	11.5	15.8	-27.2%
Margin, %	2.9%	4.4%	-
EBIT	6.8	10.1	-32.7%
Margin, %	1.7%	2.8%	-

EUR m

The division's sales came to EUR 394.3 million, up 9.1% on 2021. The pickup in activity was driven primarily by the Cleaning and Maintenance, and Home Help Service segments.

EBITDA came to EUR 11.5 million (margin of 2.9% on revenue), showing a decrease with respect to EUR 15.8 million at 31 December 2021. The figure was hurt by an adverse judgement rendered by the Spanish Supreme Court in December 2022. However, we expect the division to recover its profitability in 2023.

The backlog at 31 December 2022 stood at EUR 620.6 million (18.9 months of sales). Order intake (new contract wins and extensions) during the period totalled EUR 503.6 million, 5.1% up on 2021, and featured the following contracts: Containerisation, waste collection and transportation of the City of Madrid (Lot 2), street and beach cleaning service of Isla Cristina, SAD Algeciras, Oviedo City Council (Lot 1), CS Maresme, and cleaning of Zamora Hospital, among others.

We contribute to progress
by creating infrastructure
that has a positive impact on society.
We are Progress Enablers

We create value

2022

Track record

- More than 110 years of experience.
- Completion of emblematic projects that are part of the urban landscape.

Global reach

- A key infrastructure player globally.
- Stable presence in Europe, the US and Latin America.

Talent

- Knowledgeable and experienced team with excellent technical skills.
- Exporting talent and engineering to markets.

Sustainability
60
certified sustainable projects

Innovation

- Over 300 R&D&I projects carried out.
- All of our R&D&I projects have a positive impact on sustainability goals.

Sustainability

- Commitment to social, economic and environmental sustainability.
- Business model predicated on ethics, transparency and good governance.

Adaptability

- Development of cutting-edge infrastructure for each challenge that arises.
- Response to global needs.

Emissions
↓ 45%
GHG intensity (scope 1 + scope 2/revenue)

Circular economy
81.5%
Waste not sent to landfill

Social investment
+728,000
euros

Economic value distributed
EUR 3,371.4
million

EU Taxonomy Revenue INCN
85.0% eligible | **15.0%** Eligible and aligned

CapEx
82.1% eligible | **18.7%** Eligible and aligned



Construction



Industrial



Services



Developments



Concessions

Europe

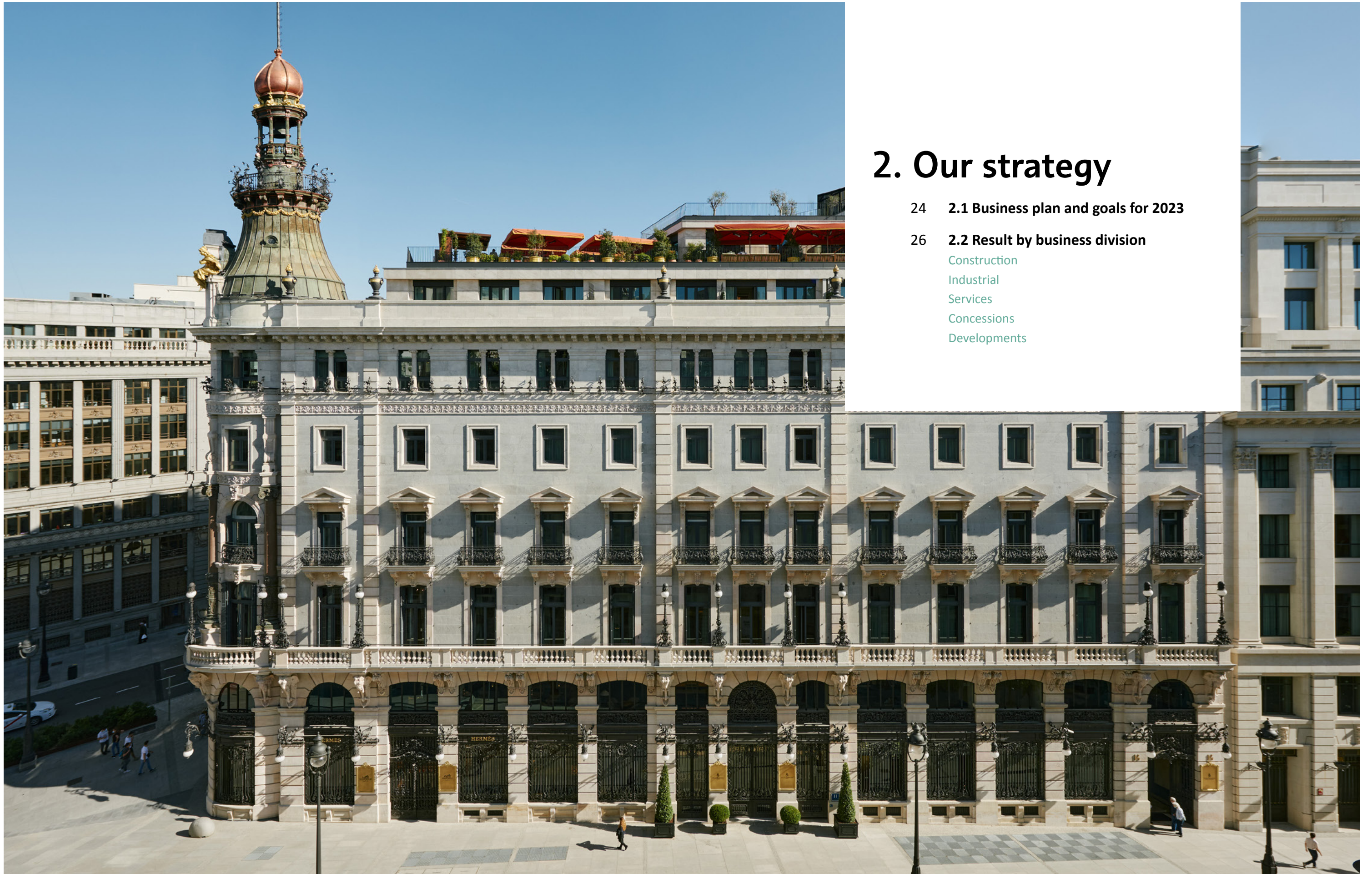
Spain
Ireland
Norway
United Kingdom
Czech Republic
Slovakia
Sweden

United States

California
Florida
Illinois
Massachusetts
New York
Maryland

Latin America

Chile
Colombia
Mexico
Peru
Panama



2. Our strategy

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- Construction
- Industrial
- Services
- Concessions
- Developments

Centro Canalejas Madrid. Spain.

Business plan and goals for 2023

In 2022, OHLA achieved strong operating results beyond the original guidance on headline figures.

Revenue rose 17.3% year-on-year to approach EUR 3.26 billion, exceeding our EUR 3 billion target. We achieved the largest order intake of the past eight years, winning contracts worth almost EUR 4.3 billion. This figure amply exceeds our forecast EUR 3.5 billion short-term order intake in the year. OHLA's total backlog at year-end 2022 stood at more than EUR 7,000 million, our best figure since 2015. EBITDA for 2022 was more than EUR 114 million, as against our EUR 110 million target, reflecting robust activity at the operating level.

Our Concessions division went from strength to strength, with two new major assets coming under management in 2022: the North 2 access corridor in Colombia, and, in Spain, the expansion works of the Niño Jesús children's hospital. After year-end 2022, in February 2023 the company was awarded the concession for the Instituto Nacional del Cáncer, in Chile.

As to its financial position, OHLA continued to deliver on its pledge to deleverage, achieving a ratio of 3.8x

EBITDA on 20 February 2023: having received the proceeds of late payments for the Old War Office project in London, we completed a partial buyback of notes in the amount of EUR 33.5 million.

These figures were achieved even against the background of inflationary pressures, tighter monetary policy, the war in Ukraine, a stressed energy market and a global slowdown in economic activity.

The company's outlook for 2023 includes:

Revenue of around
EUR 3,450 million



EBITDA in excess of
EUR 125 million



Order intake above
3,600 million



The estimates do not consider the disposal of the Services division announced in February 2023.



National Cancer Institute. Santiago de Chile, Chile.

Roadmap: new drive to reduce debt

OHLA's short-and medium-term strategic roadmap focuses on a new drive to reduce the company's debt. We need to keep abreast of the likely consequences

of tighter monetary policy across the global financial stage, which is trending toward 'normalisation'.

To deleverage our balance sheet, we shall proactively consider selling off non-strategic and non-core assets and companies outside the Construction and Concessions divisions. Our biggest decision so far has been to sell our Services division. We shall discontinue this business in 2023, and so it will no longer contribute to headline figures such as revenue, EBITDA, order intake and backlog.

In the short- and medium-term, therefore, we shall focus on reducing gross borrowings to less than 2.5x EBITDA. This will bring the following benefits:

- Improve our credit rating.
- Achieve financial and operational stability.
- Release some of the cash pledged as collateral.
- Increase working capital finance facilities.

This will enable us to:

- Improve margins,
- Profit and
- Generate recurring operating cash flow.

By taking these steps, OHLA will be on track to achieve sustained growth while creating value for our shareholders and investors and the rest of stakeholders across the wider community.

Opportunities in the United States, Latin America and Europe

We are witnessing times of turbulence, change and severe uncertainty. However, in the geographies within OHLA's footprint we see highly attractive opportunities for the infrastructure industry. This will be a key factor in shaping a new and more resilient model of growth.

Policymakers now clearly recognise that technological progress and the fight against climate change call for investment in renovating the infrastructure that underpins our lives. This shift in approach is visible in Spain, yet the United States and Latin America are not falling behind.

Spain's accession to the European Union in the mid-1980s triggered a vast investment effort in all forms of transport infrastructure. The goal was to connect our networks to the rest of Europe, in aid of economic convergence. After 2010, however, in the aftermath of the financial crisis, investment and maintenance declined sharply. As result, infrastructure in Spain and elsewhere is showing signs of age.

It is now time to address this shortfall and modernise our infrastructure by means of more sustainable and efficient means of transport. In this endeavour, we should seek the support of public-private initiatives and leverage digitalisation and new technologies, as encouraged by the roadmap of the EU Next Generation fund.

In the framework of the United Nations 2030 Agenda and its goals, we are moving towards cleaner means of transport and safe, carbon-neutral and richly connected forms of mobility that will shape the cities of the future.

It is up to core industries like ours to drive growth and raise living standards across society as a whole. We must bear in mind that investment in infrastructure is decisive for the costs sustained by businesses, for productivity across the economy, for territorial connectivity and accessibility and, above all, the well-being of the wider community.

Result by business division

Construction

Geographical markets

North America

This is a key market for OHLA. In 2022, revenue in this geography accounted for 42.6% of total Construction revenue and more than 35.4% of total revenue for the company.

OHLA opened for business in the US market in 2006. Through its subsidiaries OHLA USA, Judlau Contracting, Community Asphalt, OHLA Building and OHLA Systems & Electric, the company now operates in New York, California, Maryland, Massachusetts, Illinois and Florida. In 2022, the company won new contract awards in the United States worth EUR 1,520.3 million. Order intake featured the award of the “P3 Purple Line Light Rail” construction contract in Maryland to a consortium we form part of, for a combined amount of EUR 2,210.0 million (USD 2,300 million).

Main contracts

In **Maryland**, OHLA USA, as a joint venturer, was awarded the Purple Line project, the largest project obtained to date in the country. The contract concerns design and construction of the light rail system, with 26.1 kilometres of track and 21 stations.

This new project, scheduled for completion in autumn 2026, will carry commuters between Bethesda, in Montgomery County, to New Carrollton, in Prince George’s County. The Purple Line will also provide direct connections to four branches of the Washington Metropolitan Area Transit Authority system, and three MARC (Maryland Area Regional Commute) rail lines between the Baltimore-Washington metropolitan area and Amtrak’s Northeast Corridor line.

While it will transform the Washington D.C. region’s network by adding light rail to an interconnected transit system, the project will also bring major environmental benefits, as it is expected to reduce commuter road traffic by 17,000 vehicles per day, which will significantly reduce carbon emissions.

Given the tight deadline for completion of the Purple Line, construction is underway at eight sites simultaneously. Activities in 2022 included site preparation, drainage, utilities, excavation support and preparation work for the concreting of the roof and foundations.

In **New York**, Judlau was awarded three new contracts by the Metropolitan Transportation Authority (MTA) worth more than EUR 394.4 million (USD 418.0 million). The scope of work embraces accessibility, structural reinforcement and design improvements at several subway stations in the Bronx, Queens and Brooklyn.



Elmont Station. New York, United States.

One of the projects, awarded for EUR 88.4 million (USD 94.7 million), includes painting and structural repair services for bridges and elevated structures on the Dyre Avenue and White Plains Road subway lines in the Bronx borough.

Other work awarded by the MTA is the design-build contract for accessibility improvements at the historic Borough Hall station in the borough of Brooklyn. Valued at EUR 101.5 million (USD 105.3 million), the project encompasses the installation of elevators to bring the structure into compliance with the Americans with Disabilities Act (ADA), and work to extend the useful life of the station structure and restore it to its former aesthetic splendour with new architectural elements.

The largest contract, worth EUR 203.4 million (USD 217.0 million), concerns renovation of five stations on the IRT Flushing line, located in the borough of Queens, also on the New York City Subway. Work focuses on rebuilding platforms and restoring structures in general.

Also in New York, in 2022 the company successfully completed construction of Elmont Station, the first Long Island Rail Road station to be built in nearly 50 years.

In **Illinois**, the Illinois State Toll Highway Authority (ISTHA) awarded Judlau four contracts in 2022 with a combined value of more than EUR 147.7 million (USD 154 million). This brings to 21 the total number of contracts for ISTHA since 2014, when the company opened for business in the Midwest region.

Two of the projects involve improvements to the Tri-State Tollway (I-294): the first, valued at EUR 21.1 million (USD 21.1 million), calls for reconstruction of the Union Pacific Railroad bridge across Grand Avenue, east of the Tollway; the second contract, worth EUR 78.3 million (USD 81.2 million), consists of widening a nearly 2 km stretch of I-294 with large retaining walls, sewers, earthworks, paving and barriers.



Purple Line. Maryland, USA.

Also for ISTHA, Judlau is performing a contract priced at EUR 38.9 million (USD 41.6 million) that involves water main replacement, reconstruction of an intersection and two major roads, bridge rehabilitation, installation of new sidewalks and street lighting, and landscaping in the city of Harvey and the villages of Dixmoor and Riverdale, Illinois.

In **Florida**, OHLA USA was awarded contracts worth more than EUR 121.8 million (USD 130.2 million) by the Florida Department of Transportation, including the EUR 22.1 million (USD 22.1 million) project for road resurfacing and improvements along 20 km of I-75 in Collier County. Our Community Asphalt subsidiary, which provides paving and asphalt services, won contracts worth more than EUR 9.4 million euros (USD

9.6 million) for road improvements in Lehigh, Collier, Hendry and Lee counties.

Also in Florida, OHLA Building, which specializes in unique and singular building projects, won a EUR 15.7 million (USD 15.5 million) construction management contract for Coral Gables Senior High School, covering interior renovations, replacement of electrical and heating, ventilation, air conditioning and civil engineering renovations. The company will also upgrade the heating, ventilation and air conditioning systems at East River and Lake Nona High Schools for Orange County Public Schools in Orlando. New order intake also included the contracts for the Leon Medical Center, in Homestead, and Miami Dade College, in Miami.



I-5 capacity improvement project. Los Angeles, USA.



I-405 improvement project. California, USA.

In **California**, OHLA USA made progress on completing the contract to expand the capacity of the I-5 highway for 21 km in the city of Santa Clarita and several unincorporated areas of Los Angeles County. Awarded by the Los Angeles County Metropolitan Transportation Authority (LA Metro) for an amount of EUR 321 million (USD 379 million), the project is 20% complete. Construction work focuses on widening lanes in the northern section of the I-5 highway and creating a new high-occupancy vehicle lane.

OHLA USA achieved key milestones in the I-405 improvement project, awarded for nearly EUR 1,200.0 million (USD 1,400.0 million), with progress to completion of more than 90%.

Also in California, OHLA USA is executing the EUR 78.1 million (USD 101.3 million) Morena Conveyance North project, which is part of the Pure Water San Diego program led by the city government. The agreement is one of many projects on OHLA's order book to protect the environment and California's valuable water supply.

ONGOING CONTRACTS

Replacement of the Throgs Neck suspension deck and rehabilitation of approach spans

Bronx and Queens, New York City, USA

Project value: EUR 356.6 million (USD 413.0 million)

Judlau is working on two major contracts on New York City's iconic Throgs Neck Bridge. The first project involves replacing the bridge deck, for which the project team is replacing the original concrete roadway with a new, lighter and stronger steel deck that will lighten the weight of the bridge and lengthen its service life. This will require installation of more than 2,200 square metres of orthotropic slab panels.



Work on Throgs Neck Bridge also includes renovation of the platform on the suspended spans of the infrastructure, installation of new median and lateral barriers, new fire protection points and a new lighting system. The company will also replace four suspension stays, repair steel components and reinforce the bridge's main girders and their paint finish. The second contract involves replacement and repair of a wide range of worn-out structures on the approach spans on both sides of Throgs Neck Bridge in the Bronx and Queens. The combined value of the two contracts exceeds EUR 356.6 million (USD 413.0 million).

Valencia advanced water treatment facility

Valencia, California, USA

Project value: EUR 76.0 million (USD 87.0 million)

OHLA USA continues work on the Valencia Water Reclamation Plant project, an advanced water treatment plant located along the Santa Clara River. By 2022, we installed microfiltration and nanofiltration systems and electrical room equipment and ground-level tanks. We built canopies and metal buildings, and installed duct banks and underground pipelines. The project is at the 70% stage of completion.

Accessibility projects at eight New York City Subway stations

New York, USA

Project value: EUR 121.7 million (USD 149.0 million)



Judlau is executing a design-build project to update and upgrade accessibility infrastructure at eight New York City Subway stations. Progress to completion stands at 70%. Awarded by the Metropolitan Transportation Authority (MTA) for EUR 121.7 million (USD 149.0 million), the project involves installing 18 new elevators at eight stations in five districts of the city.

Upgrade and rehabilitation of the West 79th Street Rotunda Complex and West 79th Street Bridge over Amtrak rail lines

New York City, USA

Project value: EUR 128.0 million (USD 150.0 million)

In New York, Judlau is executing a contract worth EUR 128.0 million (USD 150.0 million) for the New York City Department of Transportation (NYCDOT) to upgrade and rehabilitate the West 79th Street Rotunda Complex and West 79th Street Bridge over Amtrak rail lines. The rotunda complex is located on Manhattan's Upper West Side and is listed on the National Register of Historic Places.

ONGOING CONTRACTS

I-294 roadway and bridge widening and reconstruction

Beverly, Illinois, USA

Project value: EUR 92.5 million (USD 112.0 million)

Judlau is executing a project encompassing roadway and bridge widening and reconstruction of I-294 from milepost 32.4 to 33.5 in Cook County. Major contract features include reconstruction of two bridges spanning over Union Pacific Railroad tracks, a new drainage system, replacing culvert, building detention ponds, and improving signage, lighting, erosion and sediment control, landscaping, lighting, and ITS infrastructure, among other works.



I-294 Grand Avenue to Wolf Road /I-490 ramps S1 & S2, Franklin Park

Illinois, USA

Project value: EUR 135.3 million (USD 152 million)

In Illinois, Judlau is performing this major contract for the reconstruction and widening of the I-294, also known as the Tri-State Tollway, from Grand Avenue to Wolf Road.

The project involves the demolition and reconstruction of four bridges on the Tri-State Tollway and construction of two new bridges, S1 and S2 ramps, at the western approach to the Elgin O'Hare Tollway (I-490).

The project also covers mainline paving, utility relocation, drainage and landscaping improvements, erosion control, and Intelligent Transportation System (ITS) infrastructure.

South Corridor Bus Rapid Transit

Miami-Dade County, Florida, USA

Project value: EUR 325.9 million (USD 368.0 million)

OHLA USA is the general contractor for this EUR 325.9 million (USD 368 million) design-build project for the Miami-Dade Department of Transportation and Public Works. The project is more than 50% complete. The company completed construction of 10 of the 13 new bus rapid transit (BRT) stations and four concourse structures, started installation work on the SW 168 parking garage, and completed 305 bored piles and 20% of the pile caps for the garage foundations.

The garage is being built by OHLA Building, which specialises in unique and singular projects. OHLA USA is also making roadway improvements to enhance safety and installing sophisticated traffic signal systems and crossing barrier arms at all intersections along the more than 20 miles of the bus-only corridor.



Prizes and accolades

OHLA USA achieved major accolades in 2022. We won three ‘Best Project 2022’ awards from the leading trade publication *Engineering News-Record (ENR)* for three of our projects.

Ardie R. Copas State Veterans’ Nursing Home, Florida, was named **‘best project’ in the government construction category**; while the RiverEdge Park Pedestrian Bridge in Aurora, Illinois, was the ‘best project’ in the landscape & urban development category.

In California, our I-405 improvement project was named an **Outstanding Achievement Award** winner by the Southwest Concrete Pavement Association. The project to replace the existing outfall at the Bergen Point wastewater treatment plant by an OHLA USA-led joint venture in New York was picked as **Project of the Year** by the Underground Construction Association in the USD 50 million to USD 500 million contract category.



Members of the OHLA USA team collect ENR’s Best Project award for the Robert F. Kennedy (RFK) Bridge ramp over the Harlem River. United States.

Safety and training initiatives

OHLA USA’s commitment to safety and health protection earned us two major awards this year. Florida Transportation Builders’ Association acknowledged the company’s outstanding safety record on road and bridge construction projects throughout the state. Our Coral Ridge Drive resurfacing team in Florida won the University of South Florida’s award for improved safety practices and received the prestigious Sunshine State Safety Recognition Award.

OHLA USA, partnering with the Moss School of Construction, Infrastructure, and Sustainability at Florida International University, created a training programme for outreach to vulnerable groups. The goal is to provide students with the technical skills they need to find high-demand jobs in Miami’s construction industry.

Latin America



El Salto viaduct. Américo Vespucio Oriente I highway. Chile.

OHLA first opened for business in Latin America in 1979. Specifically, we started to do business in Mexico and then expanded into Chile, Peru, Colombia and, more recently, Panama. In 2022, our combined revenue in these countries came to EUR 470.0 million, i.e. 17.3% of total Construction revenue.

In **Chile**, where we have done business for more than 41 years, we completed the engineering and construction of the **Américo Vespucio Oriente I (AVO)** urban highway, one of the largest infrastructure initiatives in the country.

The project, encompassing construction, maintenance and operation of a 9.1 km urban highway that runs through five districts of Santiago and has three lanes in each direction for most of its length, will improve the quality of life of 750.000 people and reduce travel time by 40 minutes.

During 2022, we also completed the expansion of the **third lane on Ruta 78**, from Santiago to Talagante, and expanded our order intake in the country with the award of **section 4 of Line 7 of the Santiago Metro**.

This work is in addition to projects the company already has underway for Santiago Metro as part of an ambitious network expansion plan for the city. These initiatives include civil engineering works and construction of shafts, galleries and tunnels for the **extension of Line 3, Section A in Quilicura**, where the tunnels and the station were completed and are awaiting a formal opening.

OHLA was also awarded the contract for the construction of the **Los Pajaritos overpass in Chile**, an initiative within the framework of the Alameda-Melipilla rail infrastructure improvement project.

In the course of construction of the new forensic medicine department in Santiago, the company reached a key milestone in August 2022 with the installation of the last isolator of the seismic base isolation system, which consists of 47 sliders and 138 isolators. Completion of 100% of the rough work was scheduled for January 2023. The project design envisages construction of six buildings forming a complex of 24,700 m². This will enable the more than 600 forensic medicine staff to more efficiently perform more than 100.000 forensic medical procedures per year.

ONGOING CONTRACTS

Progress of rough construction work at the Forensic Medical Department

Santiago, Chile

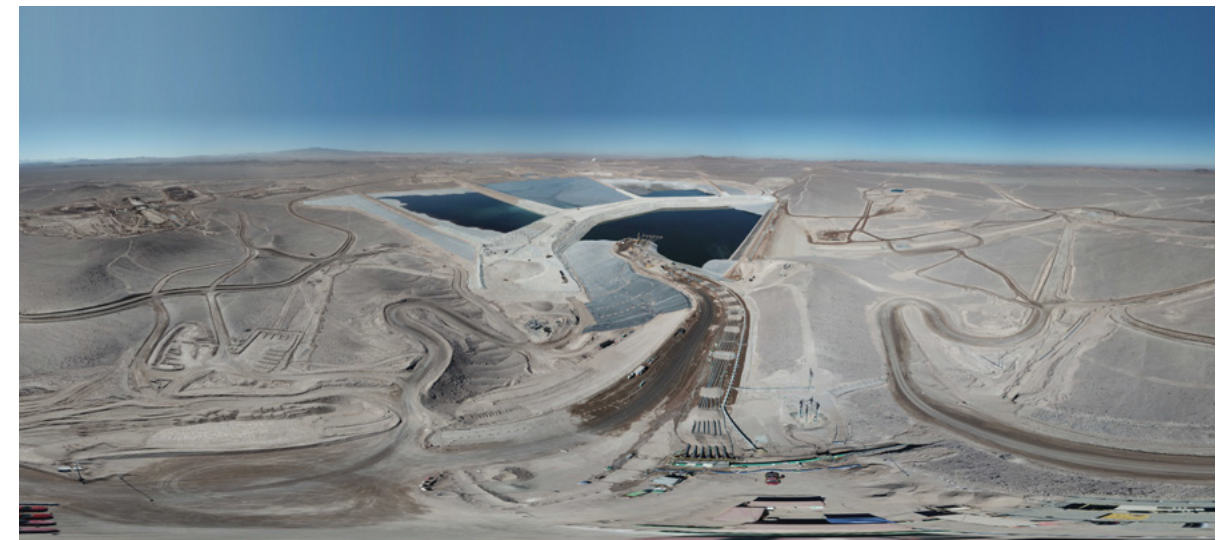
In its more than four decades of presence in Chile, OHLA has built eight hospitals in total, which have provided the country with 382,849 m² of built area and 2,351 beds. In 2022, the company moved forward with the design and construction of the concession hospitals in the Biobío network (Santa Bárbara, Nacimiento, Coronel and Lota), meeting all interim deadlines. The four hospitals will provide 569 beds to the health system and serve a population of more than 400,000.



Construction of Forensic Medical Department. Santiago de Chile, Chile.

Projects in the mining sector, Chile's driving force

Also in 2022, the company expanded its footprint in Chile's mining sector, the country's driving force. We performed canting and construction of walls of the tailings deposit of the **Minera Spence** site in the municipality of Sierra Gorda, Antofagasta region. This project, which is part of the new expansion phase of the mine, will supplement earlier activities. The site is owned by BHP, the world's largest mining firm.



Minera Spence, in the municipal district of Sierra Gorda. Antofagasta region, Chile.

This year we completed the work on the soil reclamation and earthworks at the Teniente mine, with its various expansions, near the city of Rancagua, which involved the excavation of 41,000 m³ of rock and 60,700 m³ of earth. We achieved a figure of zero lost-time accidents during the entire execution.

In 2022 we also started the works for replacement of the 'carabineros' (Chilean gendarmerie) training school in the city of Concepción, executed for the Architecture Department of the Chilean Ministry of Public Works.

Regarding the 6,680 m² office building and crime laboratory for the Chilean investigative police that OHLA is building in Viña del Mar, this year we completed this year the shielding, excavation and foundations up to the level of the sliders and seismic base isolators.

The company expanded its footprint in Chile's mining sector performing the canting and construction of walls of the tailings deposit of Minera Spence

In **Perú**, where OHLA has been active for 23 years, we are performing major projects in the fields of civil engineering, construction and the mining sector, such as design-build projects for river buffers on the Cañete, Huaura, Casma, Huarmey, Chicama, Virú and Lacramarca rivers. The goal is to protect the population adjacent to the river basin against floods, such as the flood disaster triggered in 2017 by the El Niño Costero climate event.

The scope of work includes construction of retaining dikes and stream channelling and buffering, supplemented by training and technical assistance in flood risk and disaster management. The projects will

benefit more than 360,000 people in Peru, while boosting employment and the local economy.

In the hospital sector, where OHLA has nine decades of experience, the company's backlog includes the new Sullana hospital, the Chulucanas hospital and the Pósope Alto health centre. Pósope Alto was delivered and started operation in November 2022. Delivery of the Chulucanas hospital is scheduled for the first quarter of 2023.

The **Sullana hospital**, the first facility of its kind in the department of Piura, is a 30,000 m² hospital complex that will offer 209 beds and serve more than 650,000 people. The **Pósope Alto health centre**, with 4,500 m²

of floor space, will serve a population of 62,000 inhabitants of the district of Patapo (department of Lambayeque), while the **Chulucanas hospital**, with 15,000 m² of built area and 94 beds, will cater for a population of 400,000 inhabitants.

Also in the hospital sector, the company is building the Aviva clinic in Lima, in the historic old quarter. The facility will be more than 10,000 m² in size. These clinics are expected to be enlarged annually.



Riparian buffers of the Lacramarca River. Aerial view of the intervention area. Peru.



Pósope Alto health centre. Peru.



Sullana hospital. Peru.



Chulucanas hospital. Peru.

In the field of sustainable transport infrastructure, OHLA is building the northern extension of the Metropolitano (bus rapid transit system) in the capital, Lima. Specifically, OHLA is carrying out expansion work on the northern section, from Naranjal station to Chimpu Ocllo Avenue. The initiative will improve mobility and quality of life for more than 350.000 people in four districts of northern Lima, providing access to a modern, higher-quality and more accessible and transport service.



North Expansion of the Metropolitano. Lima, Peru.

The company, a leading player in the country's mining sector, has worked since 2012 on a project for the Antamina mine, one of the largest copper deposits in the world. We are building Phases VI and VII of the tailings dam, 4,200 metres above sea level. The body of the dam rises to a maximum height of 200 metres.

In addition, we took in orders for the expansion of Jorge Chávez International Airport, improvements to the Moquegua-Omate-Arequipa highway, and expansion and improvement of the sanitation and drinking water system in the city of Huarney.



Tailings dam. Antamina mine. Ancash, Peru.

OHLA boosted its presence in **Colombia** by winning major contracts, such as the construction project for the Accesos Norte 2 corridor, which will serve close to eight million people by improving mobility and easing vehicle traffic between Bogotá and the north of the country.

The works include construction of an exclusive lane for the BRT (Bus Rapid Transit) system, TransMilenio, from Calle 192 to Calle 235, and 11.6 km of public space: pavements, bike paths, and improvements to crossings and intersections that will optimise pedestrian mobility. The actions on Autopista Norte include an expansion from three to six lanes, two for mixed vehicles and one for the TransMilenio BRT system.

We are also building the Perimetral de Sopó ring-road, which connects the Autopista Norte at Aposentos, near Briceño, with the 4G Perimetral de Oriente ring-road, involving the improvement of 5.5 km and construction of 1.7 km of new road.

In 2022, we completed the Málaga-Los Curos project, with the improvement of 24 km of road and the opening of the Cúcuta aqueduct, designed and built to supply drinking water to more than 800,000 inhabitants in the municipal districts of Cúcuta, Los Patios and Villa del Rosario.

As part of this initiative, we built a structure capturing a water flow of 2.95 m³ per second, which will be conveyed by gravity along a length of 583 metres of pipeline to the pumping station, from where it will drive a flow of 1.95 m³ per second of water along a length of 16,958 metres to the El Pórtico treatment plant, providing an uninterrupted drinking water service.



Aqueduct of Cúcuta. Colombia.

In 2021, the company made progress on building the viaduct at kilometre 58 of the Bogotá-Villavicencio highway, which connects the eastern plains to the central area of the country. This project is part of a programme of 50 public works to be executed by Inviás as part of the “Commitment to Colombia” strategy, with a total investment of EUR 2,573.0 million, creating more than 100.000 new direct jobs and paving 1,660 new kilometres of road, which will improve the living standards of 23 million people throughout the country.



Construction of Avenida El Rincón. Colombia.

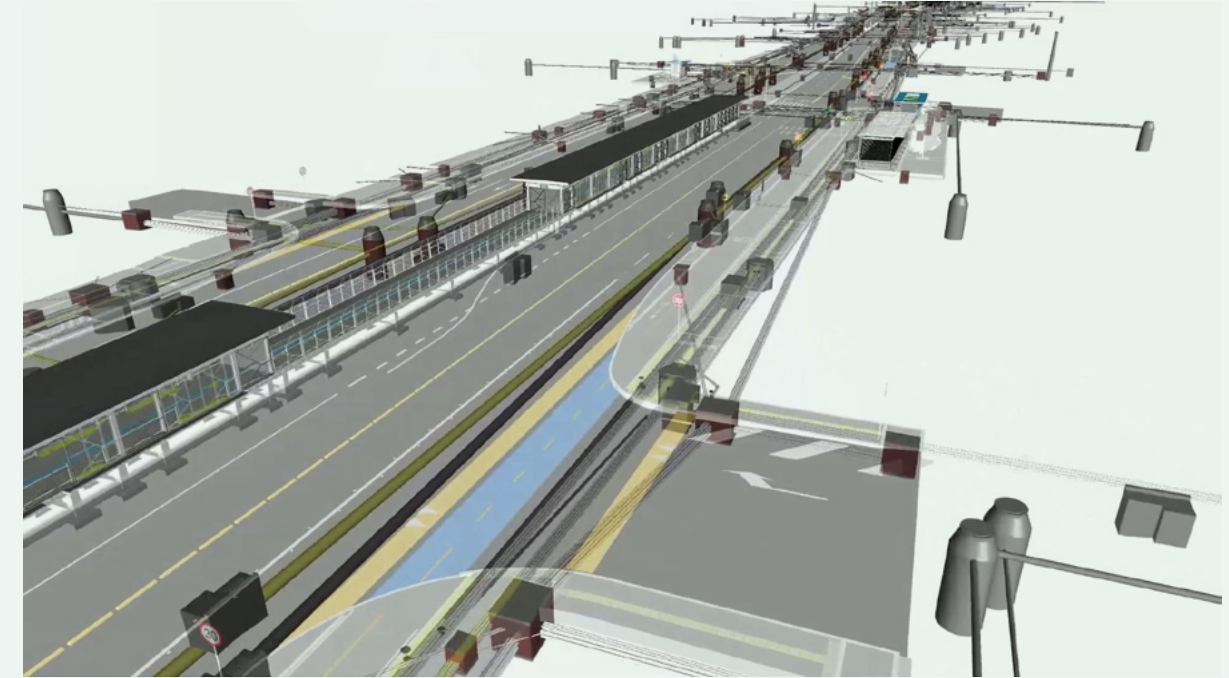
We also made progress on construction of Avenida El Rincón in Bogotá, a project that involves building 2.8 km of dual carriageway, 2 vehicle bridges, 1 curved bridge, 3 pontoons, 2.4 km of bicycle lanes and 54,700 m² of public space.

COMMITTED TO EXCELLENCE

Avenida Ciudad de Cali Project

BIM 2022 Excellence Award

Colombia



OHLA won the BIM 2022 Excellence Award in Colombia, which recognises good use of the Building Information Modeling methodology in our project for adaptation to the Transmilenio system of the Troncal Avenida Ciudad de Cali Tramo 1, in Bogotá, Colombia. This bus rapid transit system will improve the mobility of the public and benefit the more than 100.000 people who use this sustainable means of transport.

Awarded by the Instituto de Desarrollo Urbano (IDU), the project entails the execution of one of the four sections that will make up the future Avenida Ciudad de Cali, with construction of 1.67 kilometres of roadway, with two lanes for the Transmilenio bus rapid transit system and two lanes for mixed traffic. In addition, the scope of the project includes construction of a 1.66-kilometre bike path, a bicycle station with berths for 102 bicycles, two new Transmilenio stations and 37,000 m² of public space.

In this project, we used the collaborative Building Information Modeling (BIM) approach to improve execution at the design and construction stages. The method unifies and centralises all documentary information and drawings in one place, leading to better results in planning and execution, specifically in improved decision-making throughout the life of the project and in the coordination of specialties, reduced interference, CDE in the cloud as a single source of information, and improvements in traceability in the flow of information.

Among the top 10 Spanish companies that earn the greatest trust in Colombia

The survey 'The Image of Spanish Companies and their Executives in Colombia', conducted in late 2021 and early 2022 by the MESIAS observatory for the international image of Spanish companies, showed that OHLA is one of the ten most trusted Spanish companies in Colombia and the second most trusted in the infrastructure sector. Specifically, OHLA is ranked 10th, in recognition of good practices implemented in the local market.



In **México**, OHLA expanded its footprint with the award of **Section 1 of the Suburban Railway Extension from Lechería station to Felipe Ángeles International Airport (AIFA)**. This infrastructure will boost connectivity and sustainable transport in Mexico City.

The project, which is part of the Felipe Ángeles International Airport mobility plan, will allow passengers to travel efficiently from the airport terminal to the city centre in 45 minutes on electric trains along a 23-kilometre route.

Specifically, the contract involves construction of the first 5 km-long section, where there is currently a 30 metre-wide corridor of freight tracks, so a double passenger track will be built, coexisting with and diverting the current freight trains in the corridor. The infrastructure will be built in three clearly distinct stages: first, the current freight traffic will be diverted to create space for the future suburban tracks; secondly, the current switchyard will be rehabilitated and the double suburban track will be built; thirdly, the 850-metre viaduct span with a maximum height of 8 metres will be built.

The company won a new contract, the **Prado Sur Vehicular Bridge at the intersection with the commuter rail at milepost 31+130**, located in the municipality of Tultitlán, State of Mexico. The project is intended to support the expansion of the Lechería-AIFA commuter rail.

With an approximate development length of 500 metres, the design envisages five central spans of a maximum of 50 metres each to bridge the two freight tracks, two other tracks of the future suburban railway, and the existing roads.

The company is also making progress on the construction of a **double cantilever viaduct on section 3 of the Mexico City-Toluca commuter rail** that will link the Conagua-Manantial cable-stayed bridge with Vasco de Quiroga station in Mexico City. Once completed, the infrastructure will have a length of 200 m, a central span of 85 m and pile heights of 25 m.

ONGOING CONTRACTS

Section 1 of Mexico City-Toluca commuter rail completed

Mexico

In 2022, OHLA completed the construction of **Section 1 of the Mexico-Toluca commuter rail**, which begins in the city of Toluca and connects with the western mouth of the La Marquesa tunnel. At 36.7 km long, the built section runs mainly along viaducts and includes four elevated passenger stations. There are 11 especially long viaducts totalling 32.1 km and 4 km of unpaved railbed. The stations are designed for trains to run at a speed of 160 km/h (100 mph).



Zinacantepec station, Mexico City-Toluca commuter rail. Mexico.

The contract stipulates programmes to care for the local plant and wildlife, with relocation, reforestation and replacement of protected species. We relocated 346,000 plant species, reforested 53 hectares and replaced 33,000 plants. With respect to wildlife, we carried out programs to repel, rescue, and relocate during the construction stages of earthworks and viaduct substructure. As part of the management programme, we complied with standards for hazardous waste, construction and urban waste, and equipment and vehicle maintenance, always in compliance with local and federal environmental regulations.



Viaduct 2, Mexico City-Toluca commuter rail. Mexico.

In **Panama**, OHLA continues work on the extension of Metro Line 1, which was 40% complete at year-end, from the capital to Villa Zaita in the North Panama sector, with the construction of a 2.2-km-long elevated branch line. The project promotes sustainable mobility and aims to efficiently meet demand towards the outskirts of the San Isidro area.

The works include construction of a terminal station at the northern end of the line with capacity of up to 10,000 passengers at peak hour. The company will also build a bus interchange accommodating more than 8,000 passengers and a car park with 800 spaces.

The project also includes widening of the trans-isthmus highway to six lanes, and pedestrian and landscaping improvements in the project environs.



Rail viaduct. Metro Line 1 extension project, Panama.

DIGITALIZATION OF THE OHLA GROUP

A leader in innovation and digital transformation

As part of the digital transformation process OHLA is carrying out in the extension of Line 1 of the Panama Metro, we implemented the BIM (Building Information Modeling) management approach in all phases of the project. As a pioneer in the use of BIM in the construction sector, OHLA embedded this methodology in its workflow model more than a decade ago.



Station: view from the track at the platform level, extracted from the BIM model.

For this project specifically, we used BIM mainly in three action areas:

1. **Coordination (3D)**: creation of models and documentation and spatial coordination of all systems and subsystems.
2. **Measurements (5D)**: real-time extraction or development of fully valued parametric building components while tracking construction progress metrics.
3. **Construction budgeting** using the Cost-it tool.

BIM improves design coordination by identifying and resolving conflicts between the range of different systems and the structure, enhances work planning and tracking, and supports production of 'as built' drawings.

Our contract performance in Panama was one of the first OHLA projects where Cost-it and Presto were used to extract and measure quantities and budgeting.

Europe

Europe - and Spain in particular - is OHLA's original market, where it has built infrastructure for more than 110 years. In 2022, we performed construction contracts in the Czech Republic, Slovakia, Spain, Sweden, Norway and Ireland.

Revenue in Europe came to EUR 1,058.4 million, 39.1% of total Construction revenue.

The company expanded its railway backlog in the **Czech Republic** in 2022 with major contracts, such as the electrification work on the 10-km rail section between the towns of Strelce and Zastávka, which is part of the corridor between Brno and Jihlava. The project, worth more than EUR 120 million, involves extension of the infrastructure with a double track and an increase in speed to 120 km ph.

OHLA is also making progress on major projects, such as reconstruction of the Vsetín rail station, modernisation of the Sodoměřice-Votice railway line, reconstruction of the double line of the Adamov-Blansko section, electrification and modernisation of the Libina-Uničov line, reconstruction of the railway bridge over the Svitava River, and works on road II/374 in the Brno-Maloměřice St.6-Adamov, BC project.

In the hospitals segment, we bolstered our order intake with the award of the second phase of the project for the extension and reconstruction of the emergency ward for the České Budejovice hospital.

In our hospitals business line, we also improved the energy efficiency of the hospitalisation block of Ostrava university hospital. In addition, we moved forward with construction of the new emergency ward, central operating theatres and intensive care unit at Nemocnice Chomutov hospital.

In the civil engineering segment, the company will rebuild the Otakara Ševčíka bridges over Ostravská street, an infrastructure supporting four lanes of the I/42 highway in Brno. The goal of the project is the repair of six structures, including two main viaducts and four adjacent bridge ramps.

Also in Brno, we participated in the project for flood protection measures on the Svatka River and the extension of the city's main urban ring road, with two contracts awarded by the State directorate for roads and motorways, for a combined value of more than EUR 125 million.

OHLA expanded its railway backlog in the Czech Republic in 2022 with major contracts



Reconstruction of the railway bridge over the Svitava River. Czech Republic.

OHLA ŽS, a 70-year history



National Theatre, Prague. Czech Republic.

Our subsidiary OHLA ŽS boasts a 70-year history. Over the past seven decades, it has cemented its presence as one of the main construction companies in the Czech Republic, focusing on modernisation and development of key rail and road infrastructure and singular buildings.

The company was founded on 1 October 1952 as the state-controlled corporation Brno Railway Construction. The firm specialises in railway construction, repair and modernisation. It carried out major contracts such as the refurbishment of the Česká Třebová railway junction, construction of the Ivančický viaduct and reconstruction of the Žižkov tunnel.

In 1992, the state-controlled company was transformed into the joint-stock company ŽS Brno, which took part in the first contracts for the European network of rail corridors and expanded its business to other fields of construction. Some of the firm's major projects at this time included the Znojmo viaduct, reconstruction of Moravský Krumlov Castle, and construction of the first railway corridor in the section between Děčín and Brno and the second corridor in the section between Břeclav and Bohumín.

OHLA acquired the company in 2003. Since then, the Group's Czech subsidiary has completed a wide range of civil engineering and singular and hospital building projects. Thanks to this expansion of its footprint, OHLA achieved an outstanding position in Central and Eastern Europe, and widened its presence to markets such as Poland, Bosnia and Herzegovina, Bulgaria, Moldova and Hungary.

OHLA ŽS executed landmark projects, such as optimisation of rail track between the cities of Plzeň and Stříbro and the Královo Pole tunnels in Brno, modernisation of the Tábor-Sodoměřice railway line and rehabilitation of the National Theatre in Prague. The company took part in rebuilding Vsetin railway station, close to Slovakia: this facility is part of the trans-European corridor.

In **Slovakia**, the company made progress on the contract for improvement of the Žilina-Teplice railway section, which connects the northeast of the country with the Czech Republic, through rehabilitation of the Žilina station and surrounding buildings and works on railway superstructure and substructure, platforms and bridges.

We also made progress in the construction of the Hubová-Ivachnová section of the D1 highway, Slovakia's main transport route. The section built by OHLA is 15.3 km long and has a roadway of 26.5 m in total width, built for a maximum speed of 200 km/h.



Hubová-Ivachnová section of the D1 motorway. Slovakia.

In **Spain**, OHLA strengthened its hospital backlog with the award of the contract for renovation and expansion of Manacor hospital, Majorca, which will serve a population of more than 150,000. The scope of the project encompasses construction of an outpatient building and a surgical and obstetric block. Once completed, the hospital will have a floor space of 53,445 m², double the current area.

Other projects now underway include construction of the new hospital in Cuenca, expansion and renovation of the Albacete university hospital complex, a new hospital in Ontinyent, expansion and renovation of the Viladecans hospital and the Las Palmas maternity and children's university hospital (phase II) in the Canary Islands.

In the rail sector, the company won a new contract to build the platform for the Arroyo de Santa María-Navalmoral de la Mata section of the Madrid-Extremadura-Portuguese border high-speed line.



Infographic of the expansion and refurbishment of Hospital de Manacor. Balearic Islands, Spain.

For Adif, the Spanish state-owned railway network manager, several initiatives continue to move forward: construction of the Villafranca-Peralta section of the Zaragoza-Pamplona high-speed line, part of the Cantabrian-Mediterranean corridor; construction of the Mondragón-Elorrio-Bergara section of the Vitoria-Bilbao-San Sebastián high-speed line; and the project to improve the Guadalmez-Córdoba section of the Madrid-Seville high-speed line.

OHLA expanded its road works backlog by winning the contract for doubling lanes on the CN-350 road at the southern entry point to the port of the Bay of Algeciras, Cadiz province, and conservation, adaptation and maintenance of transport infrastructure on the roads within Lot II: Valencia Sur. We also took part in the Puerto del Rosario-La Caldereta dual carriageway project in Fuerteventura with the construction of the fourth of the six sections comprising the north-south corridor on the island. The project involves construction of a 17-km dual carriageway. We are also upgrading the N-II in the section between Tordera,

Barcelona province, and Maçanet de la Selva, Girona province, and performing the widening to three lanes of the Carraixet-Valencia section of the V-21 dual carriageway.

In 2022, the company continued to work on major projects such as Lot 4 of the pipeline renovation works for the Canal de Isabel II supply network in Madrid province and the construction and commissioning of the new wastewater treatment plant at Sinova, Soria province, including the new outfall tunnel. Designed to treat 48,000 m³/day of water, the outfall pipe will serve a 'population equivalent' of 180,000.

In the hotel sector, we worked on the La Alcaidesa complex, San Roque, Cadiz province, where OHLA has built a range of structures under LEED Gold certification. We are also refurbishing the historic Meliá Tamarindos hotel, in the heart of the San Agustín district in Gran Canaria, and the Meliá Atlanterra in Zahara de los Atunes, Cadiz province. We were also awarded the construction of the new courthouse complexes in Liria, Valencia province, and Lorca, Murcia province.



Sinova wastewater treatment plant. Soria, Spain.

ONGOING CONTRACTS

Méndez Álvaro campus: the largest office complex in Madrid built under sustainability standards

Madrid, Spain

OHLA is building the largest office complex within the boundary of Madrid's M-30 ringroad. The contract is part of the Madnum project, Inmobiliaria Colonial's Campus in the Méndez Álvaro area, where we are erecting an office building with 55,135 m² of floor space.



Infographic. Campus Méndez Álvaro, Madrid, Spain.

In its construction, we shall apply advanced sustainability and energy efficiency standards aimed at achieving LEED Platinum certification. This approach ensures the building will be energy-efficient, while its construction materials have been selected according to sustainability criteria. The site will make use of alternative energy sources and meet the highest environmental quality standards.

We will use the Lean Construction project delivery process and the principles of the Last Planner system, which encourage collaborative planning by the site team, subcontractors and suppliers and improve project and site procedures.

The company implemented the Agile methodology in its work model

Elsan earns award for project management excellence



The Elsan team displays the award from BP.

Elsan, an OHLA subsidiary specialising in asphalt and construction, was awarded an Agile Award from BP. This distinction highlights the implementation of the Agile method in construction and refurbishment projects at service stations for the oil company. The approach supports sustainable control of resources and project execution within deadline and on budget, after applying flexibility and immediacy in communication with the client to adapt the project and its implementation to the specific circumstances of the environment.

Elsan has more than 30 years of experience working with oil companies on the construction and maintenance of their facilities throughout Spain. The company implements projects to refurbish or repurpose older service stations according to new quality and safety standards, including new implementations for washing and catering areas within the service station itself and installation of electric vehicle charging stations.

In **Sweden**, OHLA strengthened its presence in railway infrastructure with a new contract for the extension of the Stockholm Metro. Awarded by Region Stockholm for nearly EUR 85 million, the project makes OHLA the largest contractor in the country's capital, where we have won contracts worth a combined EUR 238 million. This initiative will serve more than 300,000 users who use this sustainable means of transport on a daily basis.

The new contract, comprising Sockenplan phase 2 and Slakthusområdet, includes construction of a 1.2-km section of a new metro line with two tracks and a service tunnel, and of a new metro station, Slakthusområdet, at a depth of 50 m below ground, including a concourse, ventilation shafts, containment structures and a 310-m concrete tunnel built using the cut-and-cover system.

This is OHLA's third contract win with Region Stockholm for extension of the blue line of the Stockholm metro. The first contract, at Kungsträdgården, includes the construction of two single-track tunnels, a service tunnel, and several cross-tunnels, with a total length of approximately 4.5 km.

A further project involves construction of two line tunnels and a service tunnel with a total length of 3.1 km, and a 300 m long metro station at a depth of almost 70 m below the Gullmarsplan transport interchange, the third busiest station in the country.



Extension work on the Stockholm Metro Blue Line from Gullmarsplan station. Sweden.

ONGOING CONTRACTS

Lund-Arlöv, one of the largest digitalisation projects in Europe

We continue to work on the Lund-Arlöv project in Malmö, Sweden, where we successfully completed one of the most advanced rail digitalisation projects in Europe through combined use of BIM methods, geographic information systems (GIS) and drones.

The works will improve one of Sweden's busiest rail routes, with a daily traffic of 450 trains and approximately 60,000 passengers. Once completed, the rail infrastructure will increase its capacity to 650 trains and 80,000 passengers per day. In 2022, this initiative was recognised by the Swedish Green Building Council as 'project of the year', based on its positive social and environmental impact. The jury highlighted its contribution from a circular economy point of view.



In **Norway**, OHLA achieved a new milestone with the opening of the EPC Ski project, the first of the railway projects to be completed within the Follo Line, Norway's largest-ever transport initiative. Nearly 100.000 passengers will benefit from this infrastructure, which includes a range of actions with a high sustainable value and a positive impact on connections with Oslo, on user accessibility and on environmental protection.



The Ski Project rail works, a part of the Follo Line. Norway.

For this project, awarded by the Norwegian Railway Directorate for approximately EUR 290 million, OHLA built a new route from the south exit of the Follo Line tunnels to the south of the city of Ski. In total, the project involved 3.5 km of track, with 13.6 km of ballasted track and 40 turnouts. The construction of the station at Ski involved six tracks, three central platforms with their corresponding roofs and an underpass.

The new infrastructure, designed to reach a speed of up to 250 km/h, will reduce travel time by 50%, from 22 to 11 minutes, facilitate the transport of goods, which will boost economic development in the region, and favour connection with the continent through a potential high-speed line.

OHLA has added to its order intake in **Ireland** a design-build contract for four schools, worth nearly EUR 75.0 million. The projects, located in different parts of the country, were awarded by the Irish Department of Education and will benefit more than 2,200 primary and secondary school students.

The largest project is the Belmayne ETSS secondary school project in Dublin, which embraces the design and construction of a new 11,747 m² building with two and three-story areas and capacity for 1,000 students. All four schools will have areas dedicated exclusively to students with special needs.

OHLA will implement the project under sustainable construction standards: both during construction and the operation phase, it will apply the NZEB A3 (Near Zero Energy Building) and BER (Building Energy Rating) certification standards, which confirm optimal energy performance of the buildings and use of alternative energy sources.

The company was also awarded the construction contract for the Academic Hub & Library of the Technological University Dublin (TU Dublin), a complex of buildings and spaces located in Grangegorman, one of the city's flagship university campuses. The work will involve approximately 12,580 m² of development, with 9,505 m² of new construction, in addition to retained elements of existing structures.



Construction of four schools in Ireland.



Infographic: Academic Hub & Library, Technological University Dublin. Ireland.

Social Housing Bundle 2, winner of 'Best Social Infrastructure Project' award

Ireland



The Social Housing Bundle 2 (SHB2) social-sustainable housing project, built and now operating in Ireland, won the Partnership Awards 2022 in the Best Social Infrastructure Project category, which recognises the best public-private partnership initiatives in the construction sector worldwide.

The SHB2 initiative, developed as a public-private partnership, comprises construction and maintenance over 25 years of 465 sustainable social housing units (110 apartments and 355 single-family homes), involving an investment of more than EUR 130.0 million. The project is part of the Irish government's second social housing investment package in the region, covering counties Cork, Kildare, Clare, Galway, Waterford and Roscommon.

This is the first project of this nature completed by OHLA in the field of concession developments in Ireland. We applied the BIM (Building Information Modeling) methodology and Nearly Zero Energy Buildings (nZEB) criteria, meeting the requirements of the Energy Performance of Buildings Directive (2010/31/EC).

National Forensic Mental Health Service, recipient of an Award of Merit from *ENR*

OHLA was honoured with an Award of Merit from the prestigious Engineering News-Record (ENR) for the design and construction of the National Forensic Mental Health Service (NFMHS), a new state-of-the-art hospital facility located in Portrane, 22 km north of Dublin, Ireland. Formally opened in November 2022, the complex was awarded an accolade in the Healthcare category of the Global Best Projects Awards 2022. Presented in 19 different categories, the awards recognise some of the leading construction projects in the fields of education, culture and healthcare around the world.



Built in the form of a campus, the complex covers an area of more than 24,000 m² and consists of 10 buildings with a capacity for up to 170 patients.

The project design process followed the BIM (Building Information Modeling) approach to optimise costs and ensure responsible use of materials.

We achieved the BREEAM “Excellent” sustainable certification level through measures such as recycling more than 50,000 m³ of excavation materials at the construction site.

Business performance

OHLA will continue to strengthen its order intake in 2023 with new contracts in our core geographies: the United States, Latin America and Europe. In all our areas we have programmes underway to promote core infrastructure to reactivate development.

Infrastructure is both a lever for a country’s growth and a shield against adverse economic cycles. Furthermore, in the current environment, use of public-private partnership schemes is a strong investment alternative: it improves the public deficit and supports efficient, streamlined management by incorporating in a single contract the design, financing, construction and operation of the infrastructure, while ensuring that expenditure is distributed fairly over the long term.

The Latin American region offers a special opportunity for infrastructure groups such as OHLA.

In its paper ‘The Infrastructure Gap in Latin America and the Caribbean’, Banco Iberoamericano de Desarrollo estimates that in order to progress towards the Sustainable Development Goals (SDGs) by 2030, infrastructure investment effort relative to the size of the economy of Latin America and the Caribbean should be at least 3.12% of GDP each year until 2030.

The United States, for its part, has launched the largest investment in public works since 1956, following the approval of a USD 1.2 trillion plan to modernise the infrastructure of the world’s leading power. These funds are supplemented by additional outlays for renewable energies, electric vehicles and energy efficiency.

In Europe, the EU Next Generation funds, endowed with EUR 750 billion, will help strengthen construction, improve infrastructure, and advance the ecological and digital transition.



Purple Line Light Rail. USA.

Pacadar

Pacadar became a member of Grupo OHLA in 2021. Founded in 1944, this subsidiary is an expert in precast products for infrastructure projects (highways, high-speed rail, underground rail and suburban light rail, etc.), industrial and energy-related projects (refineries, power plants, wind energy, logistics parks, etc.), and institutional building projects (hospitals, car parks, sports centres, shopping and leisure centres, etc.), in addition to high-tech developments such as the particle accelerators underway in Europe.

Since its incorporation, Pacadar has set milestones in the precast concrete industry in Spain and elsewhere through ongoing technological innovation. It has been a leading name in the sector for more than 70 years. With seven factories in Spain, the company has a tried and tested capacity to implement mobile plants internationally.

In 2012, Pacadar started an expansion process, exporting its technology to countries as diverse as Panama, Saudi Arabia, Mexico, Kuwait, France, the United Kingdom and Sweden, where it took part in technologically sophisticated projects involving high productive complexity.

While continuing its business in Spain, Pacadar is currently carrying out major projects for international contractors in Panama and in the United Kingdom, where it is especially active in the high-speed rail sector, with projects such as the installation of segments for the Northolt Tunnel West high-speed tunnel.



Industrial

For 2022, revenue from the Industrial business came to EUR 130.6 million, slightly below the year-earlier figure. This was mainly due to the slowdown in order intake in the first half of the year as a result of lower activity in the renewables business. Ebitda was EUR 4.4 million, higher than in the previous year, due to improved earnings from renewable energy projects.

Project backlog

In the renewable energy business, we launched four new projects in 2022, bringing our portfolio to an additional 416 MW under construction:

- Celso / Prisca 100 MW photovoltaic plant in Cadiz. Spain.
- Cedillo I and III photovoltaic 150 MW plant in Cáceres. Spain.
- Salina I and III photovoltaic 100 MW plant in Cuenca. Spain.
- Zaratán / Arroyadas 66 MW photovoltaic plant in Valladolid. Spain.

In the Mining and Cement business, we completed the construction and commissioning of the Mantos Blancos project in Chile, which started commercial operation in July.

The Fire Protection business, which we carry out through our subsidiary Chepro, was reinforced with a commitment to state-of-the-art security systems, in addition to existing active and passive textile methods.

New projects and outlook

Although 2022 was better than the previous year in terms of order intake, especially during the second half, we expect order intake to improve further in 2023, mainly in renewable projects, as the company has strongly positioned bids.

In renewable energy specifically, where OHLA continues to gain market share, we are working on a range of different business lines:

- Development, construction (full EPC and BOS: Engineering Procurement and Construction and Business Operating System) and,
- Operation and maintenance contracts.

Geographically, over the year we submitted bids in Spain, Chile, Colombia and Peru.

In **Mining and Cement**, we are present in Chile, Spain, Peru and Mexico. Our offered services range from the supply of equipment and spare parts to the execution of EPC and EPCM (Engineering Procurement and Construction Management) projects, including operation and maintenance.

Fire Protection expects to continue to increase revenue in the coming years. We will accordingly continue with geographic diversification of our EPCM projects and will roll out new activities.

ONGOING CONTRACTS

More than 1,200 MW of clean energy under management

OHLA boosts its sustainable infrastructure portfolio. In 2022, the company was awarded new projects for the design, construction and commissioning of four photovoltaic plants in Spain for a combined amount of more than EUR 130 million. With OHLA's engagement in these projects, the company reduces its carbon footprint, confirming its commitment to the fight against climate change.



50 MW photovoltaic plant, Olivares, Jaén, Spain.

25 renewable energy projects in Europe, the Americas and Asia

OHLA's backlog includes more than 25 renewable energy projects, both completed and under construction, in Europe, the Americas and Asia, with a total installed capacity of more than 1,200 MW. This energy will supply approximately 220,000 households annually. Clean energy generation avoids thousands of tons of carbon dioxide emissions into the atmosphere. For example, a 100 MW renewable plant avoids more than 150,000 tonnes of carbon dioxide per year compared to other generation technologies.

In Spain, where it has nearly 700 MW under management, OHLA completed major clean energy generation contracts, including the Arenales solar thermal plant (50 MW) and the Puerto Errado plant in Murcia (30 MW), one of the largest built in the world to date. We also built the Valiente wind farm in Huesca, the San Juan del Puerto biomass plant (50MW) in the province of Huelva, and the Trujillo III (11MW), La Olmeda (6MW), Zafra (50MW), Huéneja (150 MW) Olivares (50MW) and Los Llanos (150MW) solar power plants.

Latin America: more than 530 MW under management

In Latin America, we have close to 530 MW of power generation capacity under management, serving a population equivalent of approximately 100,000 people. We manage the La Jacinta Solar photovoltaic plant (65 MW capacity), located in Uruguay, the Perote II photovoltaic plant (120 MW), located in Mexico, and the La Huella photovoltaic facility (87 MW) and the La Estrella wind farm (50 MW), both in Chile. In Chile, we are also building the 200 MW Coya solar power plant.

Other projects we carried out include the 20 MW photovoltaic plant in Tucson (Arizona, USA), and the Al Mafraq and Empire I photovoltaic plants, each providing capacity of 65 MW and located in Jordan.



Planta fotovoltaica Coya, de 200 MW. Chile.

SUCCESS STORY

Boosting rural employment at the Los Llanos Solar Power Plant

Badajoz, Spain

OHLA is creating jobs and driving the development and revitalization of the environment in which its solar power projects are located with the aim of reversing depopulation in rural areas. Specifically, our contribution led to the creation of more than 1,500 jobs in Extremadura, Andalusia and Murcia, in addition to collaboration with local suppliers, which helps boost the economy and support the progress and welfare of the communities at the site where we perform the contract.

In the case of the Los Llanos I, II and III solar power plant, located five kilometres from the town of Medina de Las Torres, in Badajoz province, we ran a campaign for the local unemployed, providing them with specific training in the field of renewable energies. Subsequently, we invited them to apply for construction jobs at the plant.

Specifically, we entered into a partnership with the Bodión Empleo V (Mancomunidad Río Bodión) occupational training school, where students performed quality control and assembly of photovoltaic structures, shadowed the OHLA works team and learned first-hand, so that they are now ready to join a growing sector with a sound basis of experience.

In addition, OHLA employed 14 manual workers directly, in addition to hiring civil supervision, quality and safety experts locally, as part of a project to create 800 direct jobs, of which 200 were direct local jobs (experts and manual workers) in the catchment of the project (Zafra-Río Bodión area).

Environmental and heritage conservation

In the course of construction and design of Los Llanos, we implemented measures to minimise environmental impact and protect **native species of flora and wildlife where the facility is located**. We also considered the specific habitat and its surrounding areas, which in some cases comprise agricultural and livestock farms.

We also implemented actions related to the conservation of cultural heritage. OHLA took part in supporting the archaeological team deployed by the Extremadura regional government.



Services

2022 was once again a year of growth and transformation for the Services division. Revenue increased by 8% compared to the previous year, reaching EUR 390.0 million, while EBITDA rose 4%, exceeding EUR 16 million. The Services division came under significant pressure due to labour costs, due to increases under industry wage deals - in line with inflation - and in fuel costs, which are a significant item in transport and solid urban waste collection activities. This activity is not covered by Spain's recent RDL 14/2022 statutory instrument on transport subsidies.

In terms of order intake and backlog, we also met our targets. We attracted EUR 506 million in order intake and amassed a backlog of EUR 620.6 million, which is equivalent to 18.9 months of sales by the standards of our industry peers.

The Services division continues to make decisive progress in its digital transformation strategy, improving the efficiency of its operations by investing in its back-office capabilities. We stand out ourselves from the competition by introducing innovative solutions in existing business areas and exploring new businesses based on market needs, generated through an innovation governance model recognised by Forética, a leading organization in sustainability and corporate social responsibility in Spain that is ISO 56002-certified for innovation management systems.



Street cleaning in Madrid, Spain.

Business areas

At the sector level, **building cleaning** during 2022 was hurt by the rising cost of products and materials due to the increase in the cost of commodities and energy and, above all, labour, which accounts for 85% of costs in this segment. However, we adapted our management to achieve wider flexibility and hit our initial budget targets with organic growth of 7.5%.

According to industry estimates, the health and social care sector grew by around 3% per year in the 2021-2022 period. The home care business has a bright outlook in view of rising demand as a result of the aging of the population and increased public and private funds allocated to this line of activity, with an upward trend in the number of home help and remote assistance users.

Ingesan, our main subsidiary in the Services division, has boosted investment in technology to improve service and the development of new assistance models through the VERA platform, which hosts the 'virtual day care centre', where the usual activities of a day care centre are transferred to the dependent person's home. This avoids waiting lists and saves government expenditure. The company is currently providing this service to the city councils of Malaga, Teruel and Barcelona, and has been recognised at the 'Tecnosocial' congress as implementing good practices in R&D&I in social services and prevention of dependency.

In our **maintenance and energy efficiency** activity, the incipient recovery seen in 2021, where the sector's growth reached 4%, continued in 2022. In addition, we activated the improvement of energy efficiency in buildings and facilities, boosted by the influx of EU funds. The improvement of public lighting and the implementation of solar power systems for self-consumption could be new avenues for development.

In the overall maintenance and energy efficiency business, our revenue rose 28%. We won new energy-efficiency contracts in the field of lighting and buildings and in the assembly of a solar power installation for self-consumption at the San Pedro hospital (Rioja Salud), with an installed capacity of 2.35 MW. We continue to work on major projects in the retail sector (Inditex), where we helped implement a range of solutions for their facilities in Spain and coordinated the project across Europe.

In **urban and environmental services**, we saw a significant change in integrated waste management, both in collection and transport and in treatment, due to introduction of the new law on waste and contaminated soils. In addition, we expect more changes in the segment with the upcoming entry into force of Spain's upcoming statutory instrument or Real Decreto on packaging waste, which is still in draft form.

Our urban and environmental services business grew selectively in the most technologically advanced and profitable areas, mainly in waste collection and treatment, as a result of the start-up and renewal of contracts with Madrid City Council, Spain. In this sector, key factors include: renewal of Lot 2 of waste collection for Madrid City Council; entry into the management scope of the collection, transport and subsequent treatment of waste in the public hospitals of the Generalitat Valenciana, through the subsidiary Inizia, after its start-up in 2021; and the collection of waste from several regions in the north of Catalonia.

In the overall maintenance and energy efficiency business, our revenue rose 28%. We won new energy-efficiency contracts in the field of lighting and buildings

International activity

In Chile, where Ingesan has operated since 2014, there was an increase in labour costs following the 19% rise in the statutory minimum wage, to which was added the increase in fuel and commodity prices also seen in other geographies. The momentum of order intake in the previous year led to a 21% growth in revenue and a 30% increase in margins, due to the growth in the private sector and in the facilities management area.

In Mexico, we continued to grow steadily, establishing closer relationships with top-tier clients such as Telefónica. We now provide cleaning and building maintenance services in five regions of the country, including to major retailers such as C&A, STLonia and Liverpool.

Near-term outlook

In a context of uncertainty for 2023, the company's forecasts are to maintain the profitability, order intake and cash generation seen in recent years, while moving forward with the digital transformation strategy and launching new PPII products applied to services and providing innovative solutions to customers as the main value-added factor.

Order in take in 2022

The Services division has a backlog of more than 500 contracts in force. New contracts for 2021 across the different lines of business mainly include:

Cleaning of buildings and facilities

- **Cleaning service** for Consorci Sanitari del Maresme sites. Generalitat de Catalunya, Spain.
Budget: EUR 11.3 million.
- **Cleaning and sanitation service** for the Zamora healthcare complex. Sacyl, health department of the Junta de Castilla y León, Spain.
Budget: EUR 11.0 million.
- **Cleaning service** for Sociedad Estatal de Correos, Lot 7, Barcelona Norte and Girona, Lot 13, Badajoz and Cáceres, and Lot 15, Almería, Granada, Jaén, Malaga and Melilla, all in Spain.
Budget: EUR 7.7 million.
- **Cleaning service** for the Egogain Residence. Diputación Foral de Guipúzcoa, Spain.
Budget: EUR 6.0 million.

Social and healthcare

- **Integrated Management of Residence for the Elderly and Day Care Centre** of the Town Council of La Zarza, Badajoz province, Spain.
Budget: EUR 4.9 million.
- **Integrated Management** of Villaverde Alzheimer's Residence. Comunidad de Madrid, Spain.
Budget: EUR 4.8 million.

Maintenance

- **Maintenance and conservation contract** for municipal buildings and facilities, and repair and refurbishment actions required by the projects and works service of the City Council of León, Spain.
Budget: EUR 3.1 million.
- **Master agreement for the refurbishment, repair and conservation works** for all buildings belonging to the Madrid City Council, Spain.
Budget: EUR 4.0 million.
- **Maintenance** of government office buildings of the Xunta de Galicia, Spain.
Budget: EUR 9.6 million.

Urban and environmental services

- **Waste containerisation, collection and transport**, Lot 2 East, Madrid City Council, Spain.
Contract value: EUR 95.8 million.
- **Street and beach cleaning service** for the municipality of Isla Cristina, Spain.
Budget: EUR 13.8 million.
- **Collection of waste and organic fractions** from the Bages Consortium, Spain.
Budget: EUR 3.3 million.
- **Collection, transport and treatment of sanitary and hazardous waste** of the Valencian department of public health (Lots 3, 4 and 6), Spain.
Budget: EUR 6 million.
- **Street cleaning** for the City Council of Sevilla La Nueva, Spain.
Budget: EUR 5.6 million.
- **Renewal of the landscaping maintenance agreement** in San Javier, Chile.
Budget: EUR 3.4 million.

Concessions

During 2022, OHLA Concesiones S.L. (formerly Senda Infraestructuras S.A.) continued to work on bidding for and performing projects in its three core geographies: North America, Latin America and Europe.

Projects in 2022

In **Colombia**, OHLA was awarded the design, construction, improvement, operation and maintenance of the Corredor Accesos Norte 2 project in the city of Bogotá, with an investment of approximately EUR 700 million and a concession term of 29 years. The agreement was signed in April 2022 with the Agencia Nacional de Infraestructura (ANI). The new corridor will benefit approximately 8 million inhabitants within the catchment and relieve traffic congestion between Bogotá and the north of the country.

In **Chile**, we are developing the Biobío hospital network project, with an investment of close to EUR 400 million and a 19-year concession term for the design, construction, supply and installation of medical equipment, and for the maintenance of four hospitals in the Biobío region, with a total surface area of 133,457 m² and 569 beds for a population of more than 400,000 people.

Also in Chile, the Ministry of Public Works announced its intention to award the design, construction, supply and installation of medical equipment and maintenance of the Instituto Nacional del Cáncer project in the city of Santiago, with an investment of more than EUR 300 million over the next 22.5 years. This leading hospital, with highly complex care and high-tech equipment, will have a total surface area of 86,000 m² and 249 beds. Finally, in February 2023 we were awarded the contract to build the seat of the Instituto Nacional del Cáncer.

In addition, we continue with the operation of the Santiago courthouse complex, now in its last years of operation.



Biobío hospital network. Santa Bárbara hospital. Chile.

Europe

In **Ireland**, 465 new sustainable social housing units are being managed under the Social Housing Bundle project, with an investment of more than EUR 130 million.



Social Housing Bundle. Ireland.

In **Spain**, the company operates the Burgos hospital, the marinas of Bara and Marina Urola (Catalonia and the Basque Country, respectively), and the Horta and Sant Andreu police stations in Barcelona (Catalonia).

In the Community of Madrid, we have begun work on the Niño Jesús hospital expansion project, which consists of the design, construction and operation of an underground car park with 808 parking spaces and the design and construction of a 9,300 m² hospital building, with an investment of approximately EUR 40 million and a concession term of 39 years.

In Ireland,
465 new
sustainable
social housing
units are being
managed under
the Social
Housing Bundle
project

In **Canada**, the company continues to operate the Centre hospitalier de l'Université de Montréal (CHUM) project, which earns the company recurring annual revenue. OHLA intends to sell its non-controlling interest in the company, which is treated as an asset held for sale.



Centre hospitalier de l'Université de Montréal (CHUM), Canada.

Outlook

OHLA will continue with its role as a developer of infrastructure concessions in its three core geographies in order to win construction contracts with attractive margins, while minimising capital contributions and seeking alliances with funds and financial partners that provide capital.

Our objective is that, in the medium term, construction contracts tied to concessions account for 30% of the Group's order intake. This volume of business, combined with our asset rotation policy, would enable us to cover the estimated funds needed to invest capital in each new concession contract.

Developments

In the Developments division, after the opening of the Four Seasons Hotel in September 2020, Galería Canalejas was officially inaugurated in June 2022, with iconic retail brands such as Aquazzura, Omega, Rolex, Saint Laurent, Valentino, Zegna, Louis Vuitton and Beauty Gallery by ISOLÉE, and more than 20 brands of premium cosmetics, makeup and signature perfumes. Previously, in 2020 and 2021, the flagship Maisons Hermès and Cartier opened their doors, and Dior is expected to become part of this flagship luxury site in 2023.

Galería Canalejas, which features some of the more than 17,000 restored ornamental pieces, offers customers and visitors a wealth of historical heritage.

Core assets

Centro Canalejas Madrid

Comprising the emblematic Four Seasons Hotel, the exclusive Galería Canalejas and the Food Hall, a unique gastronomic space that occupies one of the three floors of Galería Canalejas, with 22 branded residences equipped with hotel-standard services and a parking garage with 400 spaces, Centro Canalejas Madrid (CCM) has become a transforming landmark of the city in the 21st century.

Designed and built by OHLA, CCM symbolises a new urban model where environmental, social and economic aspects converge. Reflecting a firm commitment to the revival of architectural heritage, the complex brings to light major constructive landmarks, while applying stringent innovation and sustainability standards that promote a civic model that aligns to the goals of the United Nations 2030 Agenda.



Formal opening of Galería Canalejas in June 2022.

Centro Canalejas Madrid earns LEED Gold seal for its environmental design

OHLA's work to recover, revive and transform the seven historic buildings that make up the hotel, residential and commercial complex of Centro Canalejas Madrid earned us the international LEED Gold certification. This accolade, awarded by the widely respected US Green Building Council, highlights the environmental design and energy efficiency criteria applied during construction and subsequent occupation and use.

Specifically, the project followed the LEED for New Construction and Major Renovations (LEED-NC) programme, which assesses efficiency at the architectural and technical installations design stages, as well as in the construction, commissioning and use phase.

The certificate also recognises use of alternative energies (geothermal energy), improvement of indoor environmental quality, water usage efficiency, sustainable development of open spaces on the plot, wastewater treatment and selection of materials (local materials to reduce carbon footprint).

During the project design process, we followed the BIM (Building Information Modeling) approach, adopting new collaborative tools in the development and management of the project that have a positive impact in terms of sustainability, to optimise costs and ensure responsible use of materials.



PREMIOS HORECA

Food Hall, New Business Model 2022 award

Located on the -1 floor of Galería Canalejas, the Food Hall, with more than 4,000 m² of floor space, is home to one of the most unique gastronomic proposals in Spain. With entrances from the iconic Calle de Alcalá, the space houses restaurants of different styles and nationalities, among which stand out the concepts that renowned chefs have designed exclusively.

All this has earned this space the New Business Model award at the Horeca New Business Models Awards 2022. Awarded at the prestigious Hospitality Innovation Planet (HIP) fair, the distinction highlights the innovative business concept and its contribution to enhancing the tourism and hospitality sector in Madrid.



Outlook

Our significant experience in high value-added property developments in Europe and Latin America places us in a leading position at a global level. The Development division is constantly prospecting the property market and considering new sustainable urban projects in which it could participate as an expert developer with the support of financial partners.



Centro Canalejas Madrid. Spain.



Puente peatonal Aurora Transportation center. EEUU.

3. We are sustainable. We are Progress Enablers

80 **Sustainability embedded in the business**

88 **3.1 Responsible management**

Good governance

Our performance

122 **3.2 Sustainable business**

Culture of innovation and transformation

Commitment to the planet

Circular economy

Biodiversity

Sustainable construction

140 **3.3 Social progress**

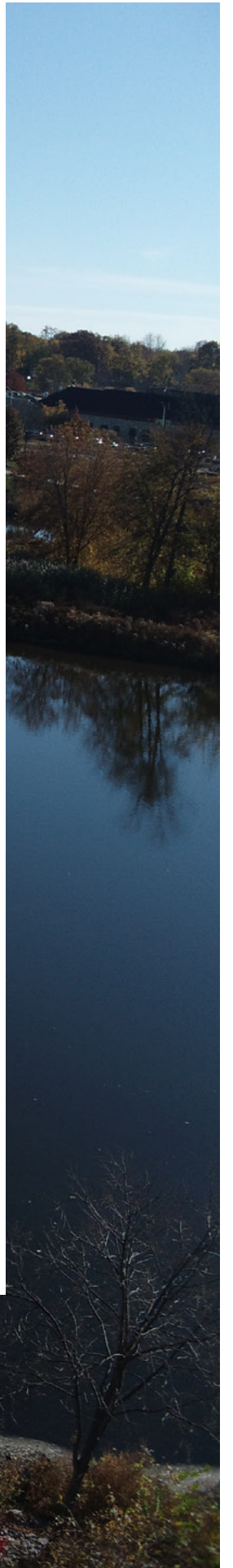
People

Health and safety

Customers

Supply chain

Community



Sustainability embedded in the business

At OHLA, we believe in the transformative power of our business, and we seek to leave a positive footprint that responds to the main challenges facing the world at present. Therefore, we view sustainability as a strategic and cross-organisational line that is crucial for creating value for our stakeholders through infrastructure projects that are conducive to social, economic and environmental well-being. In this respect, we have both the support and the engagement of senior managers, who promote the courses of action and practices in the Company related to sustainability in a bid to deliver the goals set out in the Sustainability Plan 2022-2024.

The Management Committee started up and deployed the Sustainability Plan in the Company's various businesses and regions, while the Nomination and Remuneration Committee monitors and assesses the organisation's sustainability performance. OHLA's Chief Executive Officer is directly in charge of the Company's sustainability strategy, a testament to the importance of this issue as an enabler and strategic element¹ of the business.

2022 will go down as a year of both challenges and achievements. OHLA is aware that the infrastructure sector plays a key role in the transition towards a more sustainable world, and it acts accordingly. This year we witnessed the fruits of embedding ESG (Environmental, Social and Governance) criteria in all areas of the Company with the start of the Sustainability Plan 2022-2024 (the 'Plan') framed by our Sustainability Policy.

The Plan is articulated around three strategic priorities – sustainable business, responsible management and social progress - and aligned with the Sustain-

able Development Goals of the United Nations' 2030 Agenda. It sets the roadmap for addressing different areas, business lines and domains where OHLA has a material impact. By setting out 21 challenges and 40 courses of action and targets in the Plan, OHLA has taken a step further towards a sustainable future in which it plays a role as an agent of transformation.

The year's main highlights were the design of a clear roadmap towards OHLA's decarbonisation. This roadmap: enhances the calculation of emissions so that the Company can act on those that have the greatest impact; affords greater transparency; involves training of senior management in sustainability; and embeds ESG criteria in management's variable remuneration scheme and achievements in gender diversity of senior management. Thanks to hard work in 2022, we delivered 75% of the targets set for 2022 and even some of those for 2023 and 2024.

In addition, the Company continued to join efforts to promote global transformation and speed up achievement of the United Nations Sustainable Development Goals (SDGs), taking on an inescapable responsibility in the face of today's global challenges. For this reason, we are a voluntary member of domestic and international initiatives such as the Spanish Network of the United Nations Global Compact, a promoting partner of Forética, the Spanish business forum for ESG matters, and a member of its sustainable development council. We are also a signatory of the manifesto for the Green New Deal for Europe and the CEO Alliance for Diversity.

Further information: Sustainability

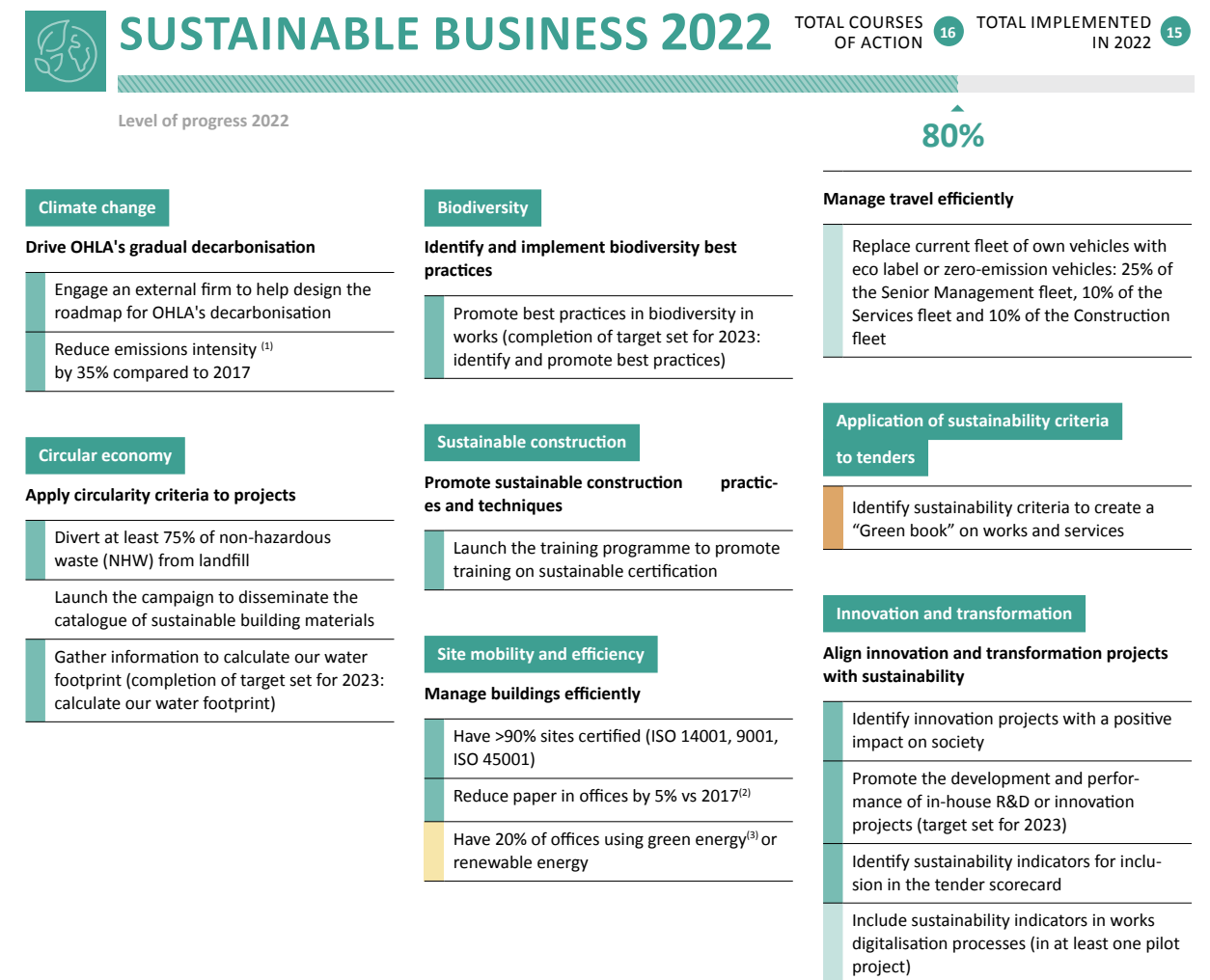


Close monitoring of the 2022-2024 Sustainability Plan

We want to share with you the inroads made during 2022 into the first phase of our Sustainability Plan.

The line below shows the percentage of overall achievement of objectives for each of the three strategic priorities: Sustainable Business, Responsible Management and Social Progress.

Following is a visual and detailed summary of the courses of action for the first phase of 2022 and the level of implementation:



⁽¹⁾ (Scope 1 + Scope 2) / Sales (tCO₂e/ EUR million)

⁽²⁾ Total consumption per office employee

⁽³⁾ Percentage calculated based of the phasing plan put in place, which will consider both contract renewal dates and the inherent feasibility of the changeover (existence of supplier, cost)

Completed In progress Started Not started Target set for 2023

1. Further information on sustainability governance is available on the OHLA website and in the Sustainability Policy.

RESPONSIBLE MANAGEMENT 2022

TOTAL COURSES OF ACTION 9 TOTAL IMPLEMENTED IN 2022 7

Level of progress **86%**

<p>Corporate governance</p> <p>Continue to promote and embed best practices in corporate governance</p> <ul style="list-style-type: none"> Link 10% of the management team's individual performance targets to ESG metrics Review the training content for senior management and the ARC regarding sustainability (completion of target set for 2023: training of the Management Committee and the ARC) <p>Human rights</p> <p>Continue to promote respect for and compliance with human rights</p> <ul style="list-style-type: none"> Run the human rights self-evaluation campaign (the evaluation is conducted every two years) Provide human rights training 	<p>Internal Audit</p> <p>Increase the involvement of Internal Audit in sustainability matters</p> <ul style="list-style-type: none"> Include sustainability or ESG matters in the Annual Internal Audit Plan <p>Ethics and compliance</p> <p>Renewal of anti-bribery and criminal compliance system certifications</p> <ul style="list-style-type: none"> Maintain criminal compliance (UNE 19601) and anti-bribery (UNE ISO 37001) certifications <p>Ethical conduct training</p> <ul style="list-style-type: none"> Provide ethical conduct training: >90% of employees training in ethical conduct (with email) 	<p>Risk management</p> <p>Include the TCFD recommendations</p> <ul style="list-style-type: none"> Define the roadmap for adoption of TCFD recommendations and implement the actions <p>Transparency (investors)</p> <p>Increase the amount of non-financial information reported to investors</p> <ul style="list-style-type: none"> Include SASB and TCFD indicators and metrics in OHLA Group's integrated report
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■ Completed
 ■ In progress
 ■ Started
 ■ Not started
 Target set for 2023

SOCIAL PROGRESS 2022

TOTAL COURSES OF ACTION 15 TOTAL IMPLEMENTED IN 2022 14

Level of progress **64%**

<p>Diversity and inclusion</p> <p>Commit to diversity and inclusion as a differential factor in the sector</p> <ul style="list-style-type: none"> Approve an action plan and implement actions to achieve equal pay and reduce the gender pay gap Achieve equal pay certification (Spain) Have women hold 10% of management and senior management positions (target set for 2024) <p>Talent and professional development</p> <p>Promote new ways of working that create a motivating work environment that attracts and retains talent and fosters professional and personal development</p> <ul style="list-style-type: none"> Start up the performance appraisal model Align knowledge and competence needs to OHLA jobs according to the organisational structure (job map) for key positions Implement the succession plan model in critical positions 	<p>Assess possible remuneration components to be included in Senior Management and employee compensation packages from a technical and economic point of view (completion of target set for 2024: implement and launch)</p> <p>Occupational health and safety</p> <p>Engage workers in preventive behaviour and promoting an active and healthy lifestyle</p> <ul style="list-style-type: none"> Have >90% of sites occupational health and safety certified (ISO 45001) Increase the number of active users in the programme by 10% compared to the base year (target set for 2024) Increase training actions in OHS: 6 training actions; 3 site visits by the regional/country manager <p>Social action and volunteering</p> <p>Increase actions and funds that generate shared value</p> <ul style="list-style-type: none"> Invest EUR 500,000 in social action 	<p>Encourage and promote greater involvement of employees in volunteering actions by creating a volunteer network and communication plan</p> <ul style="list-style-type: none"> Establish metrics and measures the impact of social action in Spain <p>Value chain</p> <p>Foster sustainability in our value chain</p> <ul style="list-style-type: none"> Define new sustainable criteria for inclusion in the approval process Create a catalogue of materials and machinery suppliers with a smaller environmental impact and circulate this in Construction Spain <p>Customers</p> <p>Measure satisfaction in our works and services</p> <ul style="list-style-type: none"> Increase the involvement of our customers in measuring satisfaction with the service provided by the Company during the contract by 10% (target set for 2023)
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■ Completed
 ■ In progress
 ■ Started
 ■ Not started
 Target set for 2023

Communication as a cross-cutting theme

Digital transformation of communication

The Company spent 2022 gearing its strategy towards cementing the rebranding carried out in July 2021 by playing on its more than 110 years of history.

It also conducted internal, external and institutional communication initiatives with its various footprint markets and stakeholders, while stepping up initiatives featuring employees in a bid to achieve a more collaborative model in which people play a key role.

OHLA interacts with myriad people, entities and organisations through its various communication channels, ensuring ongoing dialogue with its main stakeholders.

Appendix VI *Communication channels and stakeholder expectations* provides further information on the main communication channels and material topics identified. The section on Materiality sets out the main risks and opportunities we identified in this respect and how we address them.

Communication channels

Internal communication



The OHLA Link intranet is still the main communication tool for staff, offering a host of both institutional and operational content. It helps create a collaborative and dynamic work environment by making graphic resources and documentation aimed at reinforcing the Company's new image and other corporate-related information available to all staff.

The online newsletter *Mosaico* features stories about employees' experiences around the world, and the online corporate magazine *Tecno* reports on the technical challenges faced by OHLA in the projects it undertakes.

A highlight of 2022 was the special *Tecno* issue, which covered the Centro Canalejas Madrid (Madrid, Spain) project from a technical and information viewpoint. Over 100 pages were dedicated to one of Spain's largest repurposing projects to showcase OHLA's strong ability to tackle highly complex projects among its stakeholders.

Mosaico continued to bring corporate news to readers, affording one of the main sections to employees, who told stories about the importance of teamwork and talent.



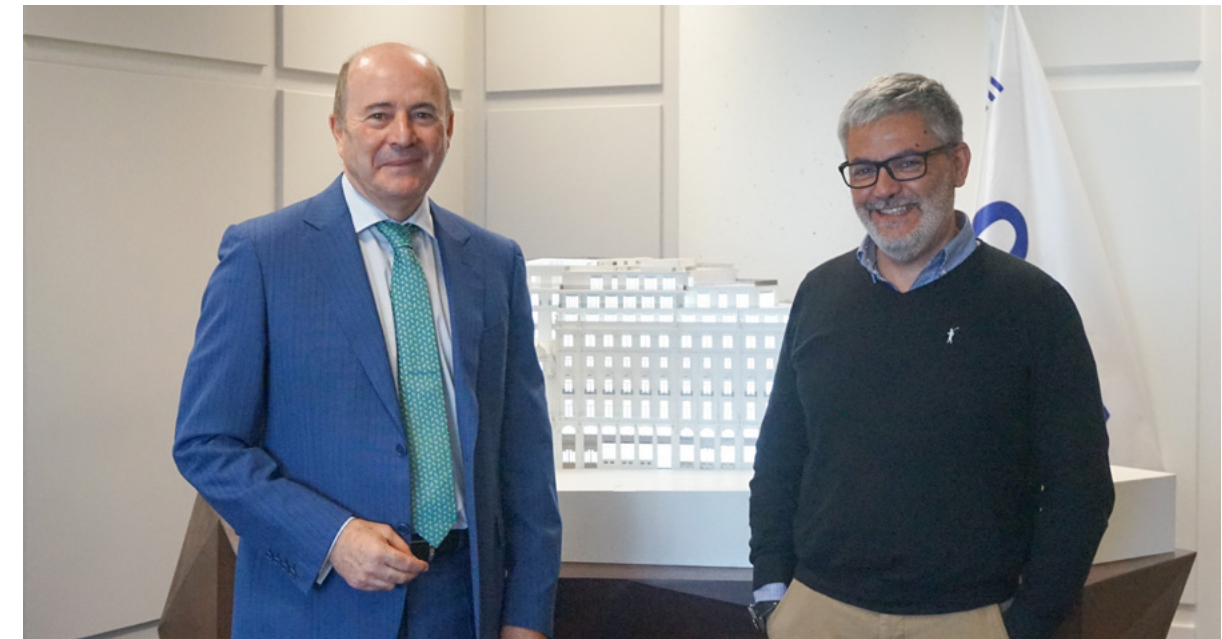
OHLA News started up during the year. Topics covered by this corporate-wide digital bulletin include talent, health, corporate volunteering and social commitment.

Making communication more visual

Framed by the Company's ongoing digital transformation, we made further improvements to the quality of interactions through the data displayed on the information screens² set up in areas of offices where staff generally pass through and broadened the content with audiovisual and graphs.



To enhance interaction with employees, senior management travelled to several countries where we operate in recent months to meet the regional teams and share views on the day-to-day running of the business. Meanwhile, in some markets, senior managers held informal meetings with staff in July 2022 to celebrate the first anniversary of the launch of the new brand. The meeting in Madrid was led by the CEO.



Meeting between José Antonio Fernández Gallar and Manuel Carpintero, Design&BIM Manager for the Lund-Arlov project. Sweden.

Lastly, we reinforced employees' role by getting them to take part in video testimonials discussing the specifics of their projects and the impact for the Company. They show the importance of employee engagement and the role our people play as brand ambassadors.

2. The plan is to extend this initiative, which is up and running at the OHLA headquarters in Madrid (Spain) and Chile, to the rest of the Company's markets.

External communication

We still consider our ohla-group.com website and our YouTube and LinkedIn profiles to be the main external corporate communication channels. OHLA had 183,924 LinkedIn followers by the end of the year, over 20,000 more than the year before (163,649). We expanded the content on this platform with more specific sections on talent and life at the Company, with more than 355 posts in Spanish and English. OHLA also created its new Ingesan profile on LinkedIn during the year. It uses this to upload content on the Services business line and showcase its social commitment in support of groups that are vulnerable or at risk of social exclusion.



Ingesan profile on LinkedIn.



Time magazine's August 2022 issue



Global Company special issue, El Economista newspaper. 31 March, 2022.



ESP 500 special issue, El Economista newspaper. 31 March, 2022.

Senior management meetings

In addition to these channels, senior management had meetings with both generalist and specialist media to discuss the organisation's strategy, positioning and outlook. OHLA also had representation at forums and congresses, with attendance by both senior officers and area experts, e.g., from innovation, digital transformation and sustainability. This increased the visibility of OHLA's work, not to mention the excellence and talent of its people.

Dialogue with communities

Given the type of business it carries out, OHLA actively seeks consensus and dialogue with the host communities near its operations, setting up dialogue tables, neighbourhood meetings, and information and outreach days, among other measures. Specifically, the Environmental Impact Assessments (EIAs) prior to construction activities include a Social Impact Assessment (SIA) in accordance with the legislation in force in each of the countries where we operate, which must be approved by the competent authorities. The impact assessment submission and approval process includes mandatory consultation and engagement with stakeholders and government bodies. Some project documents are subject to public disclosure for a specified period of time as prescribed by the laws and regulations of the given country.

Key initiatives

Another communication action aimed at employees was our 8th FOCUS photography contest, which aims to raise the visibility of OHLA's projects in different markets. This year's contest drew more than 200 entries. Candidates' photographs illustrated projects in the United States, Spain, Mexico, Chile, Colombia, Peru, Panama, Sweden, the Czech Republic, Turkey and Saudi Arabia

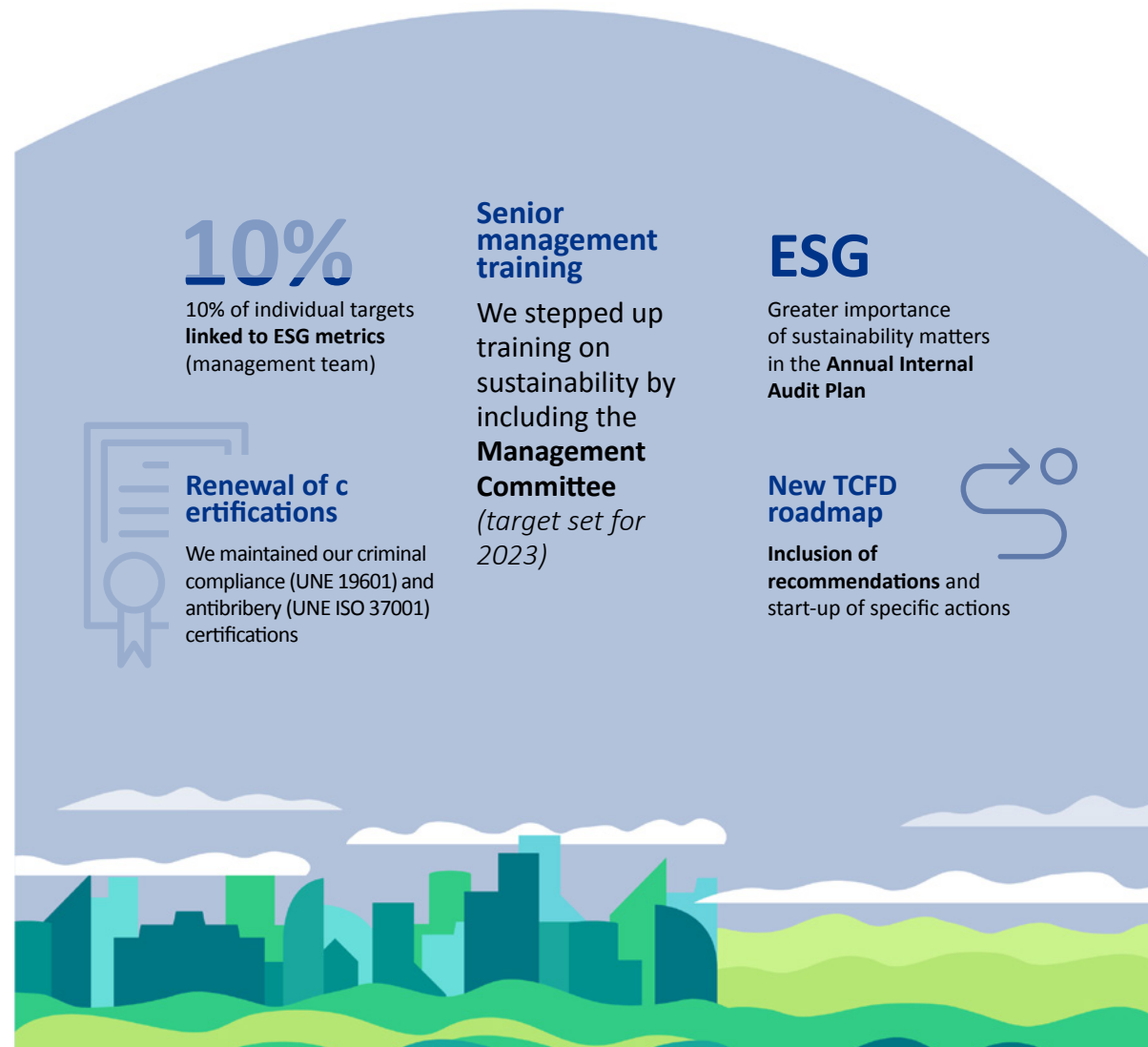
In the area of sustainability, the Company undertook a range of campaigns to support and raise awareness of the Sustainable Development Goals (SDGs) of the United Nations 2030 Agenda. We also joined awareness campaigns to celebrate the International Day of Persons with Disabilities, the International Day for the Elimination of Violence against Women, International Women's Day and World Cities Day, among other initiatives.



Throgs Neck bridge at night. New York. USA. Author Garrett Zangre, VIII FOCUS Edition winner.

Responsible management

We earn the trust of our investors and wider society



At OHLA, we are convinced that a sustainable business model is one that meets stakeholders' expectations, helps tackle climate change and promotes social justice and progress, always guided by ethics, transparency and good governance. To be sure, 7 challenges and 9 courses of action and targets outlined in the Sustainability Plan 2022-2024, framed by the strategic priority of responsible management, provide an essential guide for adopting the most stringent national and international non-financial standards. We maintained our criminal compliance (UNE 19601) and anti-bribery (UNE ISO 37001) certifications, which are a testament to the degree of our compliance with stakeholders and a target we set as a priority, since this guarantees good practices and behaviour by OHLA around the world.

We also incorporated ESG targets in the variable remuneration of our management team to align OHLA and ensure that all our people work together to achieve a more sustainable business. Lastly, OHLA follows the recommendations of the TCFD (Taskforce on Climate-related Financial Disclosures) for disclosing the risks presented by climate change, incorporating these recommendations and taking specific actions.

Good governance Ownership structure

SHAREHOLDER	(%)
Concerted action*	25.965
Davies, Simon**	15.514
Inmobiliaria Espacio, S.A.	7.0970
The Golman Sachs Group, Inc	6.2610
Other shareholders	45.163

At 31 December 2022

* Concerted action between Forjar Capital SLU and Solid Rock Capital SLU.

** Simon Davies holds voting rights through financial instruments. Sand Grove Opportunities Master Fund, Ltd. holds voting rights through financial instruments.

Juan Antonio Santamera Sánchez (independent)
Luis Fernando Amodio Giombini (proprietary)
Francisco García Martín (independent)
Reyes Calderón Cuadrado (independent)

The Company's Board of Directors comprises 10 members. The operation, structure and organisation of the Board and its committees abide by principles of independence and transparency in accordance with best practices in corporate governance and in the interest of the Company and its shareholders.

In 2022, shareholders at the Annual General Meeting ratified the appointments of Francisco García Martín as external independent director proposed by the Nomination and Remuneration Committee and Luis Fernando Amodio Giombini as external proprietary director proposed by the significant shareholder, Forjar Capital, SLU, who was co-opted by the Board of Directors on 29 July 2021.

For further information, see the Annual Corporate Governance Report (ACGR) for 2022 and the Company's website (<https://ohla-group.com/>).

Governing bodies

Board of directors

Membership at 31 December 2022.

Chairman

Luis Fernando Martín Amodio Herrera (proprietary)

First Deputy Chairman

Julio Mauricio Martín Amodio Herrera (proprietary)

Second Deputy Chairman

Juan Villar-Mir de Fuentes (proprietary)

Chief Executive Officer

José Antonio Fernández Gallar (executive)

Directors

Carmen de Andrés Conde (independent)
César Cañedo-Argüelles Torrejón (independent)

Board committees

Audit and compliance committee (ACC)

Membership at 31 December 2022.

Chairman

Francisco García Martín (independent)

Members

César Cañedo-Argüelles Torrejón (independent)
Julio Mauricio Martín Amodio Herrera (proprietary)
Luis Fernando Amodio Giombini (proprietary)
Reyes Calderón Cuadrado (independent)

Key matters addressed by the ACC in 2022

- Reporting to the Board of Directors on the budget for the year and monitoring budget compliance.
- Monitoring the Company's and Group's financial and cash position throughout the year.
- Reviewing and analysing, prior to the Board meeting, the main interim periodic (quarterly and half-yearly) economic and financial indicators for presentation to the markets and their supervisory bodies.
- Reviewing and approving the 2021 tax report and the tax policies applied during the year.
- Reviewing the steps and processes of the Group's Internal Control over Financial Reporting (ICFR) system during the year.
- Reviewing the external auditors' work.
- Reviewing the economic terms and conditions of the engagement of the audit firm of the Company's and Group's financial statements.
- Analysing the external auditor's independence and reviewing compliance with requirements regarding conflicts of interest established in Spanish Audit Law 22/2015, of 20 July, considering such independence to be demonstrated.
- Approving non-audit services provided by the external auditor to the Company or Group subsidiaries, previously reported by the General Economic and Financial Department with respect to their nature, circumstances and amounts.
- Analysing and reviewing the reports by Internal Audit during the year, their outcome, conclusions and, where applicable, recommendations to Company management.
- Reviewing and approving the Internal Audit Department's Annual Report and the Annual Internal Audit Plan, including the budget for the year.
- Reviewing and approving the Compliance Department's Annual Report and the Compliance Department's Annual Plan, including the budget for the year.
- Analysing and processing complaints reported by the Compliance Department received through the Ethics Channel, and the actions and steps taken relative to each.
- Following up on the investigations coordinated by the Compliance Department at the request of the Committee itself.
- Monitoring the actions taken under the framework of the anti-money-laundering and counterterrorist financing system implemented in the Group companies required to do so because of their business or because of local laws.
- Supervising the work plan drawn up for renewing ISO 37001 certification (anti-bribery management systems) and UNE 19601 certification (criminal risk compliance management system).
- Reviewing and approving the Risk and Internal Control Department's Annual Report and Annual Plan, including the budget for the year.
- Updating the Risk Map and OHLA Group's financial and non-financial risks.
- Analysing the Group's related party transactions.
- Monitoring the implementation of the corporate restructuring (Hive Down) agreed under the framework of the Group's financial refinancing with its main bank creditors on 25 June 2021.
- Performing the Committee's annual self-assessment.
- Preparing the Committee's annual activity report.

For further information, see the Annual Corporate Governance Report (ACGR) for 2022 and the Company's website (<https://ohla-group.com>).

Nomination and remuneration committee (NRC)

Membership at 31 December 2022.

Chairman

Reyes Calderón Cuadrado (independent)

Members

Francisco García Martín (independent)

Juan Antonio Santamera Sánchez (independent)

Juan Villar-Mir de Fuentes (proprietary)

Luis Fernando Martín Amodio Herrera (proprietary)

Key matters addressed by the NRC in 2022

- Reporting favourably on the ratification and appointment of proprietary directors to the Board of Directors, understanding that they meet the profile and skills required to discharge their office, evaluating and reporting favourably on their suitability.
- Reporting on the ratification and appointment of proprietary directors to the Board of Directors, assessing their profile and skills and reporting on their suitability.
- Submitting proposals to the Board of Directors on the appointment of independent directors and reporting on their suitability to the General Shareholders' Meeting.
- Reviewing the factors for distributing the maximum annual remuneration approved by the General Meeting for external directors and reporting favourably on a new distribution scheme for 2022 and subsequent periods.
- Reporting favourably to the Board of Directors on the proposed amendment of the Director Remuneration Policy, which was subsequently approved at the Annual General Meeting held on 2 June 2022.
- Analysing and reporting to the Board of Directors the proposal for the Chief Executive Officer's variable remuneration, assessing, where applicable, achievement of objectives and criteria.
- Informing the Board of Directors about the 2021 Annual Report on Director Remuneration, verifying that the current Remuneration Policy was applied correctly.
- Analysing and reporting to the Board of Directors on the variable remuneration accrued and the proposed remuneration scheme of OHLA Group senior executives.
- Analysing the degree of compliance with global reporting initiative (GRI) sustainability standards and approved measures to enhance and standardise how this information is monitored and reported. Forwarding non-financial information to the Board of Directors for its approval and the authorisation for issue of the Group's Consolidated Management Report.
- Reporting favourably on the proposed amendments to the Board Regulations.
- Performing the Committee's annual self-assessment.
- Approving the Committee's annual activity report.

For further information, see the Annual Corporate Governance Report (ACGR) for 2022.

Conflicts of interest (regulations of the board of directors)

Conflicts of interest affecting directors are governed by the Regulations of the OHLA Board of Directors. The Regulations deal in detail with situations in which a potential conflict of interest, whether direct or indirect, compels a director to notify the Board of Directors. In addition, the affected director must abstain from attending or speaking in deliberations and voting on matters related to the conflict.

The Company has in place a specific set of rules that implement the Regulations of the Board of Directors and are separately approved by the Board, to reinforce and further specify the procedures and controls governing transactions that the Company or any OHLA company intends to conclude with directors, significant shareholders or their related parties.

Transactions affected by this procedure include all transfers of resources, services, rights or obligations, irrespective of whether or not they are for consideration, performed by any of the parties referred to in the preceding paragraph with the Company or with any OHLA company.

In 2022, no director or other executive of the Company reported any conflict of interest. In the financial statements and in the Annual Corporate Governance Report, the Company discloses any significant related party transactions concluded by the Company or any OHLA company with significant shareholders, directors, executives or their related parties, and authorised in accordance with the rules approved for transactions considered related party transactions carried out with OHLA or any companies comprising OHLA Group.

For further information, see the Financial Statements and the Annual Corporate Governance Report (ACGR) for 2022.

Management committee

Chairman

José Antonio Fernández Gallar
Consejero Delegado

Members

José Antonio de Cachavera Sánchez
General Manager of Services

José María del Cuvillo Pemán
General Manager of the Legal Department

Fausto González Casado
Concessions General Manager

Daniel Ruiz Andújar
General Manager for North America

José Emilio Pont Pérez
General Manager for Europe and Latin America

Tomás José Ruiz González
Corporate General Manager

José María Sagardoy Llonis
Chief Financial Officer

Gonzalo Targhetta Reina
General Manager of Corporate Resources

Board diversity

Our diversity policy as applied to the Board of Directors

During 2022, the Company followed the director selection policy adopted in 2017. The policy ensures that proposed appointments or reappointments of members of the Board are based on careful analysis of the Board's needs and are conducive to a diversity of knowledge, experience and gender.

The existing policy states that the selections procedures must not be afflicted by any bias hindering the appointment of women directors and must deliberately seek women who could potentially be candidates for the post.

The Board of Directors has members of different ages and nationalities, of whom two are women, with the training, experience and aptitudes required for their positions, and with necessary technical knowledge, especially in construction, infrastructure, and financial and accounting matters, thus ensuring a balance of skills for decision-making.

The Company remains committed to gender diversity in the membership of the Board and its committees. To promote diversity, the Company ensures equal opportunities between men and women and cultural diversity, especially among the regions where the Group is present. We also seek diversity in experience, knowledge and professional background in the areas and businesses in which the Company operates.

Ethics and compliance

OHLA's commitment to good business practices is articulated in its Code of Ethics and Compliance System. The Company is also a signatory of the United Nations Global Compact and is therefore committed to fighting corruption and following the recommendations of international organisations, such as the OECD, and best practices in corporate governance published by the Spanish National Securities Market Commission (CNMV). These pledges entail compliance with applicable criminal and anti-corruption laws and regulations in each geography.

Code of Ethics

The express statement of the values, principles and professional, ethical and responsible conduct that must guide the professional behaviour of everyone at OHLA is set out in the Code of Ethics.

Approved initially by the Board of Directors in 2010 and, as part of its review and continuous improvement, amended in 2012 and 2015, the Code of Ethics establishes the follow-up and control mechanisms as required to ensure compliance.

The Group's Code of the Group Ethics also constitutes one of the mainstays for correct management of corporate social responsibility, supporting the achievement of the Company's corporate values:

- Professional ethics, integrity, honesty, loyalty, effectiveness and responsibility vis-à-vis our stakeholders, in all actions of the Company, while strictly abiding by the law.
- Will to succeed and continuous improvement in professional performance, while striving at all times for excellence.
- Transparency in the dissemination of information, which must be adequate, accurate, verifiable and complete.
- Creation of value with a quest for sustainable profitability and growth.
- Constant promotion of quality, innovation, safety and respect for the environment.

OHLA Group
Code of Ethics



Components of OHLA Group's compliance system

Compliance policies

The Code of Ethics is also an important part of OHLA's compliance system, but not the only the part. There is a broad framework of rules and regulations regarding periodic review that outlines the monitoring and control systems for preventing and identifying potential criminal or compliance risks. The control environment for compliance was based on a three-pronged approach: preventive, detective and reactive.

The key policies in the system covering senior management's commitment to compliance were approved by the Board of Directors and uploaded to the Ethics and integrity section of the corporate website.

Anti-corruption

OHLA's Anti-corruption Policy was approved by the Board of Directors in June 2015 and was last updated in July 2019. This policy expresses the Group's commitment to doing business with integrity and sets out the requirements for compliance to avoid any misconduct according to applicable local and supranational anti-corruption regulations.

Compliance with this policy and anti-corruption regulations is an indispensable condition to continue with any employment relationship or association with OHLA Group. Its reference framework is set out in the Compliance System Internal Handbook.

OHLA Group
Anti-corruption Policy 

Prevent and mitigate crime

OHLA has a compliance system in place that determines the necessary control measures to prevent crimes to which the Group is exposed from being committed. This system is updated on a regular basis, not only for the specific features of OHLA's structure and business, but also to reflect developments in legislation.

In line with the specific commitment undertaken in the Code of Ethics to promote and supervise the policy for preventing and detecting criminal behaviour, OHLA has a Crime Prevention Policy approved by the Board of Directors in November 2019 and supplemented with the Group's Compliance System Internal Handbook

OHLA Group
Crime Prevention Policy 

The OHLA Group ratifies its commitment to zero tolerance for any irregular conduct that may constitute a crime in both the public and private sector through its policies

Free competition in the marketplace

OHLA has an antitrust programme designed in accordance with the requirements of the guidelines issued by the Spanish National Markets and Competition Commission (Comisión Nacional del Mercado de la Competencia or CNMC).

The core principle is the Competition Compliance Policy approved by the Board of Directors, which reinforces OHLA's firm commitment to ensuring free competition in the marketplace and that all its people abide by constitutional principles, laws and other regulations of competition law.

Competition
Compliance Policy 

Communication and training in good governance

All OHLA employees must be aware of and accept the Code of Ethics, the Anti-Corruption Policy, the Crime Prevention Policy and the Competition Compliance Policy. For this reason, an additional clause is included in the employment contracts of new hires.

Moreover, to execute the actions planned for 2022, communication campaigns were conducted on the compliance system and specific training was given through OHLA School on the following subject matters:

- **Code of Ethics and Anti-corruption Policy (CEAP):** a total of 1,030 employees received training.
- **Crime Prevention System (CPS):** a total of 193 employees received training.
- **Competition:** a total of 79 employees received training.

This entire set of actions to spread knowledge of the Company's compliance system resulted in a 56.2% increase in percentage of staff trained.

Board of Directors training in 2022 was imparted by an external expert on anti-money-laundering and counter terrorist financing.

Ethics Channel

The Company has an Ethics Channel set up for employees and/or stakeholders to report potential breaches, anonymously, with guarantees that no actions or retaliation will be taken against any whistleblower acting in good faith. All notices are analysed rigorously and treated with utmost secrecy and confidentiality.

OHLA Group's Ethics Channel is available on the corporate intranet, the Company's website and by post:

- **Intranet:** OHLA Link
- <https://canaletico.ohla-group.com/default.aspx>
- **Post:** Ethics Reporting Channel of the OHLA Group – Compliance Management. Pº de la Castellana, 259D Torre Emperador. 28046 Madrid, Spain.

The Audit and Compliance Committee ensures that any communications received are properly handled and treated in accordance with the applicable internal procedure. The Company is also responsible for conducting disciplinary, sanctioning and judicial proceedings, as appropriate, until a complaint is resolved.

In 2022, a total of 36 communications of potential breaches of the Code of Ethics (as well as various queries) were received. Of these, 26 were made through the Ethics Channel and the other 10 through other channels. Of the complaints, 20 were investigated and 16 dismissed as they did not represent violations of the Code of Ethics. Most of the complaints investigated relate to violation of employee rights and irregularities related to suppliers or subcontractors.

All complaints accepted were duly investigated and all queries answered, in line with the internal procedures in place. At year-end, four were still being investigated.

Compliance system risks and controls

OHLA has a criminal and competition risk assessment procedure - reviewed and updated on an ongoing basis - for identifying potential crimes that could be committed in each activity carried out by the organisation's different functional areas and evaluating the risk of crime being committed and the related controls to prevent those crimes.

It also uses an internal corporate tool (the governance, risk and compliance or GRC tool) to monitor the controls associated with each criminal risk identified. Campaigns for reporting controls by the related officers are conducted every six months. All incidents reported by them are assessed and the appropriate remedial steps are then determined. The findings of this monitoring are reported periodically to the Audit and Control Committee and the Management Committee.

Compliance system certification

In line with its proven commitment to a business model based on transparency and good governance, in 2022 OHLA renewed the certifications of its Anti-Bribery and Criminal Compliance management systems, which were first obtained in 2019. After a thorough audit was conducted to verify the measures implemented, both certifications were renewed for Obrascón Huarte Lain S.A. and 11 of their subsidiaries, including OHLA Sucursal Perú.

These certifications confirm that OHLA's compliance system is aligned with the requirements of the ISO 37001: Anti-corruption Management System and UNE 19601: Management System for Criminal Compliance standards. By means of these certifications, OHLA confirms its commitment to uphold a culture of rigorous ethics and compliance and to maintain and continuously improve its criminal compliance and anti-bribery management systems.



Third-party due diligence

A full due diligence process is carried out on third parties (including screening against sanctions lists and analysing news related to incidents in different areas related to compliance with national and international laws and regulations) to identify indications or events at the third party that could pose a risk of compliance with national and international laws and regulations. There is an internal IT tool, called Guardian-DD3P to perform this.

In addition to this process, the third party is asked to provide a compliance statement of responsibility and minimum basic principles regarding legal, ethical and responsible compliance obligations on the part of the third party are included in agreements and contracts governing the relationship with OHLA in compliance with applicable anti-corruption, criminal compliance, competition, quality, health, safety and environment (QHSE), human rights, and anti-money laundering and financing of terrorism laws, not to mention compliance with any other applicable law and/or regulation.

Main actions

- Annual review of the criminal risk assessment.
- Two half-yearly self-assessments of certifications of criminal risk controls (more than 700 internal controls assessed).
- Implementation of the compliance system at two subsidiaries.
- Development of a new compliance training cycle for 2022-2024.
- Training at OHLA School (24 courses) on the Code of Ethics, the Anti-corruption Policy, Crime Prevention and Competition, in Spain and at international subsidiaries/branches. The number of trainees increased by 56.18%.
- 428 third-party due diligence assessments conducted using the Guardian tool (assessments of customers, partners, agents and subcontractors/suppliers).

Human rights

Protection and respect for human rights is one of the hallmarks of OHLA's management model and an aspect that the Company manages from different angles.

For almost 20 years now, the Company has been adhered to the Universal Declaration of Human Rights and the Global Compact, both promoted by the United Nations; to the International Labour Organization (ILO) Tripartite Declaration on Fundamental Principles and Rights at Work; and to the OECD Guidelines.

On the regulatory front, OHLA's Code of Ethics explicitly states that all actions undertaken by the Group and its members shall scrupulously respect the human rights and civil liberties enshrined in the United Nations Universal Declaration of Human Rights. This commitment was further reinforced in 2017 following the adoption a specific human rights policy. Any eventual human rights abuse perpetrated by any of the Company's stakeholders can now be reported through the ethics reporting channel provided for in the Code of Ethics. Meanwhile, all suppliers must show compliance with the Ten Principles of the Global Compact before they can be approved.

On the governance front, the Audit and Compliance Committee is the highest body responsible for ensuring compliance with human rights at OHLA. It carries out its control and monitoring duties through the Internal Audit department. In 2022, audits were performed on the following projects: Follo Line in Norway, Cúcuta aqueduct in Colombia, Metro Line 1 extension work in Panama, Los Llanos photovoltaic plant in Spain, Aerocafé F1 in Colombia, Consorcio Metropolitano Norte in Peru and repurposing of the national medical legal service's main building in Chile.

None of these audits revealed any incidents, although certain action plans were drawn up to:

- Strengthen communication campaigns on the Code of Ethics in projects and raising awareness of the importance of human rights compliance at all levels.
- Work harder to improve the protocol for addressing any non-compliances that are detected.
- Ensure that each workplace has a copy of the human rights form and that this is filled in by the most senior officer there.

In addition, the Sustainability department carries out a specific human rights assessment every two years with a Group-wide scope. The latest campaign, launched in November in 2021, involved a review and update of the questionnaire, which now features a total of 75 questions divided into the following blocks: working hours, remuneration and rest, impact on the community, health and safety, forced labour, child labour, freedom of association, non-discrimination, fair treatment and supply chain.

Following a country risk analysis, the questionnaire was sent to more than 70 OHLA projects, sites and fixed centres located in 17 countries and belonging to the Construction, Industrial and Services business lines.

In addition, the incidents detected were not significant, with most related to dialogue with communities, lack of awareness of the Harassment Protocol or the Ethics Channel, or the absence of a specific clause insisting that suppliers adhere to the Global Compact before they may be approved. This illustrates OHLA's firm commitment to compliance and respect for human rights.

In response to the results, we began working at the end of 2022 on the self-assessment that will be conducted at the end of 2023. Here, we would note that one of the objectives is to gradually add the agents in the Group's supply chain to these assessments.

In 2022, we continued to provide training to our people on human rights through training on the Company's compliance and ethical values: Code of Ethics, Anti-corruption Policy and Crime Prevention System, as noted previously. Other plans in 2023 include reinforcing training on human rights. Topics will include the benchmark framework for human rights and new applicable laws and regulations, the Global Compact initiative or obligations assumed by OHLA in relation to human rights.

Physical security (surveillance) of facilities is provided by duly accredited and authorised external personnel. Part of their training includes issues related to private security legislation, basic rights of people and human rights.

Risk management model

In order to detect risks to our business objectives suitably in advance, OHLA uses an internal control framework based on the COSO³ model (Committee of Sponsoring Organizations of the Treadway Commission), which is widely used and accepted in international financial environments. The guiding principles of the model are set out in the Risk Control and Management Policy⁴:

- Act in accordance with the law at all times, and with the values and standards set out in the Code of Ethics and OHLA's regulatory framework.
- Act in accordance with the level of the risk tolerance defined by OHLA.
- Embed risk and opportunity control and management into the Group's business processes and its strategic and operational decision-making.
- Manage the information generated regarding risks in a manner that is transparent, proportionate and appropriate, and communicate this information on a timely basis.
- Establish and maintain a risk-aware culture.
- Incorporate risk control and management best practices and recommendations.

3. COSO ERM framework, "Enterprise Risk Management- Integrating with Strategy and Performance", published in September 2017 by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

4. Updated and adopted by the Board of Directors at its meeting of 10 November 2021.

The Risk Control and Management Policy focuses on experience, best practices and good corporate governance recommendations, and contributes to ongoing improvement in business performance.

OHLA's Internal Control System, following international best practices, is based on combined assurance around the so-called "three lines of defence" through an integrated approach:

The **first line** of defence focuses on operational and associated risk management, ensuring compliance with laws, regulations and ethical guidelines, and OHLA's internal rules and procedures. The Company's management is responsible for maintaining effective control aligned with objectives and strategy, acting on risks efficiently and continuously. It also fosters a culture that encourages ethical conduct and accountability, and ensures respect of the risk control defined by the organisation's administrative bodies, overseeing risk management while being accountable for such oversight.

The **second line** comprises activities to ensure risk management, such as drafting rules and guidelines, and supporting and supervising the effectiveness of risk management. This falls to the **Compliance Department** and the **Corporate Risk and Internal Control Department**. Specifically, the **Compliance Department** has the following functions:

- To identify legal risks, especially those that arise from the criminal liability of legal persons or entail reputational risks or infringe on free market competition.
- To promote implementation of the processes necessary to avoid legal breaches related to criminal or reputational, or antitrust risks, minimising the cases of criminal liability at the Company, thereby actively contributing to preventing, detecting and stopping criminal or anti-competitive behaviour.
- To promote a clear organisational culture, shared by OHLA employees at all levels, that avoids conduct that could give rise to any criminal liability or anti-competitive sanctions on the Company, its executives and directors.
- To oversee the correct application of the Crime Prevention and Antitrust compliance programme.
- To establish, in an objective and demonstrable manner, control and oversight measures aimed at avoiding this conduct by employees at all levels and propose the disciplinary measures that would be taken if this conduct were to take place.
- To ensure, in conjunction with other departments, that there is a set of rules, policies and regulations that reasonably guarantees the reliability of the financial information and compliance with the laws, regulations and policies that apply to OHLA.
- To inform, periodically, the Secretary of the Board and the Audit and Compliance Committee on execution of the Annual Action Plan with regard to its management and the actions carried out in the areas of Crime Prevention and Antitrust.
- To establish measures to prevent criminal acts in the following areas:
 - Anti-corruption: crimes of private corruption, bribery and corruption in international trade transactions.
 - Competition: any act that infringes on free market competition, by disseminating the values and principles of the Compliance Policy and Guidelines regarding competition and, therefore, the Antitrust Compliance Programme.
 - Cybercrimes: hacking crimes, disclosure of trade secrets and similar offences.
 - Control over the preparation of financial information: investor fraud crimes.
 - Market abuse and share price manipulation.

- Non-compliance with Spain’s Personal Data Protection Law (Ley Orgánica de Protección de Datos or “LOPD”) and the privacy protection regulations.
- Money-laundering.
- Fraud to obtain government grants and aid.
- Offences against natural resources and the environment.
- Workplace harassment.
- To enforce the Code of Ethics and propose modifications to adapt to amendments to the legal framework prevailing at any given time, ensuring the dissemination and awareness of the Code within OHLA.
- To propose the approval of the internal regulations implementing the Code of Ethics, which include a disciplinary system for breaches.
- To process complaints received via the Ethics Channel.
- To promote and oversee activities to raise awareness about the Code of Ethics and understanding the Group’s crime prevention and antitrust control system.

The main actions conducted in 2022 are described in the Ethics and Compliance section of this Report.

The core functions of the **Corporate Risk and Internal Control Department** are:

- To coordinate, guide and support the strategic, operational, organisational and regulatory actions related to risk management across the entire Group.
- To assist the Board of Directors and define the Group’s risk appetite in its various categories and articulate it in the appropriate rules and procedures.
- To lay down the methodologies and tools for preparing the Group’s annual risk map and, through its preparation and updating, lead the process for identifying and assessing the risks to which OHLA is exposed in carrying out its operations.
- To establish the procedures, methodologies and tools to enable the first line to act at any given time in accordance with the risk control in place, offering the necessary support and overseeing their operation. This implies:
 - Drawing up, implementing and updating, in conjunction with the various areas, the risk management procedures considered appropriate within the Group for the operational management of its risks according to best market standards.
 - Providing the necessary tools and methodologies for controlling and managing project risks (financial and non-financial).
 - Attending guarantee, procurement and investment committee meetings to ensure that the risk tolerance levels approved by the Group’s Board of Directors are not breached.
 - Disseminating, distributing and keeping up to date OHLA Group’s ‘red lines’.
 - Making available the necessary tools and methodology for conducting third-party due diligence (TPDD) to assess the risks the Group facing in its relationships with third parties (e.g., customers, partners and suppliers/subcontractors).
 - Classifying regularly the country risk used by the Group as a reference for carrying out its operations.
- Preparing, documenting and maintaining the Internal Control System, compliance with which by OHLA’s various business areas ensures mitigation of the risks inherent to operating and financial and non-financial reporting processes, and ensuring its continuous improvement.

- Periodically reporting to the Secretary of the Board and the Audit and Compliance Committee on execution of the Annual Action Plan with regard to its management and on the main risks identified and the monitoring of the mitigation measures put in place.

On this front, the Audit and Compliance Committee promotes improvement of the risk management system, which is one of OHLA’s top priorities. Therefore, in 2022, the Corporate Internal Risk and Control Department made inroads into several lines of action, including:

- Reviewing and drafting standards and procedures to reinforce control over the life cycle of projects, by standardising their management, and of risks in the Company’s operating process, by unifying criteria, approaches and tools among all areas involved.
- Laying the foundations for easier and more effective monitoring of ongoing projects.
- Preparing the centralised information repository environment to enhance business intelligence and allow adequate data analytics to identify underlying risks and detect trends that could result in an early warning system to enhance control and management of the Group’s risks.
- Updating the risk map.
- Permanently updating the country risk model.

In 2023, OHLA will continue to assess the risks and opportunities it faces, proactively taking the necessary steps to mitigate their impact and/or probability of occurrence and implementing an early warning system to enhance the control and management of the Group’s risks. It will also be committed to performing data analytics to assist the Company’s strategic decision-making based on historical data and future forecasts.

Additional information on risks in 2022 is provided in section E.5 of the Annual Corporate Governance Report.

The **third line**, carried out by the Internal Audit Department, is to be accountable to the governing bodies and must be independent of Senior Management so as to provide impartial objective advice and, where necessary, putting in place the necessary safeguards to achieve this. The Internal Audit Department is subject to the policies established by the Company’s Board of Directors through its Audit and Compliance Committee. Its duties are set out in the [Regulations of the Board of Directors](#).

Specifically, over the course of 2022 the Internal Audit Department conducted audits in all OHLA business lines in most of the countries where it operates, in line with its annual planning. The scope of the audits mainly covers:

- Construction work and Industrial projects.
- Management of cleaning projects, maintenance and home care services (HCS) of the Services division.
- Obtainment of indicators and alerts on specific parameters.
- Data quality (relevant management data).
- Procedures and policies in Pacadar, an OHLA subsidiary.
- Achievement of targets linked to bonus pay.
- Anti-bribery Management System.
- Crime Prevention System.
- Internal Control over Financial Reporting (ICFR) system.
- Anti-Money Laundering System
- Competition Compliance System.

- On-site Purchases.
- Procedures related to litigation and claims/grievances.
- Assessment and evaluation of the impact of general price inflation.
- Engagement of Disadvantaged Business Enterprises (DBEs) in the United States.

The Internal Audit Department has a fraud prevention and investigation unit, which undertook engagements throughout 2022. The Department also continued to review ESG (Environmental, Social and Governance) issues, including those related to human and indicators rights compliance⁵ and environmental indicators. For key recommendations or corrective actions, Internal Audit regularly follows up with the members of the Management Committee and in its Annual Internal Audit Report submitted to the Audit and Compliance Committee.

The Group also has an Internal Control over Non-financial Reporting (ICNFR) system designed to provide reasonable assurance to the reliability of the most important non-financial information reported.

Main risks

OHLA's business is exposed to specific internal factors that affect the Company alone and to external factors that may also have an impact on other companies in the industry.

Internal factors include the financial restructuring and rebranding carried out during 2021 the results of which started becoming apparent in 2022. Meanwhile, key external factors in 2022 include the fallout from the Russia-Ukraine war.

The inflationary trend initiated in 2021 in energy, fuel, commodity and logistics costs due to the post-Covid rebound spiralled and reached a wider range of products in 2022.

Other highlights for the year included changing political landscapes in our markets, leading to uncertain scenarios regarding public works volumes going forward and the types of contracts (e.g., more public-private partnerships).

Following is a description of the main financial and non-financial risks identified in 2022 and the main control measures implemented to mitigate their impact and/or probability of occurrence.

RISK	DESCRIPTION	CONTROL MECHANISMS
Personnel risk	Personnel risk relates to the organisation's ability to attract the right people and to detect, retain, develop and utilise internal talent.	<p>This is a risk affecting companies in all sectors in several geographical areas.</p> <p>OHLA's policy on personnel management and talent attraction/retention is a key priority in continuing to ensure the best possible expertise of its employees. Significant efforts were made in 2022 on this front, which included:</p> <ul style="list-style-type: none"> ● Improving employees' in-kind benefits and variable remuneration of staff that were not included in this scheme. ● Implementing remote working models. ● Developing specific training and talent management programmes. ● Introducing a new skills-based appraisal model for employees' career development.
Financial risks	Financial risks are risks that affect mainly the Group's ability to raise the necessary financing when required and at a reasonable cost, and to maximise its available financial resources. The most important of these are interest rate, exchange rate, credit and liquidity risks. It also includes risks related to obligations assumed with noteholders and financial institutions.	The financial restructuring process resulted in the necessary restoration of the Group's financial equilibrium, with stronger capital, increased liquidity and lower debt. Work is still ongoing to achieve sustained operating cash flow generation and pay down debt, thereby reducing restrictions to the Group's capacity and freedom to act, while control mechanisms have been put in place to minimise the risk of breaching covenants.
Price volatility and resource scarcity risks	<p>OHLA is exposed to the risk of shortages of human resources, subcontractors and suppliers, especially in markets where expansive public works measures are causing the sector to overheat, adding an additional inflationary impact to general inflation.</p> <p>The volatility of certain cost components, such as labour (cost over-runs by wage increases driven by inflation, collective bargaining agreements, changes in legislation, etc.) or raw materials, energy and fuel. There might also be shortages or logistics disruptions that could cause delays in deliveries or the provision of goods and services.</p>	OHLA Group must cope with inflationary effects by adequately estimating trends in costs according to leading research organisations, maximising the opportunities to raise prices offered by some administrations in different countries, and working industry-wide with the highest level of governmental representation by introducing more cutting-edge tendering models that promote a more just sharing of risks.

5. For further information on the human rights assessment process, see section 3.3.1. People — Human rights.

RISK	DESCRIPTION	CONTROL MECHANISMS
Project risk	Project risk is defined as the risk of project cost over-runs, delays and quality issues and the potential breach by a customer of its contractual obligations, e.g., the delay or failure to recognise work performed or a restoration of financial equilibrium that affects profitability.	To mitigate this risk, it is a key priority for OHLA to permanently monitor its projects from a technical and economic standpoint, and to analyse their status so that the necessary steps can be taken to correct any deviation. Accordingly, in 2022 it drafted new rules and procedures to standardise risk management based on the know-how acquired and best market practices. Moreover, as part of its digitalisation and new technologies drive, the Group has laid the foundations for more efficient monitoring and tracking on ongoing projects.
Organisational structure and culture risk	Organisational structure risks can undermine efficiency and the achievement of objectives. These also include culture-related risks that can affect how the organisation runs.	OHLA is committed to instilling an agile management philosophy in its projects and internal initiatives, and to optimising and digitalising its operating processes and decision-making.
Market, geopolitical and economic risks	Political unrest or changes in the legal and regulatory environment in countries where OHLA operates can have significant impacts on the Company's ability to achieve its business objectives. Changes in foreign exchange rates and interest rates can affect both OHLA's expected margins on projects and the investment decisions of market agents. Meanwhile, political and territorial disputes among EU Member States add a further element of uncertainty.	OHLA focuses its business on geographic areas considered stable and in which it has a permanent presence so that mitigating measures can be put in place in the event that any of the aforementioned risks materialise. Accordingly, it keeps a close eye on country risk and looks at possibly expanding the business into other markets with bright business opportunities only after a thorough risk assessment. The risk policy section in the financial statements describes the measures taken on financial issues.
Image and reputational risk	Image and reputational risk is the risk of a potential negative impact on OHLA's public image and how it is perceived in the marketplace. It refers particularly to the organisation's loss of financial solvency and technical, operational, ethical, social and environmental as regards its stakeholders. Included are risks of lax management, a smear campaign or manipulation of information by the media, lobbyists, former employees or other stakeholders where the allegations are not consistent with any wrongdoing by the organisation.	OHLA has standards, processes and tools in place to assess the external and internal behaviour of third parties, including their social and environmental responsibility and financial and technical performance. These mechanisms also show whether they are included on sanctions lists, thus providing valuable insight into the third party before any contractual commitments are assumed. OHLA also has a Code of Ethics that everyone within the organisation must abide by, including an Ethics Channel. The Company has zero tolerance of corruption. OHLA and various Group companies have ISO 37001 (Anti-Bribery Management System) and UNE 19601 (Management System for Criminal Compliance) certification. The improvement in the Company's reputation is evident in its footprint markets.

RISK	DESCRIPTION	CONTROL MECHANISMS
Systems and cybersecurity risk	Market and business trends, with continuous and rapid changes, requires adapting systems to new realities quickly. This poses a risk for the Group if it does not have optimal systems. This group of risks includes the risk that the technologies used in the business will not support current and futures needs efficiently and effectively and/or not operate as originally intended. They include a risk that systems' design, acquisition/construction, development, timing and operation will not satisfy the Company's needs. The include cyber-attacks and data leakage risks.	OHLA analyses all the Group's systems to improve the reliability and efficiency of information processes, while keeping close track of the market to find the most innovative solutions. A management system plan is being devised to upgrade certain corporate systems. OHLA has procedures in place for security risk management, personal data privacy, IT system vulnerability management, security incident response and information restoration to ensure the protection of IT assets and preserve information security. It also continues to implement measures to protect employees' assets, communication networks and IT systems in order to raise the level of security, in aspects such as anti-ransomware protection, monitoring of communications and data back-ups, thus enabling the recovery of systems and data in the event of a serious incident. Constant threats in the field of technological security include attempted attacks which are either stopped by the protection and detection mechanisms in place or, if they do manage to bypass these controls, are effectively mitigated without having a significant impact, thanks to the level of employee awareness and the process of responding to security incidents. Continuous employee awareness and training is provided on this front.
Litigation and arbitration risk	This is the risk that the outcome of lawsuits or arbitration proceedings related to disputes with customers, business partners or suppliers will have negative consequences for OHLA's interests. Increasing litigation is an industry trend being seen in several markets.	OHLA continuously monitors lawsuits and arbitration proceedings to defend its rights. It also continues to work on strengthening the contractual, risk and document management of projects to mitigate the consequences of these events or prevent them from occurring in the first place.
Risk of measurement of assets and liabilities in the statement of financial position	This is understood as the risk of a decrease in the value of assets or an increase in the value of liabilities on the statement of financial position. This is a material risk due to the inflationary impacts and potential scenarios of recession.	The Group has studied and evaluated the assumptions underlying the economic models for its main assets. Section E.5 of the Company's Annual Corporate Governance Report describes the measures taken to mitigate this risk.

Other risks worth highlighting for their implications and possible impact on the achievement of the Company's objectives, but that, because of the level of management and control are considered to have a smaller impact, include:

RISK	DESCRIPTION	CONTROL MECHANISMS
Risk of climate change and natural disasters	<p>OHLA has a direct impact on the environment, e.g., through its consumption of natural resources and energy, and also an indirect impact. It is fair to say that there are two types of climate change risks that impact OHLA:</p> <ul style="list-style-type: none"> Physical risks, which are those arising from the increasing severity and frequency of extreme weather events or from a gradual and long-term change in the Earth's climate. These risks can affect businesses directly through damage to assets or infrastructure, or indirectly by disrupting their operations or making their activities no longer viable. Transition risks, meaning those risks associated with the transition to a low-carbon economy in response to climate change, arising from changes in legislation, the market, or consumers, among others, to mitigate and address the requirements of climate change. 	<p>OHLA has an environmental management strategy focused on the responsible use of natural resources, the circular economy, the protection and conservation of biodiversity and the fight against climate change. It is certified annually by a third party in accordance with the ISO 14001 standard. In addition to this responsible behaviour and to protect itself from natural disasters, OHLA has arranged the necessary insurance coverage, ensures contractual management with customers and has a local presence in all the countries where it operates.</p> <p>It should be noted that OHLA will continue to follow the recommendations of the TCFD (Task Force on Climate-related Financial Disclosure), which focus on four areas: governance, strategy, risk management, and metrics and targets.</p> <p>An initial diagnosis was carried out in late 2021 with the assistance of an independent third party, to find out where OHLA stood with regard to this matter. Work has begun on drawing up a roadmap for each of the recommendations with specific courses of action for the next two years classified according to their complexity and priority.</p> <p>For further information on climate change risk management, see the "Our climate action strategy" section and Appendix IV.</p>
Occupational risks	Occupational risks are defined as the inadequate management and prevention of risks that may lead to occupational accidents.	One of OHLA's key policies is the prevention of occupational risks and to succeed in this task it runs an Integrated Management System (IMS) that complies with the ISO 45001 standard on Occupational Health and Safety Management Systems.
Risks of human rights abuses	These are risks associated with the violation of fundamental rights and freedoms of individuals.	<p>The Company has a set of internal regulations, including the Human Rights Policy and the Code of Ethics. Stakeholders such as employees, suppliers or the local community can report human rights abuses through the Code of Ethics.</p> <p>OHLA carries out regular assessments of human rights compliance, both at its fixed centres and at work sites, and the Internal Audit Department reviews compliance as part of its audit plans. Company employees also undergo regular training in the subject.</p> <p>Meanwhile, all suppliers must show compliance with the Ten Principles of the Global Compact before they can be approved.</p>

Our performance

Statement of profit or loss

	2021	2020	VAR. (%)
Revenue	3,259.7	2,778.6	17.3%
Other operating income	98.5	125.7	-21.6%
Total operating income	3,358.2	2,904.3	15.6%
Margin, %	103.0%	104.5%	-
Operating expenses	-2,347.1	-1,998.4	17.4%
Staff costs	-897.0	-814.7	10.1%
EBITDA	114.1	91.2	25.1%
Margin, %	3.5%	3.3%	-
Amortisation and depreciation	-82.6	-77.4	6.7%
Provisions	14.3	10.7	33.6%
EBIT	45.8	24.5	86.9%
Margin, %s	1.4%	0.9%	-
Finance income and costs	-59.6	26.4	N/A
Remeasurement of financial instruments at fair value	0.2	-10.8	N/A
Exchange differences	-20.9	2.6	N/A
Impairment and gains/(losses) on disposal of financial instruments	-21.8	2.3	N/A
Financial profit/(loss)	-102.1	20.5	-
Share of profit/(loss) of companies accounted for using the equity method	-4.5	-2.7	66.7%
Profit/(loss) before tax	-60.8	42.3	N/A
Margin, %	-1.9%	1.5%	-
Income tax expense	-32.7	-36.2	-9.7%
Resultado del ej. procedente de op. continuadas	-93.5	6.1	N/A
Margin, %	-2.9%	0.2%	-
Profit/(loss) after tax for the year from discontinued operations	0.0	0.0	n.m.
Consolidated profit/(loss) for the year	-93.5	6.1	N/A
Margin, %	-2.9%	0.2%	-
Non-controlling interests	-3.3	-0.2	n.m.
Non-controlling interests of discontinued operations	-3.3	-0.2	n.m.
Profit/(loss) attributable to the parent	-96.8	5.9	N/A
Margin, %	-3.0%	0.2%	-

EUR m

Consolidated statement of profit or loss

The Group's revenue in 2022 rose by 17.3% year-on-year to EUR 3,259.7 million euros, driven mainly by the increase in Construction output. Of total revenue, 70.6% was obtained abroad. The distribution of revenue by geographical area shows that Europe accounted for 47.3% (29.4% in Spain), North America for 35.4% and Latin America for 16.4%.

Total operating income increased by 15.6% to EUR 3,358.2 million.

EBITDA rose by 25.1% to EUR 114.1 million from EUR 91.2 million in 2021, leaving an EBITDA margin of 3.5%.

EBIT rose by 86.9% to EUR 45.8 million, leaving an EBIT margin of 1.4%.

Financial loss for the year amounted to EUR 102.1 million, compared to financial profit in 2021 of EUR 20.5 million, which included proceeds from the financial restructuring carried that year. The breakdown is as follow:

- Net finance expense amounted to EUR 59.6 million, compared to net finance income of EUR 26.4 million the year before, mostly because of the accounting effect of the recovery in fair value of the notes and loan arrangement expenses. As explained previously, the figure for 2021 included EUR 78.2 million of income related to the financial restructuring.
- Exchange differences amounted to a loss of EUR 20.9 million compared to a gain of EUR 2.6 million the

year before owing to fluctuations in the exchange rate of certain Latin American currencies (Chilean and Colombian peso) and the US dollar, Norwegian and Czech krone and pound sterling.

- Impairment and gains/(losses) on disposal of financial instruments amounted to a negative EUR 21.8 million and included mainly the write-down to the investment in the Centro Canalejas Project of EUR 34.5 million (see Investments accounted for using the equity method) and others.

The share of loss of companies accounted for using the equity method totalled EUR 4.5 million, compared to EUR 2.7 million the year before.

Loss before tax was EUR 60.8 million, equal to 1.9% of revenue, compared to profit of EUR 42.3 million in 2021, which was affected by the income from the Group's restructuring (write-off/fair value of the notes).

Loss attributable to the parent amounted to a loss of EUR 96.8 million, compared to a profit of EUR 5.9 million in 2021. The result for 2022 was adversely affected by three negative impacts: the impact of the financial restructuring in 2021 on fair value (EUR 20.9 million), exchange differences in the year (EUR 20.9 million) and the write-down to the interest in Centro Canalejas Madrid made in June (EUR 34.5 million).

Consolidated statement of financial position

	12/31/2021	12/31/2020	VAR. (%)
Non-current assets	830.0	842.9	-1.5%
Intangible assets	176.5	194.0	-9.0%
Concession infrastructure	10.7	0.7	n.m.
Property, plant and equipment	262.0	222.9	17.5%
Investment properties	4.2	4.3	-2.3%
Investments accounted for using the equity method	150.0	167.2	-10.3%
Non-current financial assets	136.4	145.0	-5.9%
Deferred tax assets	90.2	108.8	-17.1%
Current assets	2,364.3	2,219.5	6.5%
Non-current assets held for sale	28.8	32.5	-11.4%
Inventories	107.1	100.2	6.9%
Trade and other receivables	1,463.5	1,196.5	22.3%
Other current financial assets	232.4	334.8	-30.6%
Other current assets	63.2	48.0	31.7%
Cash and cash equivalents	469.3	507.5	-7.5%
Total assets	3,194.3	3,062.4	4.3%
Equity		620.4	-10.2%
Capital and reserves	557.3	654.1	-14.5%
Share capital	559.2	147.8	0.0%
Share premium	147.8	1,328.1	0.0%
Reserves	1,328.1	-827.7	-0.9%
Profit/(loss) for the year attributable to equity holders of the parent	-819.9	5.9	N/A
Valuation adjustments	-96.8	-29.8	-97.3%
Equity attributable to equity holders of the parent	-0.8	624.3	-10.6%
Non-controlling interests	558.4	-3.9	-71.8%
Non-current liabilities	-1.1	675.8	-4.5%
Deferred income	645.6	0.3	N/A
Non-current provisions	0.0	64.0	6.4%
Non-current financial debt*	68.1	488.0	-11.5%
Other non-current financial liabilities	432.1	24.9	82.7%
Deferred tax liabilities	45.5	75.3	-10.9%
Other non-current liabilities	67.1	23.3	40.8%
Current liabilities	32.8	1,766.2	12.8%
Liabilities associated with non-current assets held for sale	1,991.4	0.0	N/A
Current provisions	0.0	197.3	-9.3%
Current financial debt*	178.9	35.5	0.0%
Other current financial liabilities	35.5	15.9	20.8%
Trade and other payables	19.2	1,302.8	18.1%
Other current liabilities	1,538.3	214.7	2.2%
Total equity and liabilities	219.5	3,062.4	4.3%

EUR m

* includes bank borrowings + Notes

Changes in the statement of financial position

The main consolidated statement of financial position headings as at 31 December 2022 and comparisons with 31 December 2021 are as follows:

Intangible assets: balance of EUR 176.5 million, down a net EUR 17.5 million from the year before, due mostly to the amortisation of the customer portfolio allocated to the North American companies and Pacadar Group and exchange gains.

Concession infrastructure: the balance of this item already decreased in 2021 from the sale of Sociedad Concesionaria Aguas de Navarra, S.A. In 2022, it included assets under construction of Sociedad Concesionaria Bio-Bío.

Investments accounted for using the equity method: the balance of this item stood at EUR 150.0 million, compared to EUR 167.2 million as at 31 December 2021. The most significant investment included under this item is Centro Canalejas Madrid, a 50%-owned OHLA Group subsidiary valued at EUR 127.6 million after the write-down recognised in June this year. In addition to this amount, the Group has a EUR 54.2 million subordinated loan in favour of OHLA (recognised under “Non-current financial assets”), leaving the total investment at EUR 181.8 million.

Non-current financial assets: the balance stood at EUR 136.4 million and included the loan to Centro Canalejas Madrid and the remaining value of the investment in the company in liquidation, Cercanías Móstoles Navalcarnero, of EUR 50.3 million. The difference from December 2021 was mostly due to the collection of the debt from the sale of the Old War Office Project (UK).

Non-current assets held for sale: the balance amounted to EUR 28.8 million and relates entirely to OHLA Group’s 25% ownership interest in Health Montreal Collective, the concession operator of Centre Hospitalier de l’Université de Montréal (CHUM). On 19 October 2022, the Group disclosed to the market that since a year had elapsed without the conditions precedent of the agreement for the sale of the stake held in that concession being met, it considered the sale agreement terminated. OHLA Group has continued to actively manage the sale of its stake in CHUM, expecting a sale to materialise over the course of 2023.

Trade and other receivables: the balance totalled EUR 1,463.5 million, representing 45.8% of total assets.

Progress billings receivable amounted to EUR 593.3 million (2.2 months of sales), compared with EUR 504.4 million (2.2 months of sales) at 31 December 2021.

Amounts to be billed for construction work performed totalled EUR 570.9 million (2.1 months of sales), compared with EUR 418.9 million at 31 December 2021 (1.8 months of sales).

Trade receivables decreased by EUR 59.3 million (2021: EUR 53.5 million) due to the trade receivables factored without recourse.

Other current financial assets: the balance totalled EUR 232.4 million (2021: EUR 334.8 million), of which EUR 176.2 million are restricted assets, mainly the restricted deposit of EUR 155.6 million securing the Multiproduct Syndicated Facilities Agreement. The balance also includes EUR 17.8 million of proceeds from Old War Office, which the Group will earmark primarily for early redemption of the note, as stipulated in the restructuring agreements. The tender offer was launched in February 2023.

Also included are EUR 43.9 million as performance bonds for certain projects being carried out in the US.

Other current assets: the balance amounted to EUR 63.2 million, up EUR 15.2 million from 31 December 2021, due mostly to accruals (i.e., prepayments and other).

Cash and cash equivalents: the balance stood at EUR 469.3 million, of which EUR 185.8 million related to the temporary business associations or joint ventures (UTES) in which the Group has interests.

Equity attributable to equity holders of the parent: EUR 558.4 million at year-end 2021, representing 17.5% of total assets and down EUR 65.9 million from 31 December 2021, due primarily to the net impact of:

- Net attributable loss for 2022 of EUR 96.8 million.
- Valuation adjustments of EUR 29.0 million for translation differences.
- Other minor variations.

Financial debt: comparison between debt as at 31 December 2022 and 2021 is as follows:

GROSS DEBT ¹	31/12/2022	%	31/12/2021	%	% CHANGE	CHANGE
Recourse debt	467.6	100.0%	523.5	100.0%	-10.7%	-55.9
Non-recourse debt	0.0	0.0%	0.0	0.0%	0.0%	0.0
Total	467.6	-	523.5	-	-10.7%	-55.9

EUR m

(1) Gross debt includes non-current and current financial debt, which comprises bank borrowings and notes.

NET DEBT ²	31/12/2022	%	31/12/2021	%	% CHANGE	CHANGE
Recourse debt	-232.1	99.1%	-317.9	99.7%	-27.0%	85.8
Non-recourse debt	-2.0	0.9%	-0.9	0.3%	122.2%	-1.1
Total	-234.1	-	-318.8	-	-26.6%	84.7

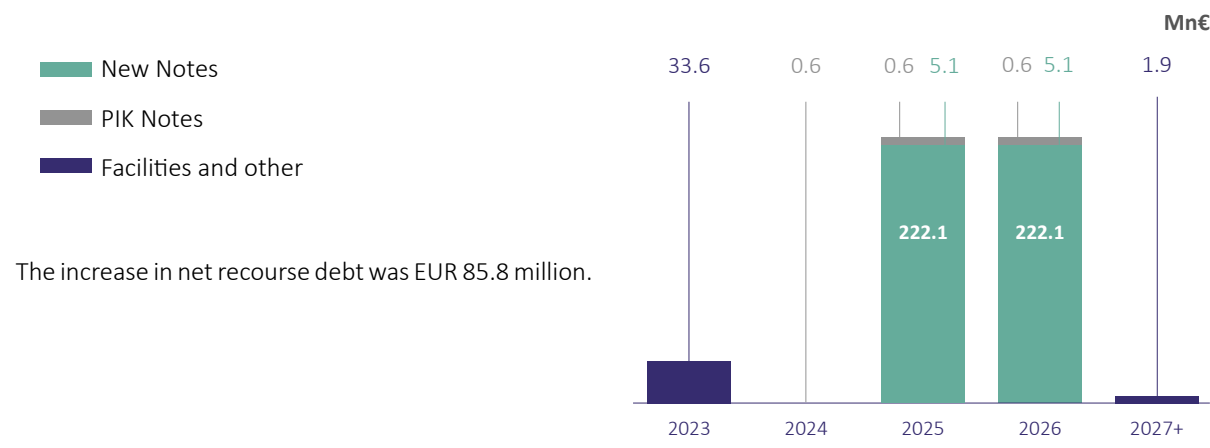
EUR m

(2) Net debt comprises gross borrowings less other financial assets and cash and cash equivalents, which includes EUR 135.6 million reclassified from “non-current” to “current” of loans to Cemonasa and other cash equivalents.

Gross recourse debt decreased by EUR 55.9 million, thanks primarily to:

- The cancellation of the bridge finance loan (ICO) with EUR 54.5 million of principal using the funds received from the company in liquidation, Cercanías Móstoles Navalcarnero.
- Partial redemption of notes, for a nominal amount of EUR 43.1 million using amounts collected from Cercanías Móstoles Navalcarnero.
- Loan facilities taken out by Group companies in North America, with EUR 16.4 million drawn down as at 31 December 2022.
- Change in the fair value of notes issued in the refinancing transaction carried out the year before.

- The maturity schedule of OHLA's notes and remaining gross recourse debt, by nominal amount, is as follows:



Cash flow

The cash flow analysis presented in this section differs in certain cases from the requirements of IAS 7 to better understand business performance:

	2021	2021
EBITDA	114.1	91.2
Adjustments to profit/(loss)	-107.8	-48.8
Financial profit/(loss)	-102.1	-36.2
Share of profit/(loss) of companies accounted for using the equity method	-4.5	-2.7
Income tax expense/(income)	-32.7	-36.2
Changes in provisions and others	31.5	26.3
Operating profit/(loss)	6.3	42.4
Working capital changes	-52.8	-69.2
Trade and other receivables	-267.0	-24.5
Trade and other payables	235.5	-3.6
Other working capital changes	-21.3	-41.1
Operating activities	-46.5	-26.8
Investing activities	-11.0	185.7
Non-controlling interests	2.8	-0.6
Other cash flows from/(used in) investing activities	-17.5	190.4
Non-current assets held for sale and discontinued operations	3.7	-4.1
Change in net non-recourse debt	-1.1	-0.8
Change in net recourse debt	85.8	-351.5
Note refinancing	-27.2	143.2
Net capital increase	0.0	50.2
Cash flows from/(used in) financing activities	57.5	-158.9

EUR m

EBITDA amounted to EUR 114.1 million, marking an improvement from the year before. Adjustments to profit or loss totalled a negative EUR 107.8 million, bringing net cash flows from operating activities to EUR 6.3 million compared to EUR 42.4 million in 2021.

Working capital changes amounted to a negative EUR 52.8 million.

Net cash flows used in operating activities amounted to EUR 46.5 million.

Net cash flows used in investing activities amounted to EUR 11.0 million.

Net cash flows from financing activities amounted to EUR 57.5 million, with a reduction of EUR 1.1 million in the Group's net non-recourse debt and an increase of EUR 85.8 million in net recourse debt. The rest of the difference; i.e., EUR 27.2 million, related to changes in the fair value of the note issues in the 2021 refinancing.

Backlog

OHLA's backlog as at 31 December 2022 stood at EUR 7,034.0 million, 21.1% higher than at 31 December 2021.

The Group's short-term backlog stood at EUR 6,543.9 million, 21.6% higher than at 31 December 2021 and representing 24.1 months of sales. This improvement was due to successful order intake in the year (new contract wins and extensions) amounting to EUR 4,273.7 million, up 15.6% from 2021 (book-to-bill of 1.3x).

The long-term backlog stood at EUR 490.1 million, 14.9% higher than the amount at 31 December 2021.

	31/12/2022	%	31/12/2021	%	% CHANGE
Short-term	6,543.9	-	5,381.0	-	19.4%
Construction	5,807.3	88.7%	4,796.2	89.1%	20.3%
Industrial	116.0	1.8%	75.8	1.4%	-38.2%
Services	620.6	9.5%	509.0	9.5%	28.9%
Long-term	490.1	-	426.5	-	-6.6%
Infrastructure development	490.1	100.0%	426.5	100.0%	-6.6%
Total	7,034.0	-	5,807.5	-	17.0%

EUR m

Project subsidiaries

COMPANY	% STAKE	TOTAL ASSETS	% OF GROUP TOTAL	EBITDA	% OF GROUP TOTAL	GROSS DEBT	(-) CASH	(-) CASH EQUIVALENTS	NET DEBT
OHLA Concesiones, S.L.	100.00%	17.2	0.5%	(0.9)	(0.8%)	-	(-)	-	(-)
Marina Urola, S.A.	51.00%	1.4	0.0%	0.5	0.4%	-	(0.6)	-	(0.6)
Sociedad Concesionaria Hospitales Red Biobío, S.A.	100.0%	20.5	0.6%	(0.3)	(0.3%)	-	(0.2)	(1.0)	(1.2)
Sociedad Concesionaria Centro de Justicia de Santiago, S.A.	100.0%	23.1	0.7%	0.7	0.7%	-	(0.1)	-	(0.1)

EUR m

COMPANY	% STAKE	CARRYING AMOUNT OF INVESTMENT**
Concesionaria Ruta Bogotá Norte S.A.S.	50.0%	-
Parking Niño Jesús-Retiro, S.A.	30.0%	0.9
Nova Dársena Esportiva de Bara, S.A.	50.0%	7.3
Nuevo Hospital de Burgos, S.A.	20.8%	-
Health Montreal Collective Limited Partnership (***)	25.0%	28.8
Torc Sustainable Housing Holdings Limited	5.0%	-
Torc Sustainable Housing Limited	5.0%	-
Cercanías Móstoles Navalcarnero, S.A.	100.0% (*)	50.7
Aeropistas, S.L.	100.0% (*)	-
Autopista Eje Aeropuerto Concesionaria Española, S.A.	100.0% (*)	-

EUR m

(*) Companies that have filed for insolvency proceedings

(**) Includes profit participating and other long-term loans

(***) Classified as held for sale

Alternative performance measures

OHLA Group reports its results in accordance with International Financial Reporting Standards (IFRSs) and also uses the following Alternative Performance Measures (APMs) to enhance readers' understanding and comparability of the financial information. To comply with guidelines issued by the European Securities and Markets Authority (ESMA), we hereby disclose the following:

EBIT: calculated based on the following consolidated statement of profit or loss items: revenue, other operating income, operating expenses, staff costs, amortisation and depreciation, and changes in provisions.

This is a statement of profit or loss item used as a measure of a company's ordinary profitability.

ITEM	DECEMBER 2022	DECEMBER 2021
Revenue	3,259.7	2,778.6
Other operating income	98.5	125.7
Operating expenses	-2,347.1	-1,998.5
Staff costs	-897.0	-814.6
Amortisation and depreciation	-82.6	-77.5
Change in provisions	14.3	10.8
Total EBIT	45.8	24.5

EUR m

EBITDA: operating profit before amortisation and depreciation and changes in provisions.

This measure is used by the Group and by economic and financial analysts as an indicator of the business' cash generation ability.

ITEM	DECEMBER 2022	DECEMBER 2021
EBIT	45.8	24.5
(-) Amortisation and depreciation	82.6	77.5
(-) Change in provisions	-14.3	-10.8
Total EBITDA	114.1	91.2

EUR m

Recourse EBITDA: total EBITDA, including interest income and excluding certain non-recurring losses arising from other expenses, in certain cases with no effect on cash (e.g. contract revision losses, collective redundancy procedures), less EBITDA of project companies, and including dividends paid to the parent by the project companies.

This measure is included in *the Terms and Conditions document of the 2021 Notes issue* as a metric to be provided to issuers.

ITEM	DECEMBER 2022	DECEMBER 2021
Total EBITDA	114.1	91.2
(+) Interest income	14.2	16.1
(-) EBITDA of project companies	0.1	-4.3
(-) Finance income of project companies	-0.1	-
(+) Dividends from project companies	4.1	2.1
(-) Non-recurring expenses	-	-
Total recourse EBITDA	132.4	105.1

EUR m

Project companies: companies designated as such by the Group in accordance with *the Terms and Conditions of the 2021 Notes issue*, for whose debt there is no recourse to the parent, OHL, S.A.

Gross debt: non-current and current borrowings under liabilities on the consolidated statement of financial position, including bank borrowings and bonds.

This is a financial indicator widely used to measure companies' gross leverage.

ITEM	DECEMBER 2022	DECEMBER 2021
Issue of notes and other marketable securities (non-current)	428.4	444.6
Bank borrowings (non-current)	3.7	43.4
Issue of notes and other marketable securities (current)	8.7	9.5
Bank borrowings (current)	26.8	26.0
Total gross debt	467.6	523.5

EUR m

Net debt: gross debt less other current assets and cash and cash equivalents on the assets side of the consolidated statement of financial position.

This is a financial indicator widely used to measure companies' net leverage.

ITEM	DECEMBER 2022	DECEMBER 2021
Gross debt	467.6	523.5
(-) Current financial assets	-232.4	-334.8
(-) Cash and cash equivalents	-469.3	-507.5
Total net debt	-234.1	-318.8

EUR m

Non-recourse debt (gross or net): debt (gross or net) of companies designated as non-recourse by the Group.

This is a measure of the gross leverage of project companies.

Debt with recourse (gross or net): total debt (gross or net) less non-recourse debt (gross or net).

This is a measure of the net leverage of project companies.

Backlog: short-and long-term unearned revenue from contracts awarded. Once they have been formalised, these contracts are included in the backlog and represent the estimated amount of the Group's future revenue.

Short-term backlog: represents the estimated unearned Construction, Industrial and Services revenue, and also includes expected revenue from changes in contracts or additional work estimated on the basis of the percentage of completion of the projects.

Long-term backlog: represents the estimated future revenue of the concessions, over the concession term, based on the related financial plan and including estimates of changes in the exchange rates between the euro and other currencies, inflation, prices, tolls and traffic volumes.

Market capitalisation: number of shares at the end of the period multiplied by the share price at the end of the period.

ITEM	DECEMBER 2022	DECEMBER 2021
Number of shares at end of period	591,124,583	591,124,583
Share price at end of period	0.448	1.020
Market cap (EUR million)	265.1	602.9

EUR m

P/E ratio: share price at the end of the period divided by the earnings per share for the last 12 months.

This indicator is widely used by investors and analysts of listed companies.

ITEM	DECEMBER 2022	DECEMBER 2021
Share price at end of period	0.448	1.020
Earnings per share	-0.16	0.01
P/E ratio	-2.73	80.15

EUR m

The above financial indicators and APMs, used to facilitate a better understanding of the financial information, are calculated by applying the principles of consistency and uniformity, which allows comparability between periods.

Shareholder and investor relations

Stock market data

OHLA's share capital at 31 December 2022 amounted to EUR 147,781,145.75, represented by 591,124,583 shares of EUR 0.25 par value each, all of the same class and series. The share price ended December at EUR 0.45, marking a fall for the year of 56.0%.

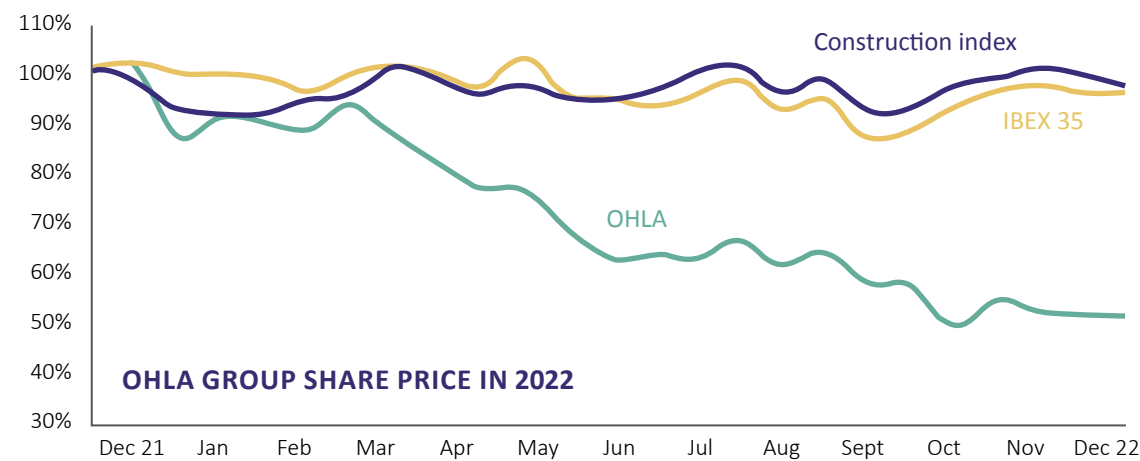
A total of 546,107,836 shares were traded in 2022 (92.4% of total shares admitted to trading), with a daily average of 2,124,933 shares.

OHLA held 743,857 treasury shares at 31 December 2022, equivalent to 0.50% of share capital.

	31/12/2022
Closing price	0.45
OHLA share price YTD performance	-56.0%
Number of shares	591,124,583
Market capitalisation (EUR million)	265.1
Ibex 35 YTD performance	-5.6%
Construction Index YTD performance	-4.3%

EUR m

OHLA on the continuous market



OHLA Group has a note issue with final maturity on 31 March 2026 and partial maturity (50%) on 31 March 2025. Key data on this notes issue:

ISSUER	MATURITY	COUPON	OUTSTANDING BALANCE	PRICE	YTM
OHLA Operaciones	March 2026	6.600%	444.2*	81.469%	16.395%

EUR m

Outstanding balance: the current balance of the principal of the notes, not considering the interest accrued to date

(*) Nominal amount

Communications with shareholders, investors, analysts and stakeholders

OHLA Group has an Investor Relations department located at its corporate headquarters offices in Madrid, Spain.

The department is responsible for communications with shareholders, investors, analysts, financial intermediaries and other stakeholders. The Company aims to offer the utmost transparency and comparability in its financial reporting to the market.

Over the year, OHLA hosts a range of meetings, which are held online or face-to-face when circumstances permit. Attendees include sell-side and buy-side credit and equity analysts. We also hold domestic and international roadshows, General Meetings of shareholders and noteholders, and one-off briefing meetings.

In 2022, OHLA Group held meetings both in Spain and abroad and with fixed-income and equity analysts who cover the stock. It also held the General Shareholders' Meeting during the year. Due to their significance, the presentation of full-year earnings and the General Shareholders' Meetings were streamed on the Company's website to enable all stakeholders to form part of the audience.

In addition, OHLA publishes quarterly results. The management team communicates directly with the financial community in the half-yearly and annual results.

Tax contribution

OHLA's contribution to society takes the form of giving back part of the wealth we create through taxes, thus contributing to the economic and social development of the countries where we operate.

Respect for legality, transparency and accuracy of disclosures are essential principles of conduct for OHLA. Therefore, the Company complies with all tax obligations arising from its activities under prevailing laws and regulations in each of the territories in which it operates, and also complies with its own Tax Policy. We also report our total tax contribution, broken down by the main regions where the Company is present.

In line with the above, OHLA adheres to the Code of Good Tax Practices of the Spanish revenue agency, AEAT. In 2017, the Board of Directors adopted the Group's Tax Policy, compliance with which is encouraged even at entities where OHLA only holds a non-controlling interest.

The Board of Directors is responsible for supervising transactions involving special tax risks and identifying and monitoring the Group's risks in general, a role it performs through the Audit and Compliance Committee ("the Audit Committee"). The Audit Committee's duties thus include supervising the operation and effectiveness of the Group's risk management and control system, including tax risks.

The following table shows the amounts paid by the Group's companies to the tax authorities in 2022 in the various jurisdictions in which the Group operates. A distinction is drawn between taxes paid, which are a cost borne by the Group, and taxes collected on behalf of third parties, which have no impact on the Group's profit or loss.

COUNTRY / REGION	TAX BORNE ¹	TAX COLLECTED ²	TOTAL	% OF TOTAL
Spain	116,318	163,064	279,382	75.8%
Eastern Europe	14,255	(3,073)	11,182	3.0%
US and Canada	16,192	-	16,192	4.4%
Mexico	1,587	3,179	4,766	1.3%
Peru	7,241	6,285	13,525	3.7%
Chile	7,792	17,663	25,455	6.9%
Colombia	6,702	2,270	8,972	2.4%
Norway	10	4,886	4,896	1.3%
Other	2,959	1,441	4,400	1.2%
Total	173,056	195,715	368,770	-

EUR m

1. Includes mainly income taxes and employer social security contributions.

2. Shows mainly employment-related taxes borne by employees and VAT collected.

The most significant item in the Group's tax contribution comprises taxes arising from employment, which came to EUR 278,390 thousand (2021: EUR 246,686 thousand).

The corporate income tax payment arising from Group companies' businesses was EUR 25,110 thousand. The breakdown of this amount by country or region is as follows: Spain 23.1%; Chile 22.3%; Peru 15.1%; Colombia 16.4%; US and Canada 10.5%; Eastern Europe 2% and other countries 10.6%.

PROFIT / (LOSS) BEFORE TAX	2022
Spain	(114,424)
Czech Republic/Eastern Europe	11,224
Chile	26,445
Colombia	(12,937)
Mexico	9,961
Peru	18,061
United States and Canada	4,015
Rest of the world	(3,184)
Total	(60,839)

EUR thousand

Government grants received	2022
Government grants received	0

EUR thousand. Does not include information on training aid and subsidies.

Key inside information / other relevant, and other regulated and corporate information

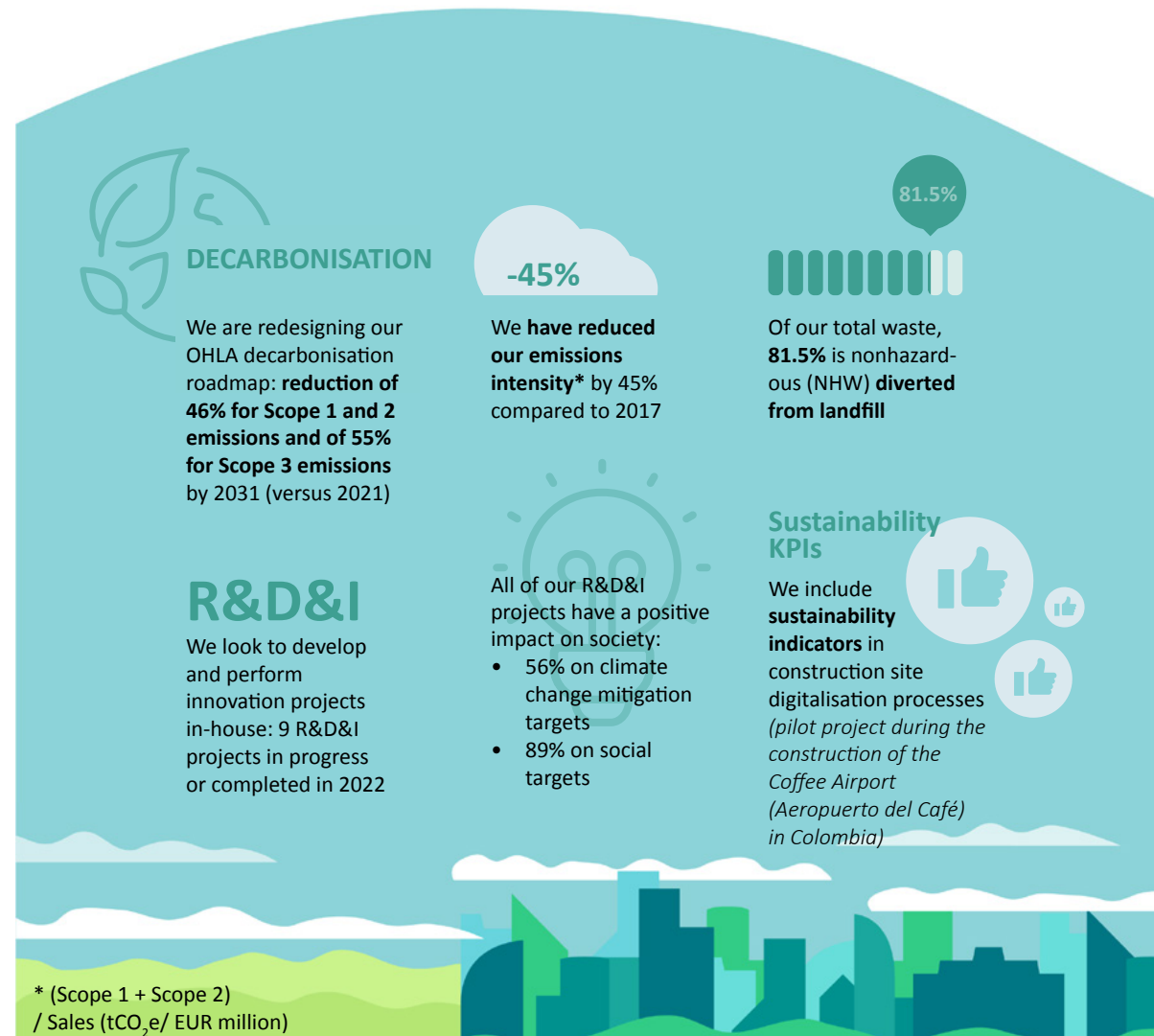
- 4 February 2022** The Company discloses that, as agreed with its financial creditors in the framework of the process of recapitalisation and renegotiation of its debt, it will reduce its borrowings.
- 9 February 2022** The Company announces the signing of a **relationship protocol between OHLA Group and CAABSA Group** for their construction operations.
- 17 February 2022** OHLA sends announcement of the publication date of its 2021 results.
- 24 February 2022** The Company releases its 2021 results report and presentation.
- 24 February 2022** The Company releases its half-yearly **financial report** for the second half of 2021.
- 8 March 2022** EUR 487,266,804 Split Coupon Senior Secured Notes: Final results of the **partial tender offer**.
- 8 March 2022** Moody's upgrades its corporate family rating (CFR) to B3, POSITIVE outlook, from Caa1.
- 4 April 2022** The Company releases its 2021 Annual Financial Report, Annual Corporate Governance Report and Annual Report on Director Remuneration.
- 2 June 2022** Holding of the Extraordinary General Shareholders' Meeting and announcement of the resolutions adopted.
- 28 July 2022** The Company releases its half-yearly financial report for the **first half of 2022**.
- 19 October 2022** OHLA discloses the **sale** of its stake in **Centre hospitalier de l'Université de Montréal (CHUM)**.
- 21 October 2022** The Company reports on its recent share price performance.
- 30 November 2022** The Company release its 9M 2022 earnings report.
- 30 November 2022** The Company release its 9M 2022 earnings report.

Inside information / other relevant, and other regulated and corporate information after the reporting period

- 18 January 2023** The Company discloses that, as agreed with its financial creditors in the framework of the process of recapitalisation and renegotiation of its debt, it will **reduce its borrowings**.
- 17 February 2023** EUR 487,266,804 Split Coupon Senior Secured Notes: Final results of the **partial tender offer**.
- 21 February 2023** OHLA sends announcement of the publication date of its **2022 results**.

Sustainable business

We improve people's lives and make the planet a better place.



Our environmental sustainability ambitions target energy efficiency, climate change and circular economy. The greatest challenges now facing us are to achieve zero net emissions and generate less waste, which we will accomplish through constant innovation and by embedding sustainability into our business strategy. The eight challenges and 16 courses of action and targets included in the 2022–2024 Sustainability Plan show us the path to follow and will bring us one step closer to achieving these ambitions. Highlights in 2022 included the design of a roadmap towards the OHLA's ultimate decarbonisation, while the Company also made further efforts to earn the most sought-after international certifications.

Notably, we improved the method for calculating our GHG emissions, which now counts the emissions generated by the extraction, production and transport of the goods and services we purchase or acquire. OHLA also voluntarily joined the Science Based Targets initiative (SBTi).

Moreover, further progress was made towards the development of a best practice guide on circular economy throughout all project phases and a protocol and method for calculating our water footprint. We also launched an

official training programme for each of the certifications that can be earned in the field of sustainable construction; we identified innovation projects that contribute to sustainability, and we launched various innovation actions targeting employees as we seek to foster innovation within the Company.

Culture of innovation and transformation

All of us at OHLA remained firmly committed to innovation in 2022, thus continuing along the path we have been following over the last few decades and the roadmap envisioned in our Innovation Policy, which we released back in 2019.

We steer our innovation efforts towards three major goals:

1. Making improvements in projects and services to become more efficient.
2. Promoting R&D&I activities so that we can further improve the products and services we offer and make us stand out from the competition.
3. Identifying and exploring new businesses.

Through these endeavours we seek to generate a positive impact on society. Indeed, all of our innovation projects in 2022 made a positive contribution to the Company's sustainability objectives.



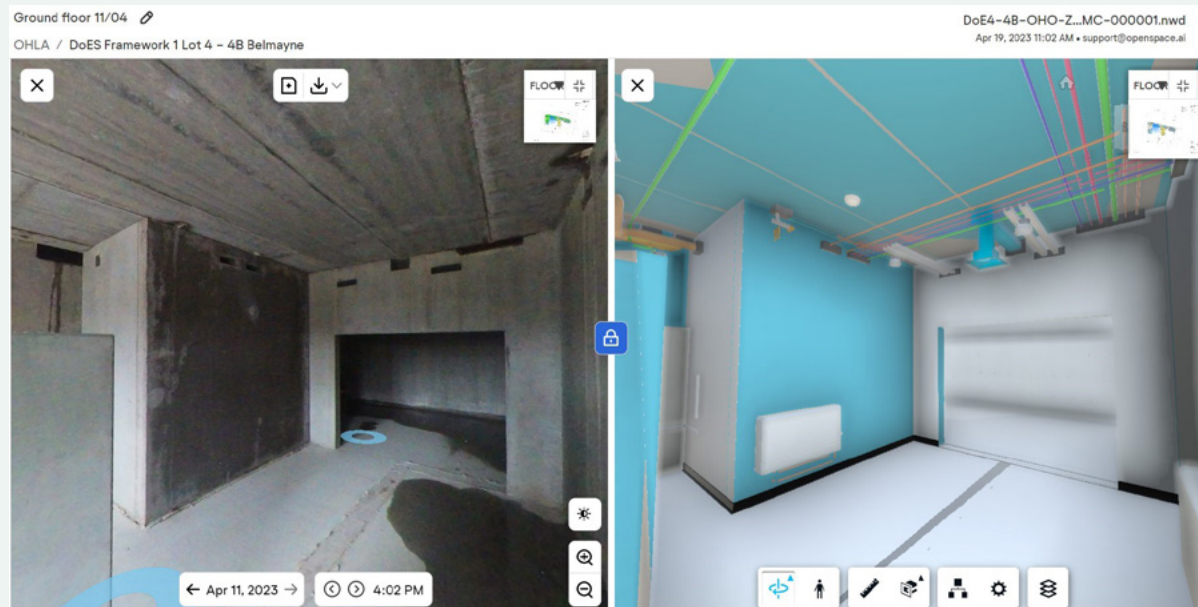
When it comes to innovation targeting efficiency, digitalisation once again took centre stage during the year, leading to operational improvements in projects, optimisation of management systems and enhancement of business data, all of this while focusing on the interconnectivity of tools and automation in the capture of data to benefit our construction projects and services.

Further improvements were made during the year to our internal web platform Digitaliza tu Obra (Digitalise your Project), launched a year earlier, thus making it even more capable than initially envisaged. In its first 12 months of life, the portal received more than 30,000 visits from employees, who were able to see and read about dozens of digitalisation experiences applied to our projects and assessed by the construction teams themselves. Moreover, a selection of 50 technological solutions was made available to the teams (most of which have now been successfully tested at OHLA), along with financial support for the testing and scaling of these technologies in the projects.

The portal was also used to deliver the first conferences and events on digitalisation in OHLA construction projects, with hundreds of attendees connecting live from the various countries and regions in which the Company is present, all keenly interested in learning more about specific applications of drones, advanced BIM, communication tools and other digital solutions applied to our projects.

Awarded for our commitment to innovation

OHLA's progress towards digitalisation is also closely linked to our increased use of the BIM (Building Information Modelling) methodology. In 2022, we extended the use of this method to include new initiatives, earning us various awards and accolades in the process, including the **BIM 2022 Excellence Award** from the Colombian Chamber of Construction (Camacol) and BIM Forum Colombia. We were also invited by world-renowned software leaders Autodesk (developer of AutoCAD and Revit) and Esri (developer of ArcView) to attend their main events in Amsterdam and Madrid in order to present our success stories in the use of BIM and GIS tools for linear projects, in which OHLA is a benchmark. Our BIM community also grew during the year, following the launch of an internal web portal and the deployment of the new global BIM training plan, in which 600 people took part during the second half of the year.



Construction of four schools in Ireland. On the right side picture, implementation of BIM methodology.

Our specialists continued to focus heavily on R&D&I activities in 2022 in a bid to differentiate us from our competitors. Notable examples here include Group subsidiaries Elsan, in the field of sustainable road surfaces; SATO, in the management of its maritime fleet; Ecoventia, in its technology of prefabricated wind turbine generators; Ingesan, in the development of new technology-driven services; or in relation to the various lines of activity pursued by the Company to improve construction processes in building, civil works and industrial equipment. Highlights relating to innovations currently in commercial operation include the launch of Cubipod, an innovative precast element for the construction of port docks developed and patented by SATO alongside the Polytechnic University of Valencia, in Morocco; and the launch of VERA healthcare service, with success stories in Málaga and Barcelona earning it the Tecnosocial congress award as a social innovation project for a new people-centred model of healthcare services.

We continued to explore potential new business in 2022, focusing on opportunities supported by public recovery plans and eligible for NextGenerationEU funding.

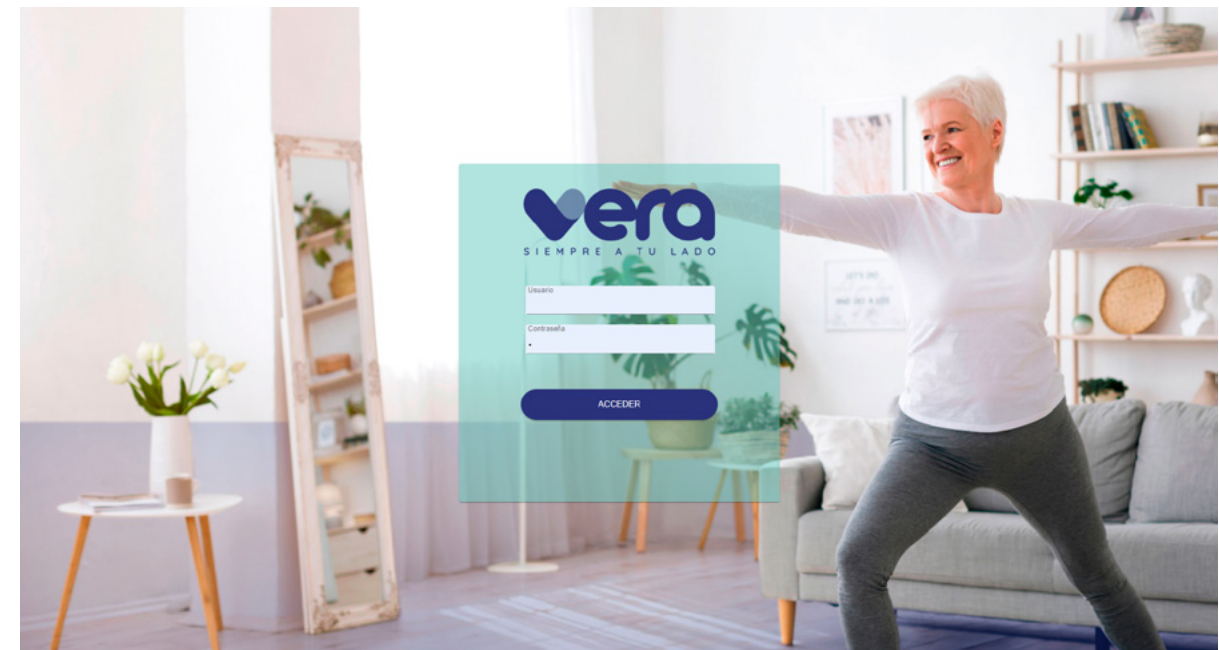
Highlights in the period included the formation and entry into operation of the company SmartCommunityService. This alliance between Endesa X and OHLA

falls within the broader scope of the Tucomunidad NextGen initiative, which also features Bankinter and IESA, with the aim of improving the energy infrastructure and efficiency of residential buildings for the benefit of homeowners' communities. The project has already been deployed in various cities across Spain, including Murcia, Madrid, Zaragoza, Bilbao, Malaga, Seville and Valencia.

Meanwhile, the Services business line, through its parent subsidiary Ingesan, continued to target its value propositions towards digital transformation by pursuing the Company's Digital Transformation Strategic Framework, which centres on three transformation pillars, with innovation as a lever. OHLA was the only company from the services sector to receive an award from Forética for its endeavours.

Ingesan continued to improve its operational efficiency ratios throughout 2022 as it continued to rely on the extensive digitalisation of its back office in the cloud and by looking to streamline and optimise procurement processes and focus on data-driven decision-making.

It also made further improvements to its wide range of cutting-edge technological solutions and continued to pursue its firm commitment to digitalisation and innovation as key elements supporting the operational side of the business.



Vera virtual platform login.

R&D&I PROJECTS

Zero Paper

In order to become more efficient and adept at managing its 14,000-plus employees, Ingesan has been working hard to digitalise all information by going paperless and implementing RPA (Robotic Process Automation) technology for the automatic sending of payslips to all staff members in electronic format.

An electronic signature solution was also implemented under the highest standards of security and legal coverage, as a further initiative on the path to going paperless, cutting back on travel and, therefore, lowering the carbon footprint. Thanks to this initiative, all employees can now digitally sign their employment contract or the Code of Ethics, among other documents.

Safety Master Plan

In 2022, Ingesan launched a Safety Master Plan (SMP) with the aim of becoming an even safer enterprise and enshrining its commitments in a plan that will run from 2023 to 2026. It also made further progress in building a new and sustainable service delivery structure, following a strategic line known as PPII (Ingesan Proprietary Products Industrial Property).

VERA

In the social sphere, the Company expanded and evolved Vera, its ad hoc social services platform that enables it to align its expertise in social and health services with the needs of its users. It also signed a collaboration agreement with the University of Zaragoza (Spain) to undertake a joint research project in order to verify the benefits of using Vera among the elderly, on the firm belief that it improves their autonomy, well-being and happiness while also helping them to feel less lonely.

Coordinal



In park and garden maintenance, the Company launched Coordinal, a service designed by Ingesan professionals for proper green area management. The tool is fully interoperable, modular and flexible in terms of deployment and can be tailored to each contract. It features various service management modules, integration with GIS systems, Field Service vision, document management and planning.

VerSat

The Company also developed its VerSat platform, the only one of its kind in Spain and capable of generating ultra high resolution satellite images. It was used for the first time in cities in combination with artificial intelligence techniques to spot areas for improvement and optimise the management of urban green areas. The tool supports the decision-making, design, implementation and monitoring of urban climate mitigation actions and ecosystem indicators and is now up and running in the Spanish city of Fuenlabrada (Spain), thus ensuring that the local council has a reliable inventory of elements, species and health characterization for the sound management of green areas, along with surface heat maps (urban heat islands).



Circular Economy Academic Chair

As part of its commitment to people and society, the Company promotes responsible, sustainable and committed services. For instance, Ingesan promotes the Circular Economy Academic Chair at the Rey Juan Carlos University (Madrid, Spain).

The Chair addresses specific technical aspects- application of earth observation science, environmental sciences, artificial intelligence, environmental engineering, botany and agronomy, among others- and contextual aspects such as R&D&I projects or business innovation, all with the aim of building long-term collaboration that can be used to channel and promote R&D&I activities, specialised training and dissemination and outreach in the field of the circular economy and to implement new processes for the use of waste. The research outputs are also disclosed and shared publicly and are genuinely useful for Ingesan's activity.

Innovation Governance Model

Exploration and continuous improvement are very much part of Ingesan’s Innovation Governance Model, which relies on the Innovation Engine, a collaborative tool based on Landscape Monitor in order to channel innovation and incubate ideas.

Chosen initiatives are developed interactively through Agile methodology and tested on end users through partnership agreements with various local councils.

We considered more than 800 ideas in 2022 and launched three new innovation clusters, which now operate alongside our existing growth cells.

OHLA Technology Innovation Awards 2022

A new edition of these awards was held in 2022 to recognise the innovative endeavours of OHLA’s construction, services and structural teams. On this occasion, the top prizes went to the new technology developed by our subsidiary Elsan for the use of recycled material from the milling of bituminous mixtures in wearing courses; the Coordinal platform based on GIS technology for the integrated management of urban services in green areas developed and implemented as part of Ingesan’s Albacete Green Areas service; and the total fuel management solution for machinery and fleet developed and implemented at OHLA USA.

All of these initiatives were developed in-house and were truly outstanding in terms of the benefits they offer over similar solutions on the market, their impact on the efficiency of the Company’s processes and the improvements they bring to sustainability.

Collaborative innovation

OHLA’s commitment to continuous improvement and excellence in innovation led to several new developments in 2022. A particular highlight was the innovation one-stop shop, a new channel of agile and coordinated communication with the various teams and services, which the Company makes available to employees to support them in their innovation endeavours. New internal protocols were also activated in key areas such as the management of industrial property and trade secrets, or compensation for innovative employees, which is a pioneering programme in our sector that combines various formulas to reward people who contribute ideas, develop innovative initiatives, generate industrial property assets and/or help to exploit them commercially.

Improvements such as these have made OHLA one of the first companies to have its Innovation Management System certified under the new European standard ISO 56002, thus demonstrating the Company’s ability to innovate systematically and in line with its strategy.

Commitment to the planet

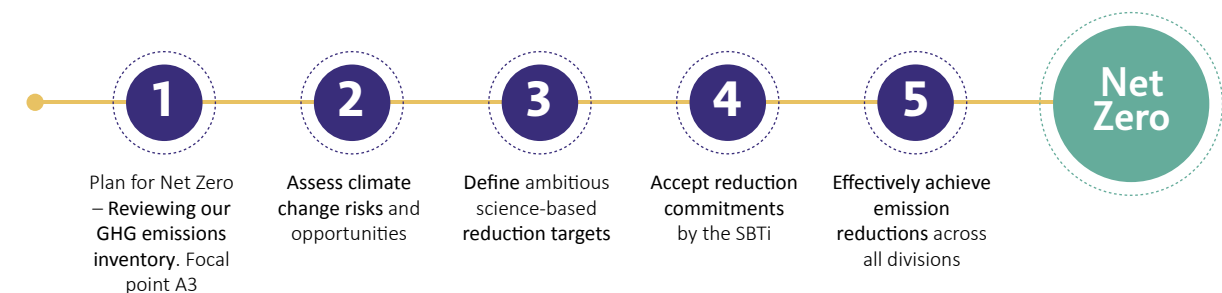
Our climate action strategy

Several of the main challenges now facing the construction sector are climate change related. On this front, climate change mitigation policies and the transition to a climate neutral society will entail a profound transformation of the European industry in general, and of the construction sector as a key contributor and enabler in particular. OHLA is part of this transformation, having pledged to make climate change mitigation and adaptation part of its agenda in the short, medium and long term.

The way in which we as a company embrace our role in response to this global challenge takes the form of various corporate commitments and actions to achieve a carbon neutral economy by 2050. Along these lines, we would highlight the following progress made in 2022:

First, we worked on the design of our roadmap towards decarbonisation, as a key objective of our Sustainability Plan. This design process required us to understand OHLA’s impact along its entire value chain and, as a first step, making a combined effort to improve the calculation of our greenhouse gas (GHG) emissions, especially our Scope 3 emissions.

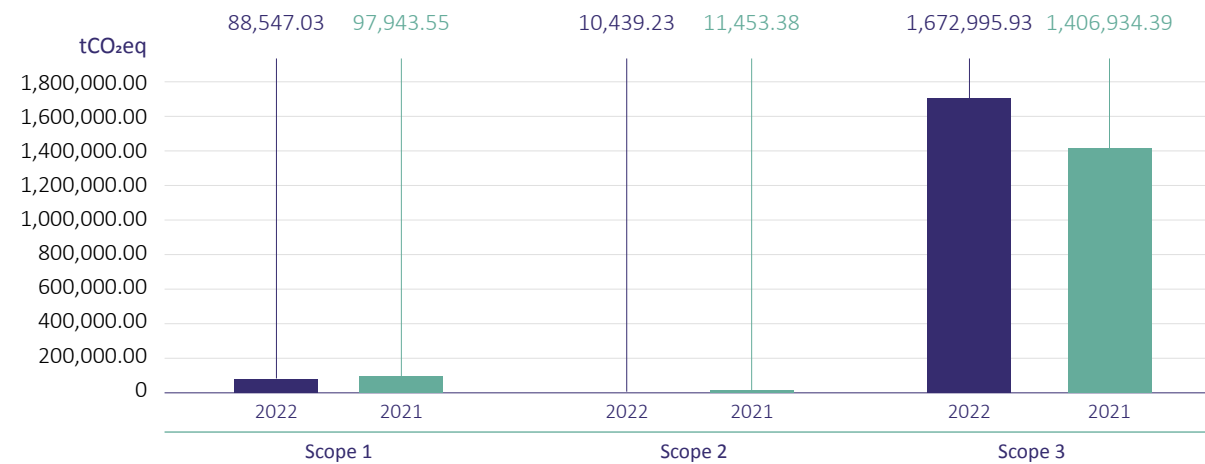
Our roadmap to decarbonisation



During the process of analysing our GHG inventory, we spotted opportunities for improvement from a methodological and data quality standpoint for each of the three scopes, following at all times the Corporate Value Chain of the GHG Protocol. Thanks to this exercise, we were able to pinpoint the most significant sources and those most affected by our activities so as to then define our reduction efforts.

By narrowing down and optimising our calculations in this way, further categories were added to our Scope 3 emissions inventory and our emissions were adjusted accordingly, thus reducing the degree of uncertainty in the way we calculate our emissions. This applied to both emissions in 2022 and emissions in 2021 for appropriate comparability of the data. Notably, we achieved a 10% reduction in absolute terms in Scope 1 and Scope 2 emissions compared to 2021 thanks to our ongoing efforts to reduce emissions, such as by expanding our fleet of eco-labelled vehicles and committing to renewable energies, among other measures. Admittedly, Scope 3 emissions were up 18%, but this was due to increased spending within the supply chain, specifically from suppliers of goods and services (category 1), due to a higher volume of procurement and busier levels of activity on site.

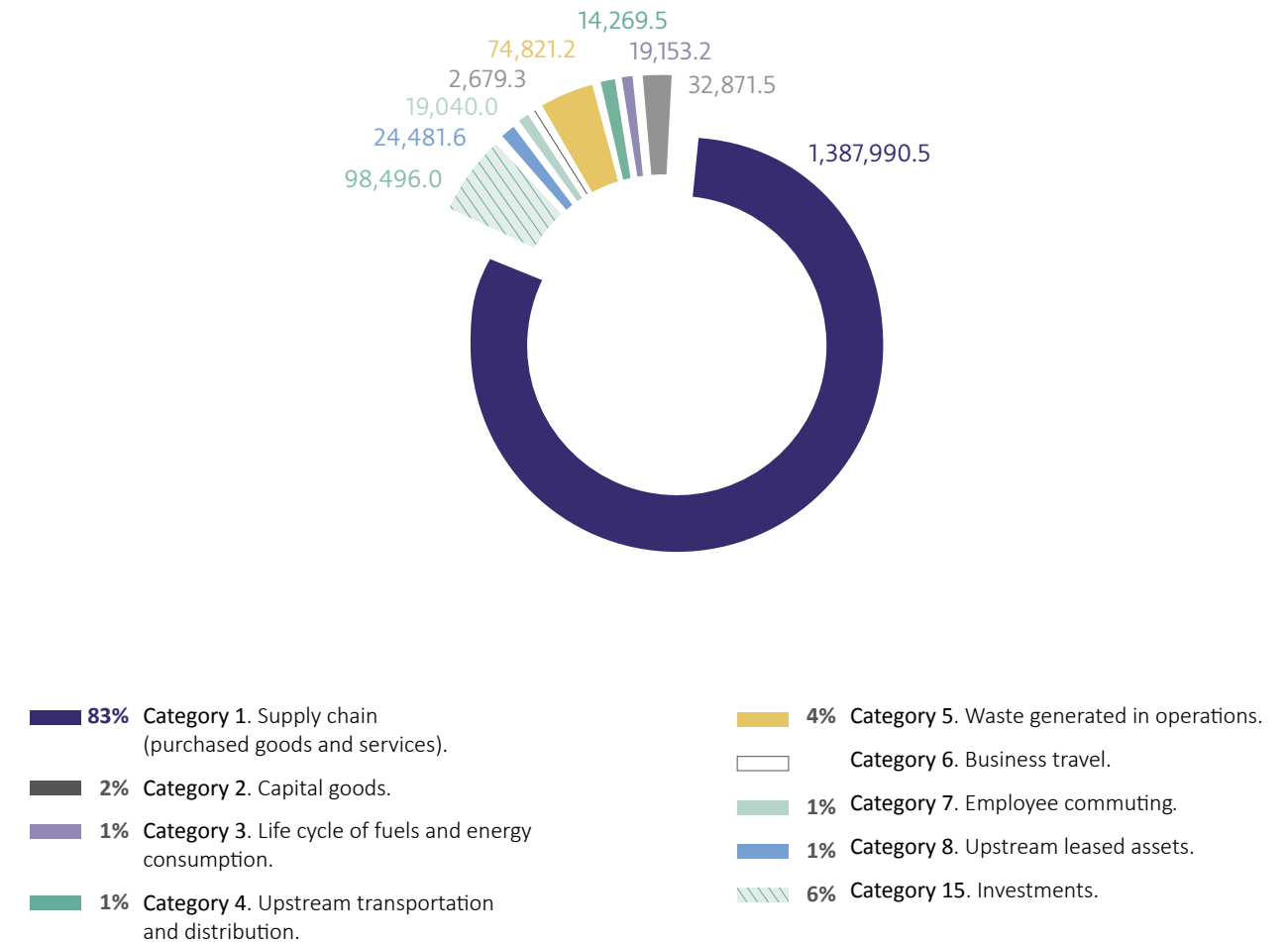
Emissions chart: comparison of emissions, 2021–2022
2021 recalculated according to the new methodology



Taking 2017 emission intensity as the reference point, the Company also managed to reduce its emission intensity (ratio measured as tCO₂eq/sales (million euros) by 45% in 2022 for Scopes 1 and 2, i.e., the Company’s direct emissions from the use of fuels and indirect emissions from energy consumption. So as not to fall behind in the decarbonisation race, OHLA will continue to work to reduce its emissions, and not only in relation to Scopes 1 and 2, but also Scope 3. To succeed, the Company will work hard in early 2023 to offset at least 5% of its 2022 emissions from construction, which will have a substantial impact on the Group’s total emissions.



Distribution of Scope 3 emissions



OHLA, firmly committed to the SBTi initiative for decarbonisation

As part of this decarbonisation programme, the Company is not only working to optimise its emissions calculations, but has also embraced the Science-Based Targets initiative (SBTi)⁶ in order to make its reduction targets suitably ambitious and aligned with the latest climate science. By assuming these SBTi reduction commitments, we have laid the foundation for all the work that lies ahead as a company committed to creating a better world and a low-carbon economy, in which all businesses can grow and prosper sustainably at all levels. Through the SBTi initiative, OHLA has pledged to establish near-term emissions reductions across the company, in line with climate science.



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Managing climate change risks and opportunities

OHLA has strengthened its management of climate risks by assessing them in terms of physical and transition risks. It fully understands that observed and projected changes in climate conditions under future scenarios, as well as the transition to a decarbonised economy, carry significant physical, regulatory, market, technological and reputational risks - both acute and chronic - that could have a significant financial impact on the Company.

This initial exercise allows OHLA to improve internal management processes by integrating risks and opportunities in climate change adaptation and decarbonisation strategies; to report meaningful information on the climate risks faced by the Company or in compliance with applicable regulatory frameworks; and to use the information gathered from the analysis as a driver and enabler of sound internal governance.

It should also be noted that OHLA follows the TCFD (Task Force on Climate-related Financial Disclosures) climate risk reporting recommendations, which call on companies to make the analysis of climate-related risks and opportunities part of their risk management and strategic planning. OHLA is aware that a greater understanding by investors and other stakeholders of the financial implications associated with climate change will help to channel investments towards sustainable and resilient business models and opportunities.

Further information:
Appendix IV: Summary report on climate change risks and opportunities



OHLA is working hard to integrate the opportunities arising from climate change into its business strategy. A prime example of this is its commitment to renewable energies. The Company currently has more than 25 renewable energy projects in its portfolio, with a total installed capacity exceeding 1,200 MW⁷.

Other mechanisms used by OHLA to adequately manage the opportunities arising from climate change include the continuous improvement of construction sites, the pursuit of best practices to optimise the use of resources and processes, the use of low-emission energy resources, the search for alternatives to the use of more polluting fuels, such as biofuels, working with local suppliers whenever possible, or building partnerships with third parties in order to unlock strategic synergies and promote inter-company efforts to combat climate change, while at the same time promoting economic, social and environmental progress.

Further information:
Appendix II: Environmental performance indicators



In keeping with its commitment to the fight against climate change, OHLA annually and voluntarily renews its registration with the Spanish Climate Change Office (OECC), which validates carbon footprint calculations in accordance with the methods and principles established by the Ministry for Ecological Transition and the Demographic Challenge.

In 2022, OHLA was awarded the **OECC Triple Seal: Calculo (I calculate)**, following the validation of our carbon footprint calculations in accordance with the criteria of the Ministry for Ecological Transition and Demographic Challenge; **Reduzco (I**



reduce), having met the reduction criteria established in previous years; and **Compenso (I offset)**, thanks to the launch of the OHLA Forest in 2021, thus helping to absorb CO₂ and aiding in the recovery of degraded natural spaces, in this particular case following a forest fire that ravaged Ejulve, Teruel (Spain) in 2009.

Aside from the carbon offsetting achieved through the OHLA Forest, the Company continues to work to neutralise its emissions, through further offsetting mechanisms and by investing, on a voluntary basis, in specific projects to mitigate climate change. Over the last few years, it has offset more than 12,000 tCO₂ by investing in certified projects. In 2022, OHLA offset its carbon footprint through a wind power generation project in Oaxaca, Mexico. Our investment in the project not only benefits the environment, but also supports the economic and social development of the region.

As to climate action governance, the Board of Directors and its Nomination and Remuneration Committee are formally responsible for guiding, supervising and monitoring the Company's sustainability performance, which encompasses climate action. Furthermore, the Nomination and Remuneration Committee evaluates compliance with climate action targets. In addition, the Risk Department, responsible for general risk management, reports annually to the Audit and Compliance Committee and to the Board on the main risks to which the Company is exposed. In parallel, the Environment Department is tasked with environmental risk management at construction site level.

The Sustainability Department is responsible at corporate level for all matters relating to non-financial reporting, which includes climate change, and reports regularly to the CEO and the OHLA Management Systems Monitoring Committee.

6. Not-for-profit organisation that independently verifies the targets that enable companies to make ambitious yet viable claims about their ambitions. The targets are verified through SBTi's "validation criteria".

7. For more information, see section 2.2.2 – Industrial.

Circular economy

Ensuring the rational and efficient use of resources, especially in construction, is essential for the survival of our natural environment and of the current and future economy. It should therefore be afforded absolute priority in any construction process.

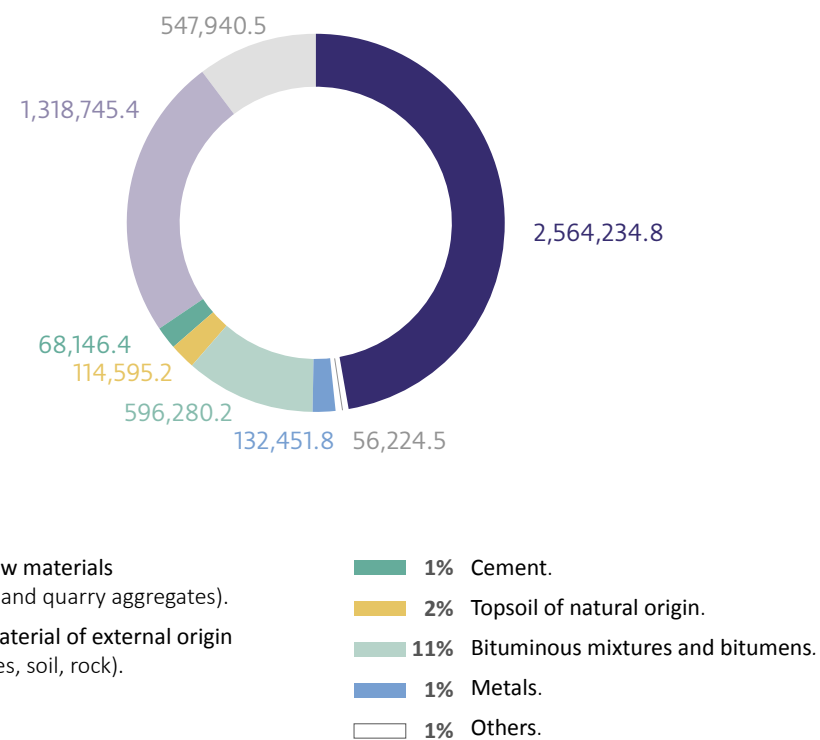
OHLA understands and incorporates into its management the maxim that the circular economy is key to proper and competent waste management and to adopting and succeeding with sustainable economy models. This is supported by stricter regulatory requirements to ensure more ambitious targets for prevention, collection, separation and preparation for re-use, recycling and recovery of the various waste streams. These new legislative initiatives therefore highlight the need for sound strategies in the control and management of waste and the proper use of resources, to ensure an ecological transition of the economic model and to allow us to track and assess the true extent to which we recover materials.

OHLA works along these lines in all its projects by recirculating resources for as long as possible in the economic and productive system, promoting waste reduction, reuse and recycling and bringing it back into the production cycle by implementing innovative processes and new technologies.

As part of its 2022–2024 Sustainability Plan, OHLA has set itself the challenge of making all of its projects circular and incorporating tangible targets, such as ensuring that 75% of non-hazardous waste (NHW) does not go to landfill, or preparing a catalogue of sustainable construction materials, which will be launched and disseminated in 2023. Further to the target set out in the Plan, 81.5% of NHW had a destination other than landfill in 2022, with 74% of the total waste going to recycling and reuse.

A circular economy best practice guide was also drawn up in 2022 to continue promoting the optimal use of raw materials and generate less waste on site.

Material type



* Composite category to provide better visibility in the diagram. Includes: reused topsoil from external sources, wood, paper (recycled and non-recycled), paints and chemicals. For a breakdown of this category, see Appendix II, Table 6.

Elsan and road maintenance through sustainability

Elsan, an OHLA subsidiary that provides urban, road and infrastructure services and has proven expertise in the research and development of sustainable asphalts, relies on materials and manufacturing techniques, including the reuse of waste and recycled materials. More precisely, when carrying out pavement improvement work, it uses low temperature asphalt mixes and recycled aggregates, such as steel aggregate, bioemulsions and bitumen modified with rubber.



Recycled aggregate plant in Arganda del Rey, Madrid, Spain.

CREATING A RECYCLING MODEL

OHLA has a collection and recycling system in place for building materials

Used sacks from building construction processes are contaminated with building materials and are typically sent for incineration or to landfill. OHLA is committed to the reuse of materials in its projects, thus promoting circularity. For instance, it is currently involved in a pilot project for the collection and recycling of this type of paper sacks. The initiative is being spearheaded by Mondi, a global leader in packaging and paper, with the collaboration of several partners specialised in construction waste management and recycling technology, with the ultimate aim of giving these materials a new life.

The initiative recovers the fibres from used paper sacks and converts them into new packaging, such as cardboard sheets or kraft liners, through the use of innovative recycling technology and an efficient collection system based on big bags. As a result, these materials can be treated as sustainable products throughout their life cycle.

More precisely, OHLA has launched this pilot project at the Madnum complex, Inmobiliaria Colonial's Campus in calle Méndez Álvaro and the largest office complex lying on the M-30 central ringroad in Madrid, where it is constructing an office building with a total floor area of 55,135 m². Since its implementation, some 10,000 used sacks (around one tonne) have been collected for recycling and transformation.

When it comes to water, 2022 saw very little rainfall and unusually high temperatures throughout several months of the year, leading to severe droughts in certain regions of Spain. This situation is not only a problem in Spain but a global concern, making water management strategies essential.

OHLA plays a key role in protecting this scarce and vital resource, especially in areas suffering from water stress. Therefore, during its daily operations on-site it promotes good practices to ensure the responsible consumption and efficient and optimised use of water. In particular, OHLA promotes the reuse of water for road wetting or machinery cleaning processes, avoids the contamination of surface water bodies and ground water tables, and protects the quality of water bodies in the vicinity of its sites. In 2022, there was a 24% increase in the volume of water recycled or reused compared to the previous year.

As part of its commitment to water and further to the objectives envisaged in the Sustainability Plan, OHLA developed a new methodology and procedure in 2022 for calculating its water footprint. The new system will ensure a deeper understanding of our dependence on this resource and allow us to establish more specific and reliable mechanisms for optimising and reducing consumption.

Further information:
Appendix II: Environmental performance indicators

Biodiversity

Biodiversity loss, understood as the decrease or disappearance of biological diversity, threatens the environment with the extinction of species or the proliferation of pests. It also carries a threat to human well-being and the continuity of the economic system, as most sectors depend on the existence of resources and ecosystem services and the balance of biological systems.

OHLA is firmly committed to biodiversity, as it recognises that its activities can have a heavy effect on natural capital, such as native species of flora and fauna, affecting also surface masses, soils and subsoil, or causing structural changes in habitats that lead to their transformation or fragmentation. With this in mind, the Company works - right from the beginning of its projects through to their completion - to avoid or otherwise reduce and mitigate the potential effects of its activities and to counter any imbalances of the ecosystems. It does this by analysing the previous impacts that its activities have caused, together with the surface area of the site or project, and defining appropriate conservation measures. In this way, the Company is able to assess significant impacts on biodiversity for each site, project or service by carrying out an environmental impact assessment. Significant progress was made during the year in drawing up a guide on how to manage impacts and implement good practices for the protection and conservation of biodiversity. The guide will ultimately help to protect certain species or ecosystems by offsetting some of the effects of the Company's activities on the natural environment.

Aside from this prior analysis exercise, the environmental impact assessments also lead to prevention, mitigation and offsetting or correction plans. These actions may include protection against erosion or sedimentation, stabilisation of disturbed surfaces and adequate vegetation management and species control to prevent the spread of invasive species. They may also seek to limit the duration of earthworks, control the impact of water withdrawal, monitor the quality of water bodies and ensure appropriate waste management. Further initiatives are carried out to regenerate and restore any native species that may have been affected.

As part of its project management and in addition to its commitment to environmental protection, OHLA keeps a register of protected habitats and threatened species according to the International Union for Conservation of Nature (IUCN) Red List, which is the world's most widely recognised inventory of the threat status of species.

WILDLIFE RESCUE PLAN

Metro Line 1 extension work

Panama

OHLA is working alongside technicians from the Protected Areas and Biodiversity Unit of the regional directorates of the Ministry of Environment (MiAMBIENTE) of Panama Metro in order to rescue native species, including the Hoffmann's two-toed sloth (*Choloepus hoffmanni*), the Mexican hairy dwarf porcupine (*Coendou mexicanus*) and the common opossum (*Didelphis marsupialis*), as well as the green iguana, boa constrictor, and other species.

The species are inspected by staff of the Biodiversity and Wildlife Unit and then relocated to biological zones similar to the one of origin. A plan for the rescue of endemic plant species or those of botanical interest is also being carried out in partnership with local entities.

These actions are part of the 2.2 km extension project of Metro Line 1, linking Panama to Villa Zaíta. The works will further include a terminal station at the northern end of the line, a bus interchange and a car park.



Species recovery.

Further information:
Appendix II: Environmental performance indicators



OHLA is part of the EsAGUA platform, within the bronze category, through which it publicly discloses its water management commitments.

OHLA, con el
Día Mundial del Agua

22 de marzo de 2022





Robert & Judy Prokop Newman Alumni Center. USA. Gold LEED Certification.

Sustainable construction

OHLA builds certified infrastructures with high levels of responsibility and environmental commitment, by applying, in the field of singular buildings, sustainability criteria in accordance with LEED®, BREEAM®, Passivhaus, CES and WELL methodologies. These standards envision the use of sustainable building materials (reused, ecological, local, etc.) and renewable energy sources or renewable energy systems, sound management of water, waste and effluents generated, as well as the GHG emissions generated by the project, and life cycle analyses, among other aspects.

To date, the Company has undertaken a total of 60 singular building projects built to sustainability standards, mostly located in the United States and Europe. In total, OHLA has built 47 projects that already have LEED, BREEAM, Passivhaus, CES and

WELL certificates, and 12 that are in the process of obtaining them. Among the former are iconic buildings such as those built in the United States for the University of Miami: Clinical Research Building (LEED), Cox Neuroscience and Health (Silver LEED), Robert & Judi Prokop Newman Alumni Center (Gold LEED) or the South Miami Hospital Clinical Expansion (Gold).

In Europe, buildings such as Olomouc Hospital in the Czech Republic, with Passivhaus certification, the National Forensic Mental Health Service Hospital in Portrane, Ireland, with BREEAM – Very Good, or the Oxexo office building in Spain (LEED Platinum) have all been built according to outstanding sustainability standards. The LEED Gold certification earned for the Centro Canalejas centre in Madrid, Spain is another notable example.

SUSTAINABLE BUILDING AWARD

Award for the construction and design of Hospital de Curicó

Chile

Hospital de Curicó (Chile), built and designed by OHLA, won the CES 2022 award, an initiative of the Sustainable Building Certification Board in the category of Certified Builds or Projects. These awards recognise projects that exhibit the best sustainability practices in the public building sector. In the case of Hospital de Curicó, the jury held a particularly positive view of aspects such as the reduction achieved in drinking water consumption and energy savings.

The project earned the Sustainable Building Certification (CES) with an outstanding score of 74.5, thanks to its high degree of energy self-sufficiency and its environmental performance. Throughout execution of the project, OHLA followed energy efficiency parameters such as thermal envelope, ventilated façade, lighting, water savings, landscaping and acoustic insulation. It also ensured the certification and traceability of all materials used.

Hospital de Curicó, a highly complex hospital building spanning a total of 109,152 m² spread over nine floors, two of which are below ground level, is the largest and most modern health building in the Maule region of Chile and is protected from earthquakes by seismic base isolators.



Hospital de Curicó, Chile. CES 2022 award – Sustainable Building.

Social progress

We support the social and economic progress of our host communities



At OHLA, we know full well that to meet today’s complex challenges, we must act with policies and practices that work for people, because it is ultimately people who make it possible for society to progress. And with this conviction, OHLA targets action both internally and externally, through the six challenges and the 15 courses of action and targets set out in its 2022–2024 Sustainability Plan.

Internally, by making a clear and firm commitment to training in occupational risk prevention, with the relentless aim of reducing accident rates on construction sites, this being one of the key concerns for the construction sector. It also promotes diversity across all levels of the Company, with progress made towards gender diversity in management positions. We also want to create a genuinely motivating work environment that connects with talent, and we achieve this by working on other forms of communication to get closer to our teams, such as by launching the Biwell platform of end-to-end employee wellness initiatives.

Externally, we act with the clear intent of making investments and taking action that will generate a positive impact in the countries where OHLA is present. Highlights here include our drive to promote volunteering and social initiatives, which enable us to actively contribute to the progress of the communities in which we operate and of certain vulnerable groups.

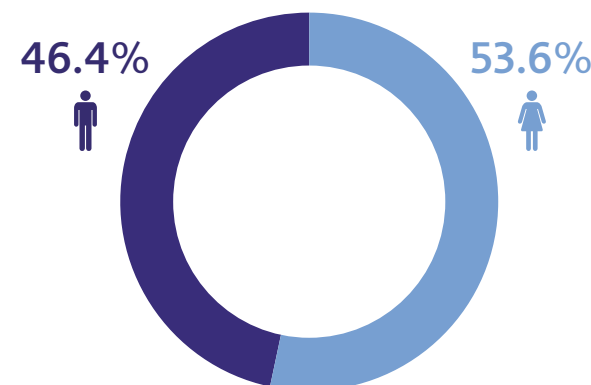
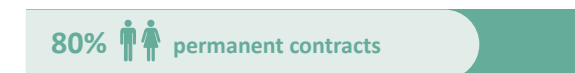
People

Profile of the human team

At OHLA, we are committed to human capital as the bedrock of the Company’s strategy. We are convinced that fostering employee potential and increasing their engagement are what make change and sustainable growth possible; and we believe that connecting with flexible ways of working and a personal growth mindset is key to achieving our future goals.

We also work to promote a sense of commitment and to create a relationship of collaboration and cooperation between company and employee.

We ended 2022 with 24,870 employees* (+9.2% on 2021), spread across 25 countries.



8. The number of employees with some form of disability at year-end 2022 and 2021 was 469 and 564, respectively.

Main actions carried out in 2022

Inclusion of new HR and compensation indicators that not only give us more valuable information, but also allow us to draw comparisons, track performance and show our position relative to others.

Deployment of a system for validating reports in the database in order to reduce the margin of error of the various indicators we track. This has led to improved data quality and greater security as the information is encrypted in the automatic consolidation process.

Definition and implementation of a more attractive remuneration package for employees.

Definition and implementation of the new OHLA Group Performance Model.

Talent selection and attraction

At OHLA, we aim to spot and attract the best talent for the Company by creating strategies that will make us a much sought-after employer in the main channels for attracting talent on a global level.

To succeed, we promote our employer branding through professional social media such as LinkedIn and Infojobs, where we inform users about the competitive advantages of working for us, our pride of belonging and the international opportunities we offer. We also combine senior talent with young potential recruits who contribute to the growth of the Company globally.

We also welcome young people under various scholarship programmes from the best international universities so that they can start their career at OHLA.

We provide opportunities for young graduates with potential to develop professionally through our Young Talent programme, with positions available at both the corporate centre and the business units. More precisely, a total of 16 people joined the Company in 2022, in Spain, Sweden, Ireland, Peru and Colombia.

Since 2015, more than 120 Young Talents have joined OHLA in various countries around the world. The programme is currently active in: Saudi Arabia, Turkey, Norway, Ireland, Czech Republic, Colombia, Peru, Mexico and Spain.

Selection processes are always based on diversity and equality criteria, which are key priorities in our people management model.

Talent and development

OHLA has promoted a new performance model with the aim of spotting and retaining talent and supporting professional and personal development. The model incorporates a new catalogue of competencies spread across five blocks:

1	2	3	4	5
Analytical thinking	Achievement and action	Communication and influence	Leadership	Attitude
Adaptation to change Analysis and problem solving	Target-oriented Contract management-oriented Financial discipline Creative initiative Quality of work	Customer or business orientation Negotiating and conflict management Active and effective communication	Team management and leadership Emotional intelligence Collaboration	Self-awareness Motivation Commitment and integrity

This assessment is an annual process whereby the competency level of the employee's job performance is obtained, together with their potential to take on future roles or responsibilities. These two variables make up the OHLA Group's talent matrix. Performance assessment ensures personalised training and development programmes as well as insight into the Company's internal talent.

The entire performance assessment process is accompanied by relevant information and training for both appraisees and appraisers. This has helped to raise awareness and understanding of the importance of the model and its implications for the Company.

During this first launch phase in 2022, 29% of the Company's employees were assessed, with the model to be extended to other regions (United States and Czech Republic), as well as to technical and administrative profiles at the Construction division, in the coming years.

Other notable projects

The Talent and Development department listens to employees through meetings known as think tanks. They also share goals, challenges and needs of employees from different areas and geographic locations.



Reasons to Believe talks.

We continue to hold inspirational talks as part of the Reasons to Believe programme, at which experts from various divisions of the Company share enriching experiences connected to OHLA's values.

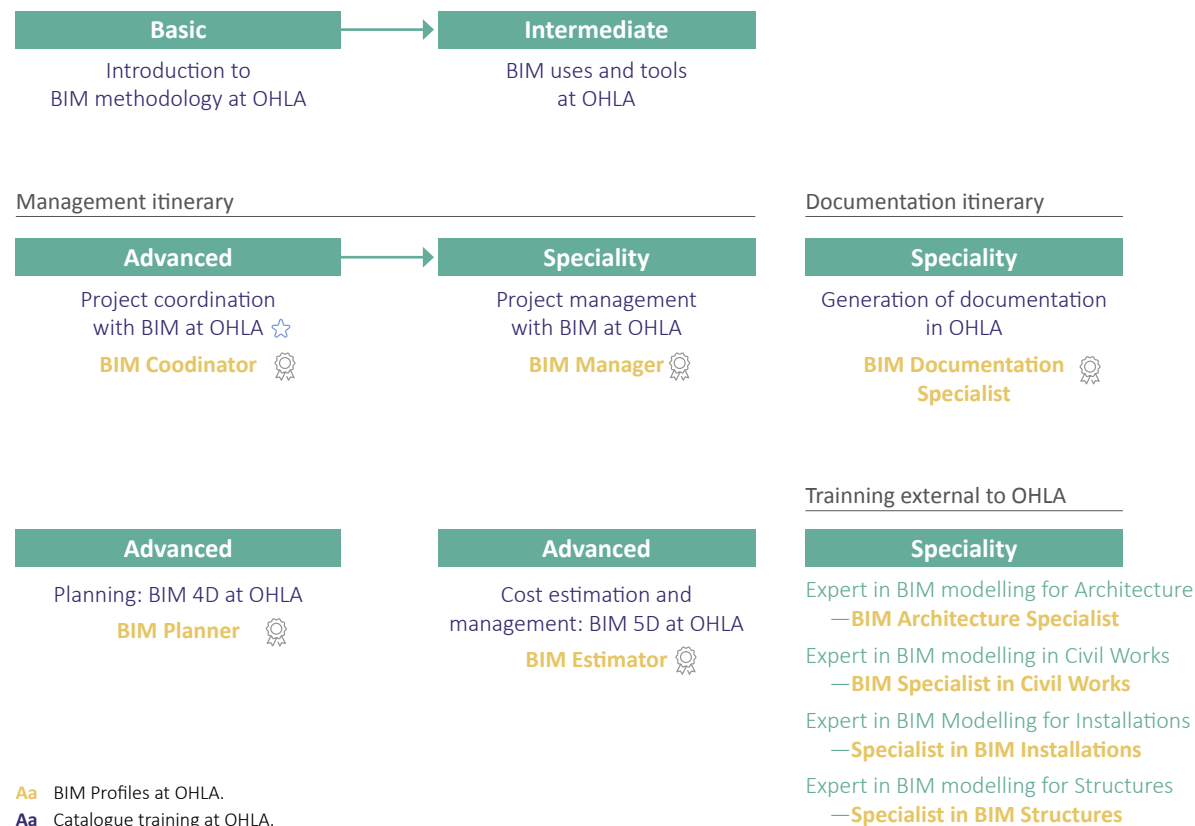
Developing talent

Acquiring new skills and broadening existing competencies is key to the development of our employees. To succeed, the OHLA Group is firmly committed to development and training programmes to ensure that employees have all the skills they need for their occupational category, based on the findings and results obtained from the performance assessment.

In 2022, the OHLA Group Academy, with its constantly expanding catalogue of training courses, became the key knowledge platform for all employees. As a Group-wide platform, it is able to reach out to all businesses and geographies where the Company operates. Aside from its training proposal, which is regularly renewed in response to emerging needs, the Academy offers a broad assortment of resources such as videos or general learning pills.

OHLA views the learning process as a continuous and innate part of the employee's professional life. Thus, training cycles are now being created that will be linked to the future professional itineraries on which the Group is working. One such example would be the BIM Itinerary, which is based on the following levels and scope of the subject matter:

BIM Itinerary



- Aa** BIM Profiles at OHLA.
- Aa** Catalogue training at OHLA.
- Aa** Training external to OHLA (highly specialised content).
- OHLA BIM profile certification exams (certification of skills associated with BIM profiles).
- Coordination of **Civil Works** or **Building** Projects with BIM.

In Spain⁹, the Company delivered training to a total of 7,631 learners, not only at OHLA Group companies, but also for 29 joint ventures in which the Company's subsidiaries are venturers. This figure amounted to a total of 63,933 hours, of which 56% were e-learning and 44% virtual.

Highlights included the courses aimed at assimilating the corporate culture. Training on compliance and the Company's ethical values continued throughout 2022, including the Code of Ethics, Anti-corruption Policy and Crime Prevention System.

To achieve its equality plans, OHLA also implemented numerous training initiatives to raising awareness in this area, including awareness-raising in relation to equality, eradicating unconscious bias and promoting inclusive language. Training will be delivered over the coming year in areas such as unconscious bias, harassment protocol, inclusive communication, gender-based violence and work-life balance and shared responsibility among parents.

International mobility

To retain talent, OHLA promotes international mobility with those profiles that have great potential for the business. We believe that employees do a better job at applying their knowledge, gain more experience and establish valuable support networks by interacting with other employees during business trips.

We also worked hard during the year to incorporate IT tools that align mobility with our business priorities along with those of our employees.

In 2022, we had more than 200 international assignments of various types, across more than 15 countries.

Diversity and equality

OHLA's commitment to diversity is embodied in a raft of policies, regulations and measures to promote equality, regardless of gender, race, age or ideology, as well as in the various international initiatives to which the Company is adhered. OHLA also seeks to ensure the full accessibility of its facilities and corporate tools so as to allow for the integration of all groups.

Framed by the III Equality Plan approved in 2021¹⁰, which is monitored by a dedicated committee, further progress was made in 2022 towards the objectives envisioned in the plan, most of which have now been met. The plan guarantees, among other measures, that selection processes comply with the principle of equal treatment and opportunities based on objective criteria, without direct or indirect discrimination. It also sets out to ensure that both parents are able to enjoy their work-life balance rights and improves upon the work-life balance rights afforded by the law for the employees of all Group companies. While the objectives set out in this plan are Spain-wide, some of them also apply to the wider Group.

In tandem, the 2022–2024 Sustainability Plan includes specific targets for diversity and equality. The approval of an action plan and the implementation of specific steps to achieve equal pay and reduce the gender pay gap were set as targets for 2022, as was obtaining the AENOR Equal Pay Certification (Spain scope). The following action was taken on the path to achieving these objectives:

- Principle of equal pay for men and women expressly included in the remuneration policy.
- Group-wide job evaluation carried out and remuneration register drawn up for all employees in Spain.
- Diagnostic report on the situation drawn up, including an analysis of the quantitative and qualitative elements needed to understand the reasons for the possible inequality between women and men in the Company.

9. In Spain, the Group's companies receive financial aid from Fundación Estatal para la Formación en el Empleo (FUNDAE) in organising and delivering the courses included in the annual training plan. In 2022, the Group channelled EUR 761,801.07 into training. The aim is to optimise all the resources at its disposal to accomplish its training objectives.

10. Applicable to OHLA Group companies, except for Services, which has its own plan.

Over the coming months OHLA will continue to work in this direction through the following actions, which are either scheduled and/or in progress:

- Conducting a remuneration audit and designing a related action plan¹¹ (in progress).
- Obtaining AENOR Equal Pay Certification¹²: OHLA plans to earn AENOR Gender Equality Certification as recognition for the work carried out by Human Resources, to confirm that we are working in the right direction by creating a healthy, inclusive and respectful working environment. The process will start once the remuneration audit has been completed.

Not content with merely meeting the objectives set for 2022, OHLA managed to meet the target set for 2024 ahead of time: having women account for 10% of Management and Senior Management positions.

More precisely, OHLA's Services subsidiary, Ingesan, carried out various initiatives alongside other entities and organisations specialising in diversity and equality. Meanwhile, new labour agreements were signed or existing agreements consolidated in 2022. Notable examples here include:

- Collaboration agreement with Valencia City Council (Spain) for the recruitment of people facing or at risk of social exclusion, within the framework of the *València Inserta* programme.
- Collaboration with Barcelona Activa (Spain), a local economic development agency, for the recruitment of people from underprivileged segments of society.
- Collaboration on the *Làbora* programme of Barcelona City Council (Spain), for the inclusion in the labour market of vulnerable individuals.

In addition, various actions and initiatives were carried out between Ingesan and the Red Cross, Caritas, Fundació Intermedia and Fundació Capacis, including arrangements for non-labour internships.

In 2022, Ingesan remained firmly committed to the recruitment of people at risk of social and job market exclusion, focusing on the strategic need to collabo-

rate with programmes and entities dedicated to these vulnerable people as a means of getting new talent to join the Company. Thanks to these actions, more than 200 people were recruited.

In the realm of labour inclusion, the Company earned the following distinctions in 2022:

- Diploma from Fundació Intermedia for the recruitment of vulnerable individuals and involvement in events to learn about the productive environment in order to promote job placements.
- *Amb Cor Company* accolade from Caritas for hiring people at risk of social exclusion.
- Special mention for the *Incorpora* Tarragona and *Incorpora* Girona programmes —both promoted by "la Caixa" Foundation— to encourage companies to hire people at risk of social exclusion.
- Various awards from the Red Cross for the recruitment of individuals at risk of social exclusion and collaboration on non-labour internships for vulnerable individuals.
- Award from Fundació Intermedia for recruiting people in a situation of social and/or labour market vulnerability.
- Four Ingesan workers recognised by Madrid City Council for the maintenance services provided in the district of Villaverde (Madrid) on the occasion of International Women's Day.

This social commitment is also reflected in actions to raise awareness on social media platforms, with content related to International Women's Day (8 March), International Caregivers Day (5 November), International Day for the Elimination of Violence against Women (25 November) and International Day of Persons with Disabilities (3 December).

The Company also collaborated on initiatives aimed at supporting recruitment. Highlights include its participation in the Human Resources Forum of Fundació Integra, the *Emplea* 2022 event held in Madrid, the Networking Day organised by Barcelona City Council's *Làbora* Programme, the European Social Network,

based in Malaga, and the Job Fair of the Barcelona Activa programme staged by Barcelona City Council.

Remuneration and benefits

OHLA's Remuneration and Benefits Policy and pay structure based on wage bands have been drawn up following a careful assessment of job positions and their classification into occupational groups and levels, according to the contribution made by each position to the business and/or the impact on earnings. The Group seeks to ensure that the following three objectives are met at all times:

- Fairness in determining employee remuneration and other wage conditions that form part of their compensation package, based on objective criteria.
- Having a specific remuneration structure with respect to market benchmarks, depending on how competitive the business needs to be in each of the geographies where the Company operates.
- Attracting, retaining and engaging the employees who work at the Group's various companies to their strategic objectives within the competitive and globalised environment in which they do business.

To ensure that the remuneration of its employees is suitably aligned with the strategic objectives of the business, OHLA has a variable remuneration system in place based on management by objectives (economic, company-specific and individual performance), which incentivises the achievement of the strategic goals set by the Company for the good of the business.

La evolución de este sistema de retribución variable ha culminado en el ejercicio 2022 con la incorporación de objetivos de sostenibilidad y métricas ESG (medio-ambientales, sociales y de gobierno corporativo) en los objetivos de gestión individuales de las posiciones directivas, en línea con el Plan de Sostenibilidad del Grupo para el periodo 2022-2024, teniendo dichos objetivos un peso entre el 20% y el 40% para las posiciones de negocio en dicho periodo, y entre el 10% y el 20% para las posiciones de soporte.

In 2022, this variable remuneration system incorporated sustainability targets and ESG (environmental, social and governance) metrics for management positions, in line with the Group's Sustainability Plan for

the 2022–2024 horizon, with these objectives having a weight of between 20% and 40% for business roles during that period, and of between 10% and 20% for support roles.

It was also established that for 2024, these sustainability and ESG objectives will also apply to the segment of middle managers eligible for the variable remuneration system.

Aside from monetary pay, OHLA's remuneration system envisions other forms of remuneration in the form of employee benefits or in-kind remuneration.

In 2022, the Company's management approved the inclusion of various perks and benefits in the compensation package of each occupational group, as a further show of the OHLA Group's commitment to people, to ensuring an attractive and competitive compensation package and to making it better able to attract and retain talent.

Notably, health insurance, a company car and contributions to a collective retirement savings insurance will be added by 2023, to supplement the existing benefits (life and accident insurance, lunch allowance and childcare support). The aim is to offer standard benefits across the various countries and regions in which the Company operates.

In 2023, the compensation and benefits function will be tasked with assessing new initiatives to extend new items of remuneration to different groups or segments so as to make their compensation package more attractive and competitive.

In response to the increasing importance of including measures related to the so-called emotional salary, in recent years the Company has developed policies to reconcile the professional, personal and family life of employees, including flexible working hours and remote working arrangements. This culminated in 2022 with the launch of the remote work or teleworking policy, in addition to further measures implemented in previous years, such as the right to disconnect.

In 2022, the job position assessment model was consolidated by means of an analytical system enabling the jobs to be classified into levels or groups of work of equal value, each assigned a salary band in which the reference values were obtained by looking at the levels of remuneration typically paid in the countries and

11. Spain scope.

12. Spain scope.

markets in which OHLA operates. A total of 25 different wage structures were classified by geographical area and business unit.

Meanwhile, the Group's Labour Relations Department continued to work alongside the workers' representatives throughout 2022 – especially in Spain – in complying with the obligations set out in Royal Decree 902/2020, on equal pay for men and women. The aim was to incorporate mechanisms and instruments to ensure the principle of transparent remuneration, which means evaluating job positions, keeping a record of remuneration paid (having reached an agreement with the workers' legal representatives regarding the remuneration structure to be used), ensuring employees' right to information and remuneration audit. This task will continue to be carried out in 2023 as a further illustration of the Company's commitment to equal pay among women and men.

Employee relations

The organisation is firmly committed to respecting freedom of association and the right to collective bargaining. It also upholds non-discrimination, the protection of all workers regardless of status,

gender, race, age, ideology or any other personal characteristics and decent conditions of employment, in its broadest sense, to ensure the well-being of all workers.

OHLA is party to a framework agreement with various international trade union federations, advocating full respect for human rights and civil liberties. OHLA employees are afforded full

legal protection, in absolute compliance with national legislation and applicable collective bargaining agreements. The Company also sits on the negotiating committees for these collective agreements.

OHLA works in the countries in which it operates in accordance with existing sectoral regulations. If no such regulations exist, the working conditions applicable to each workplace are negotiated with the legal representatives of the workers. The exact nature of the sectoral agreements that apply ultimately depends on the type or nature of the activity. Collective agreements are relatively commonplace in the construction, iron and steel and metal industry, in landscaping/gardening, public cleaning, cleaning of buildings and premises, car parks and garages, and at engineering companies, technical studies offices, consultancy firms and public opinion market research companies.

Employee dialogue takes place through trade union representatives and workers' legal representatives, with whom regular meetings are held. The Company's HR Department is also on hand for any direct contact that may be required. The channels used to communicate and interact with employees are the corporate intranet, notice boards in work centres, communiqués and e-mails, corporate newsletter and the employees' own legal representatives.

Notably, collective bargaining has been successfully used to improve the working conditions and work-life balance of employees, and the Company is firmly committed to continuing along these lines.

Perks, benefits and work-life balance measures for employees

OHLA aims to offer its employees a complete compensation package that ultimately helps it to attract new talent and retain existing talent. To succeed, the Company's compensation package includes, aside from monetary compensation (fixed and variable), other compensation in the form of in-kind employee benefits and remuneration that will be applied in each of the countries where the Company operates, depending on prevailing market practices.

This may include the provision of benefits, products or services such as (i) life and accident insurance, (ii) meal allowances, (iii) childcare costs, (iv) health insurance, (v) transport allowances, (vi) company car, (vii) social security schemes or mechanisms formalising retirement or pension commitments, (viii) financial assistance, which may be granted to employees as part of their compensation or within the framework of the flexible remuneration schemes.

Spain is a case in point, where the Company has implemented a Flexible Remuneration Plan under which employees may substitute part of their salary in cash for certain in-kind products or services subject to more beneficial tax treatment under personal income tax regulations, thus effectively increasing the net monetary remuneration of employees after taxes and personal expenses.

The following products or services may be arranged through the Flexible Remuneration Plan:



In countries where employee benefits or remuneration in kind are provided, they are applied equally to both full-time and part-time workers, regardless of contract type.

As for the **measures in place to reconcile family, personal and work life**, workers have the right to request certain changes to the length and distribution of the working day and in the way they work, including the possibility of remote work under the terms agreed upon.

Highlights in 2022 included the launch of a teleworking protocol to broadly encourage the use of remote working arrangements by offering each worker the option to work one day a week from home (one and a half days in the case of Ingesan). The aim is to ensure a healthier work-life balance. If the worker has children or dependents in their care, this may be replaced by working from home in the afternoons only during the split working day.

OHLA also offers, where possible, flexibility in the hours of arrival and departure from many workplaces, improving in some cases the scope for reductions in working hours to take care of dependents. It also strives to offer flexibility when arranging holiday leave, while promoting online training and video-conferencing.

Support for personal and family circumstances:

- **Employee Assistance Programme (EAP)** to support our workers in response to certain life events. Expert advice is offered as and when needed to help employees overcome certain personal issues (problems with their partner, children, the elderly, etc.).
- **Family Plan** to support the children of employees with disabilities, whereby the Company helps those with disabilities from an early age to improve their social and labour market integration and improve their quality of life.
- **Por ser de OHLA** portal, featuring a wide range of offers, discounts and promotions that company employees can benefit from.
- **Wage supplements** for persons with officially recognised disabilities and for employees who have children with some form of disability.

Digital disconnection and work-life balance measures

OHLA has implemented a policy on working hours and the right to disconnect. The policy aims to maintain productivity while promoting a healthy work-life balance, taking into account the diverse circumstances of employees in various work environments. This includes mobility outside the workplace and the right to disconnect from work, all in strict compliance with prevailing labour legislation in each country and region where the Company operates.

OHLA champions labour flexibility whenever legal, organisational and productive circumstances allow for this, with local HR managers establishing procedures that are in line with labour legislation and local customs and practices.

Moreover, the Company respects the right of employees to disconnect digitally and to enjoy proper rest and their full entitlement of holiday leave, while also respecting the personal and family privacy of the entire workforce. To achieve this, it limits the use of tools and technologies provided by OHLA outside the effective working day to cases that qualify as objectively urgent or where the worker's responsibility calls for such further use.

Health and safety

In 2022, OHLA focused its efforts on the need to maintain and improve occupational risk prevention management systems and to lower accident rates and ensure the preventive behaviour and health of workers through training and awareness-raising. The related targets set out in the 2022 Sustainability Plan were met during the period, maintaining the percentage of ISO 45001 certified sites at over 90% and carrying out six training actions and three site visits by the regional manager. As a further show of its commitment to the health of its employees, in 2022 OHLA accomplished one of the targets set for 2024: achieving a 10% increase in the number of active users of the OHLA People programme compared to the base year.

As regards the audits of the occupational health and safety management system, the programme of internal and external audits, both in person and remote, went ahead without incident¹³. When carrying on the audits, the engagement adhered to OHLA's strict internal protocols, as updated in response to successive regulatory changes emanating from the competent authorities in each of the countries they visited.

Meanwhile, the OHLA National Occupational Health and Safety Committee continued to hold meetings throughout 2022, with the participation of representatives from all of the committees currently existing across Spain. OHLA also has a health and safety committee in most countries as a legal requirement, with the aim of ensuring engagement and communication with workers through supervisors, prevention officers, trade union officers and managers and those responsible for the Company's various work centres.

As required under OHLA's Integrated Management System, preventive surveillance committee meetings are held monthly at the construction sites of the Europe-Spain Division. The meetings focus on the need to coordinate business activities, with the attendance and participation of OHLA's own site managers and representatives of each subcontractor company present on the construction site. Similar meetings are held at the other divisions, albeit under different names but always with the same objective: communicating risks and preventive measures among those involved in the construction work.

Broadly speaking, for the identification, evaluation and periodic review of occupational hazards, OHLA has a procedure in place that explains who is responsible for what and how to proceed in each case. First of all, data is collected on the existing conditions of the workplace, the type of tasks carried out, the equipment used, and so forth, in order to identify the risks. The risks associated with the activity are then estimated in terms of severity and probability of occurrence.

In 2022, the number of sites with occupational risk prevention certificates (ISO 45001) remained at 40 and in the same 14 countries as the previous year, under the SGI umbrella

Risk management



Once the risks have been assessed, preventive and/or corrective action is taken and communicated to all affected workers through various channels of communication, and the ongoing effectiveness of these actions is monitored closely.

13. Due to the lingering effects of COVID-19 in Latin America.

In 2022, regular committee meetings were held to address issues related to the pandemic and monitor accident rates, changes in legal requirements on occupational risk prevention, medical check-ups, training activities, and so forth.

In addition, work is now under way to review and update the Company's Quality, Health and Safety, Energy and Environment Policy in order to strengthen the existing prevention and protection mechanisms. OHLA is also firmly committed to raising awareness among workers through training/information given at the work centres, because this is viewed as a key tool in integrating safety into the production process and as a bedrock for self-care among all employees. At Construction, Industrial and Services, toolbox talks continued to be given throughout the period at the work centres on initial, periodic and specific safety concerns, including first aid and how to respond in an emergency.

Subsidiary Pacadar was fully consolidated within the Group in 2022, meaning that its safety indicators are now reported together with those of all the Group's divisions, without this having a major impact on the global statistics.

HOURS OF INFORMATION (2022)

Construction	353,113
Industrial	2,178
Services	5,282
Total	360,573

	FREQUENCY RATE		SEVERITY RATE		INCIDENT RATE	
	2021	2022	2021	2022	2021	2022
Construction	7.5	5.2	0.4	0.3	1,559.9	1,079.2
Pacadar	34.8	52.6	0.8	1.3	5,998.0	10,249.6
Industrial	0.8	1.6	0.1	0.1	154.0	269.6
Services	25.9	31.8	0.8	1.0	4,537.8	5,471.7
Total	16.8	20.9*	0.6	0.7**	3,171.7	3,888.6

Frequency rate = number of lost-time accidents x 1,000,000 / No. of hours worked.

* Frequency rate for 2022 broken down by gender: men 7.64 / women 13.28.

Severity rate = No. of days lost x 1,000 / No. of hours worked.

**Severity rate for 2022 broken down by gender: men 0.28 / women 0.42.

Accident rate = number of lost-time accidents x 100.000 / No. of workers.

Health and safety measures are applied equally at OHLA, without discriminating between genders.

Excluding employee commuting accidents.

In 2022, 14 occupational illnesses occurred at the OHLA Group, 11 affecting women and three affecting men.

The change was largely due to higher rates at Services and Industrial and also at subsidiary Pacadar. While there was an increase, with the exception of Construction, where the rates actually fell, to be meaningful a statistical analysis of the accident rate must be conducted on the basis of a minimum number of hours worked (usually in the range of 250.000 hours) in order for the resulting indicators to be considered significant. Thus, beyond the number of days lost as a result of an accident considered serious, due to the time the worker is off work and not the type of accident or injury, it is not considered significant from a statistical or management standpoint in terms of the change in these indices.

Number of accidents and severity in 2022, broken down by gender

	MEN		WOMEN		TOTAL	
	MINOR	SERIOUS	MINOR	SERIOUS	MINOR	SERIOUS
Construction	63	13	5	0	68	13
Pacadar	34	1	1	0	35	1
Industrial	1	0	0	0	0	1
Services	152	34	408	104	560	138
Total	250	48	414	104	664	152

As for our efforts to control the accident rate¹⁴ at OHLA, a key highlight was the development and launch, effective 1 January 2022, of the OPC (Operational Control) technology platform on a Group-wide scale by the Occupational Health and Safety Service, in collaboration with OHLA's Quality and Environment department. This new, more precise tool is a key mechanism for the end-to-end management of the OHS (Occupational Health and Safety) Management System and, in particular, as a unique and obligatory channel for reporting the accident rate of each division and country, both statistically and in terms of documentation. For recording and investigating incidents, OHLA has a general procedure in place for recording and investigation incidents that explains who is responsible for what and how to proceed. Upon receiving notice of any incident, the person in charge of the work centre is informed and the relevant control measures are triggered. Once resolved, the incident is classified and logged in terms of its consequences. All incidents undergo a subsequent investigation with the aim of preventing any recurrence. Information is collected, the causes are analysed and measures and actions are proposed.

Another key highlight in 2022 were the changes made to the Healthy Company programme at OHLA.

14. In 2022, two fatalities were recorded, one of them due to a road accident as the worker was travelling between two workplaces. In the second case, a female employee of a subcontractor company was killed in an accident, the circumstances of which are currently under investigation. In the meantime, OHLA and its collaborators will continue to work towards their shared goal of zero accidents.

15. Following the introduction of a new and much more accurate reporting channel, a certain degree of disparity in the data between 2022 and 2021 is to be expected.

PROGRAMA SALUDABLE CUÍDATE OHLA

CUÍDATE OHLA IS NOW OHLA PEOPLE

Although the Healthy Company programme *Cuídate OHLA* continued to run successfully in early 2022, in May the OHS Service decided to give the programme a new look, both technologically and in terms of participation.

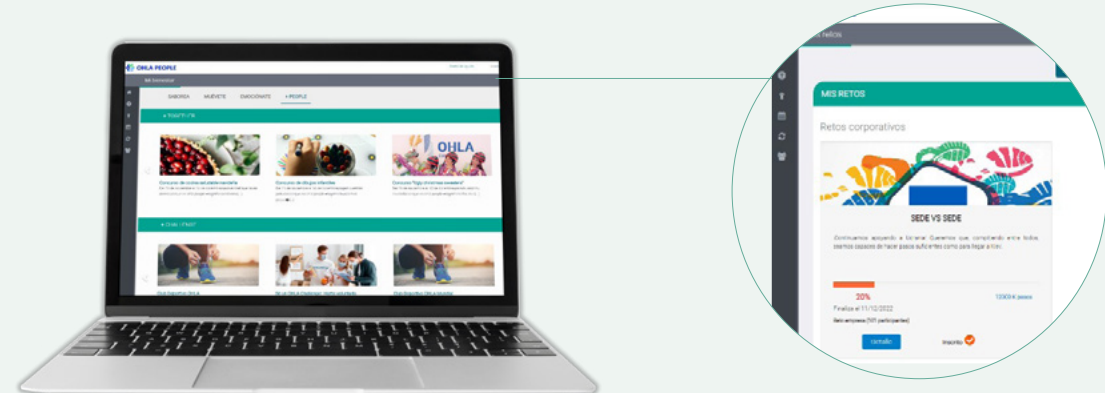


To succeed, we arranged the technological platform of BIWEL, a company specialising in the management, communication, implementation and evaluation of comprehensive wellness programmes for companies. Moreover, OHLA's internal departments, including Sustainability, Benefit, Talent and Development and Medical Service, were all involved in the programme.

Aside from the content included in the platform, other content is developed, including campaigns, workshops, training activities, sports activities and challenges that can be carried out between OHLA Group departments, divisions, companies or even countries. A further highlight was the creation of the OHLA Sports Club, which also supports the well-being of our employees by encouraging them to take part in sporting activities for the benefit of various worthy causes.

The images to the side show our *Cuídate OHLA* stop smoking campaign and our centre versus centre challenge to support Ukraine under the new OHLA People programme.

In 2022, participation in *OHLA People* was up by more than 400 users compared to the launch year (2019), which is an increase of more than 10%.



OHLA is also a long-standing member of the Health and Sustainability Action Group, coordinated in Spain by Forética, which aims to promote health and well-being as one of the cornerstones of sustainability and corporate social responsibility.

Lastly, the Prevention Service took part in various forums and training actions throughout 2022. Highlights here included its participation in the SEOPAN Health and Safety Commission in training actions for young labour and social security inspectors, in collaboration with Fundación Laboral de la Construcción in the Eastern Territorial Division; in preparing the OSALAN Guide for Occupational Health and Safety in the construction of railway superstructures, at the Northern Territorial Division; or in round tables such as in the SBC Forum Health, Wellbeing and Work-Life Balance Congress.

Another outstanding collaboration involving OHLA's Prevention Service in 2022 was its participation in the 14th Edition of the Postgraduate Course of Specialist in Health and Safety Coordination of Construction Work, delivered by Polytechnic School of Cuenca attached to the University of Castile-La Mancha.

Lastly, phase one of the online health and safety course was completed during the year, targeting expatriate personnel from certain countries in southern Latin America, Europe and the Middle East, as well as new hires. Further phases of the training will take place to ultimately cover the OHLA Group's entire workforce.

Customers

OHLA relies on its Integrated Management System (IMS) to obtain information in pursuit of customer satisfaction as it identifies and responds to their needs and expectations. To succeed in this task, it monitors information showing customer perception of OHLA's compliance with the relevant requirements. The survey is regularly used as an analytical aid. In 2022, the customer satisfaction module was developed and added to the Operational Project Control (OPC) platform to strengthen and streamline the way in which information is received and analysed. Customers can also express their satisfaction or dissatisfaction through questionnaires, interviews, complaints, claims, suggestions and/or after-sales audits.

OHLA relies on continuous improvement, SWOT analysis and management review to identify the areas of its organisation that present opportunities for improvement and establishes the necessary actions to enable continuous progress in the performance of the Integrated Management System.

Each year, quality objectives focus mainly on the Company's commitment to create new processes to cater to the needs and requirements of our customers

The collaboration agreement signed with the University of South Florida and OSHA, the US Department of Labor, in the South Corridor Project in Miami, continues its successful development, achieving important achievements in the field of training and improvement of safety and health conditions

Community Asphalt was recognized with an Award of Superior Achievement for an Outstanding Safety Record by the Florida Transportation Association in 2021

and stakeholders. A total of 645 claims, complaints and suggestions were received at OHLA in 2022, 64% less than in 2021 (1,811 claims)¹⁶.

The Company continued its programme of internal and external follow-up audits during the year, maintaining the multi-site certificates for Quality (ISO 9001:2015), Occupational Health and Safety (ISO 45001:2018) and Environment (ISO 14001:2015). There are now a total of 155 certifications across 14 countries and territorial divisions. These certifications account for more than 98% of certified sites.

These certifications provide added confidence and assurance about information management and internal processes, in relation to energy efficiency, health and safety and the environment. All this is of particular importance to the Company in terms of business, competition and reputation. It also allows the business to target focal points for continuous improvement and the pursuit of management excellence. OHLA has therefore committed in its 2022–2024 Sustainability Plan to keep the percentage of certified sites at above 90%¹⁷ for at least the next three years.

Supply chain

OHLA is working to strengthen the management of its supply chain and to be ready to cope with any foreseen or unforeseen situation that may arise during the normal course of its business. This means having the right tools in place to identify, monitor and respond to all related risks.

In recent years, we have witnessed a high degree of geopolitical instability across the globe and external conflicts have had a heavy impact on companies' supply chains. These events reveal the need to adapt to new environments and to make productive systems and flows risk-proof, through a preventive approach.

To mitigate these risks (both financial and non-financial), OHLA has its own action framework set up at supply chain level based on its responsible procurement and sustainability policies and another key regulation, namely the Code of Ethics.

The first step to joining the supply chain is the approval process. Prior to any award, all OHLA Group suppliers

must be evaluated for their compliance with the requirements set out in the Group's various codes, policies, standards and processes.

As part of the approval process, OHLA insists that all suppliers sign the Responsible Procurement Policy, which includes compliance with the Code of Ethics and the Ten Principles of the UN Global Compact. They must also not have been found to have breached any of these principles during the last three years by virtue of a non-appealable ruling or decision. Additionally, critical suppliers must undergo a third-party due diligence in which their technical, financial and compliance-related suitability is assessed. At the end of the life cycle, an evaluation and monitoring exercise is carried out to ensure that all procurement and subcontracting activity complies with the environmental, social and governance (ESG) requirements set out in the contract.

To ensure better management and closer control of the entire supplier selection process, OHLA not only includes specific ESG clauses in the contracts it signs (Global Compact, Crime Prevention Policy, Anti-Corruption Policy and Responsible Procurement Policy), along with quality, environmental and prevention requirements, it also continuously seeks to improve its procurement management systems and the Procurement Information System (PIS), in order to optimise the quality of the entire process and ensure traceability at all levels. As part of this search for continuous improvement in how the supply chain is managed, OHLA works to have more and better quality information on its suppliers, thus allowing it to make better decisions in each case.

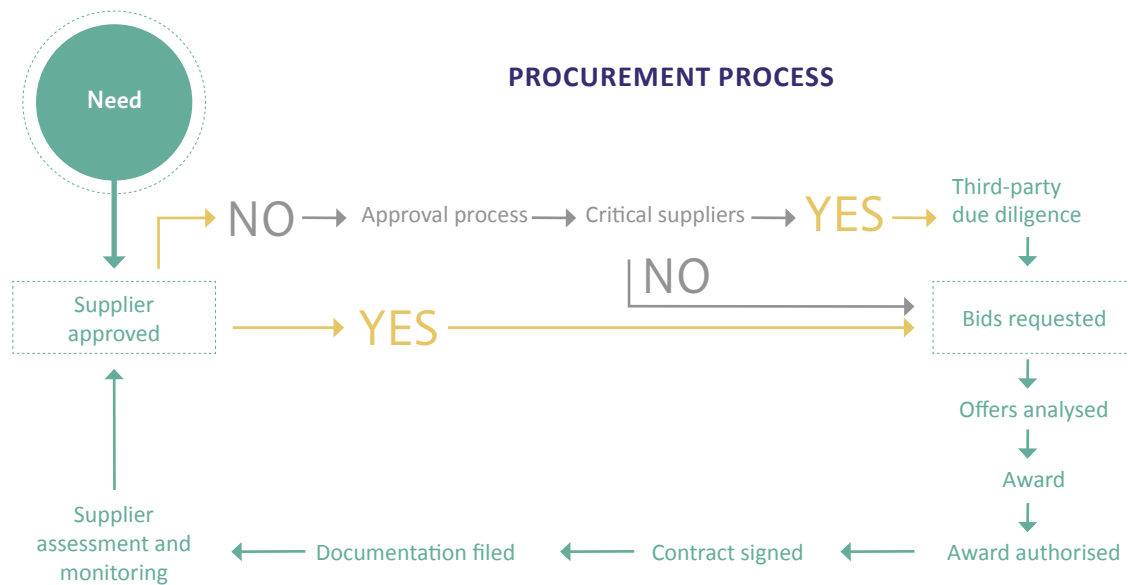
	2022	2021	2020
Total number of suppliers/subcontractors utilised in the year	14,102	18,087	18,218
Total volume of expenditure on purchases from suppliers/subcontractors in the year (EUR million)	2,498	2,110	1,897
Total volume of expenditure on purchases from local (in-country) suppliers/subcontractors**	97.4	96.1%	96.7%

* Includes data on supplies and external services.

** Estimated based on the amounts reported by country of purchases from local suppliers.

Further progress was made in 2022 towards fulfilling the commitments set out in the Sustainability Plan. Thus, for OHLA it is essential that its various businesses pursue decarbonisation strategies aimed at reducing specific emissions along their supply chain. Work was carried out to improve the consistency and quality of the data for calculating Scope 3 emissions. As mentioned earlier in this report, OHLA also joined the Science Based Targets initiative (SBTi) to set reduction targets in line with science, which requires us to count the emissions generated by our suppliers.

Over the coming year, we will continue along this path of improvement and work across the entire Group to make sustainable criteria part of our decision-making and purchasing processes. A catalogue of suppliers of materials and machinery with a lower environmental impact will also be drawn up and launched, as envisioned in the 2022–2024 Sustainability Plan.



16. The Company considers a claim to be a grievance received in relation to an alleged construction defect in the work performed by OHLA within three months of its delivery to the customer.

17. This percentage does not include the part of the business located in the United States.

Community

Generating value for the community

The Company's social endeavours cover the entire life cycle of its projects and are based on ongoing dialogue with the communities concerned. OHLA is therefore focused, from a social standpoint, on generating direct and indirect employment in these communities; a prime example being its commitment to hiring local talent and forging stable relationships with local suppliers, thus helping to revitalise the local economy.

The Company works to ensure that each of its projects has a positive social impact, focusing on employability and improving the quality of life of underprivileged groups through specific training and education plans. Highlights here include various educational actions carried out at schools and training centres in the vicinity of our construction sites and projects.

The Company's employees play a key role in pursuing and achieving this positive impact. When it comes to corporate volunteering, we encourage our employees to get involved in social initiatives in various realms of society, whether sport, culture, the environment or social inclusion. The aim is to build a sense of commitment and raise awareness of the many social realities that exist today, and to act responsibly wherever the Company operates. And, naturally, OHLA stands by those most in need in times of humanitarian crisis. It has shown its strong support for the people of Ukraine through donations made by employees and the Company itself. This campaign has been extended to Syria and Turkey in the wake of the February 2023 earthquakes, and the Company, through its team in Turkey, has delivered machinery, generators, light towers and other tools to aid in the rescue efforts.

HUMANITARIAN AID

OHLA Turkey team donates machinery and tools to aid earthquake rescue efforts

Following the powerful earthquake that struck southern Turkey on 6 February 2023, the OHLA team in the country sprang into action by donating machinery and tools from the construction site warehouses to support the rescue efforts.

On the day of the earthquake, OHLA provided the rescue teams (AFAD) with generators and light towers. In a second action, tools and work sheds with wash-basins and toilets were added. Tools such as saws and drills were also provided.

An agreement was also reached whereby the repair of the light towers and generators will be carried out by the companies collaborating with AFAD. The task of setting up the equipment has been ongoing since Monday of last week.

Aside from these efforts, the Company launched a campaign in Spain to collect materials in collaboration with the Turkish Embassy and other international institutions and NGOs. It also plans to extend this campaign to other markets in the near future.



Economic value generated and distributed

	2022	2021
Economic value generated		
a) Income		
Revenue	3,259,672	2,778,604
Other operating income	98,533	125,665
Finance and other income	14,344	116,923
	3,372,549	3,021,192
Economic value distributed		
b) Operating costs		
Cost of sales	1,700,575	1,513,204
Other operating expenses	645,759	484,835
c) Wages and employee benefits		
Staff costs	897,045	814,608
d) Payments to providers of capital		
Dividend	0	0
Finance costs and exchange differences	94,676	87,931
e) Taxes		
Income tax	32,658	36,243
f) Resources allocated to society		
Resources allocated to the community	728	382
Total	3,371,441	2,937,203

EUR thousand

Education

OHLA is strongly committed to improving the job prospects and quality of life of underprivileged groups, through specific training and education plans and other social endeavours.

One such example would be our participation in the Skills-Building Academy of Fundación Integra. OHLA volunteers delivered training at this school in 2022 to a total of 339 people facing severe social exclusion or with some form of disability, with new training and content that will help improve their employability.

The Company also joined various awareness-raising campaigns, such as the employability aid for women who are victims of gender violence to mark the occasion of International Day for the Elimination of Violence Against Women.



Speed networking under the Inspiring Girls programme in Madrid, Spain.

In line with our commitment to diversity and gender equality, especially our work to include women in academic disciplines with which the Company is closely related, OHLA partnered up once again with the Inspiring Girls Foundation in 2022 to continue breaking gender stereotypes and create positive references among girls and young women. Notably, a group of female employee volunteers was set up to pass on their personal and professional experience to the girls, to encourage them to pursue careers related to these academic disciplines and to help eliminate prejudices regarding the presence of women in these traditionally male-dominated sectors. Highlight actions included the speed networking event, which was attended mainly by pupils aged between 10 and 12 from different primary and secondary schools; and the environmental day organised by Ingesan employees together with Fuenlabrada City Council (Spain), in which experts in the field were able to pass on their knowledge of the sector to the learners through various activities.

Through all these actions, OHLA is looking to be a driving force in the pursuit of strategies that contribute to business excellence, the competitiveness of talent and the reduction of inequality and exclusion within Spanish society.

Further examples include the partnership between OHLA USA South East Region and Moss School of Construction, Infrastructure and Sustainability at Florida International University (FIU), which has been in place since 2021. The partnership is based on a training programme designed to provide underserved, under-educated populations with the technical skills needed to find high-paying, high-demand jobs in Miami's construction industry. As a solutions centre for South Florida, OHLA USA together with FIU have the expertise, administrative resources and the construction, infrastructure and sustainability facilities to train an underemployed portion of the population to become qualified for in-demand construction jobs. We began offering the training to target populations in Overtown, Liberty City and West Miami, including Sweetwater, Doral and Hialeah, and more recently in Homestead and Opa-locka. OHLA also offers opportunities for new students to join the Company after they complete their certification and start working at OHLA USA South East. More than 400 people have already benefited from the programme.

ENVIRONMENTAL PROGRAMMES

Explore, learn, protect

In the realm of environmental protection, OHLA signed a partnership agreement with *La España Azul* project, which aims to protect our oceans and is part of the United Nations Decade of Ocean Sciences under the motto "Explore, Learn and Protect". It is the first scientific sailing expedition to analyse the marine ecosystems of Spain and Portugal.

Through this valuable scientific research, *La España Azul* will produce a report calling for 30% of these areas to be declared Natural Marine Parks and Marine Protected Areas. The report will look to raise awareness of the level of pollution, the percentage of oxygen in the water, the loss of biodiversity and overfishing, the rise in sea level, the impact of construction, urban development and tourism, and the increase in sea temperature.



The expedition is structured into several stages in which different locations will be documented: coastal cities, river mouths and pristine environments; and outreach activities, such as conferences, beach clean-ups and other public awareness actions, will be carried out with the involvement of OHLA employees.

Championing the environment through education

Colombia

In the *Viaducto* project at km 58 on the road from Bogotá to Villavicencio in Colombia, environmental protection is being practised and preached through various strategies aimed at students of the educational institutions lying within the area of influence.

A total of 118 students from four institutions took part in developing the Adaptation and Sustainability strategy of the client Invias. The aim is to raise awareness and educate children in the importance of taking proper care of the environment, so that they can be multipliers of change for the benefit of their community. During the events, trees were planted, educational games were played on the proper sorting and disposal of waste and activities relating to water conservation and natural resources were carried out.

Elsewhere, various workshops were held for bicycle users of the Autopista Norte Cycle Route, with tips and advice given on how best to get about by bicycle. The same project also included the restoration of degraded areas in and around the catchment area.



Promotion of culture and historical heritage

OHLA is firmly committed to the protection and conservation of historical and cultural heritage, which includes traditions or living expressions inherited from our ancestors and passed on to our descendants, which we have a duty to preserve.

On construction sites that include archaeological remains or those of special cultural importance, induction talks on how to respect this heritage are typically given to both on-site personnel and anyone else from the community who is interested.

We also embrace voluntary commitments along similar lines. One such example would be the agreement signed with the Prado Museum, or our collaboration on the documentary *Tiempo de Zarzuela*, which traces the history and current panorama of this magnificent Spanish musical genre, which has been a major part of our emotional memory for the last 400 years or so.

ART AND CULTURE

OHLA and the Prado Museum

Madrid

OHLA has signed an agreement with the Prado Museum to support the remodelling and architectural refurbishment of the new facilities in room 39 of the Villanueva building, the museum's historical headquarters.

This room, located on the first floor of the museum opposite the Botanical Garden, was created in 1828 as the retiring room of King Ferdinand VII and his family. The refurbishment of this majestic room included the restoration of the large central window that frames the south wall of the room, which had been obscured since 2009 due to the rearrangement of the collection of 18th century French paintings.



Room 39: Their Majesties' Retiring Room.

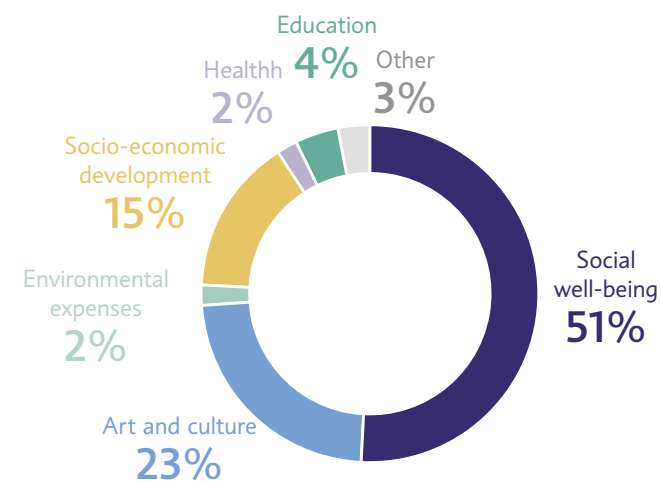
Social inclusion

Socio-occupational integration is one of OHLA's priority lines of action. It takes shape through various awareness-raising and corporate volunteering actions and in the promotion of direct employment. To succeed, OHLA collaborates with various entities, including Fundación Integra, on whose board of trustees it sits, Fundación Adecco, Prodis, Randstad, Aldeas Infantiles, Inspiring Girls and Down Madrid, among others. These joint efforts earned OHLA, and more precisely its network of volunteers, the Commitment 2022 Award from Fundación Integra, which is a testament to our support for people at risk of social exclusion and people with disabilities.

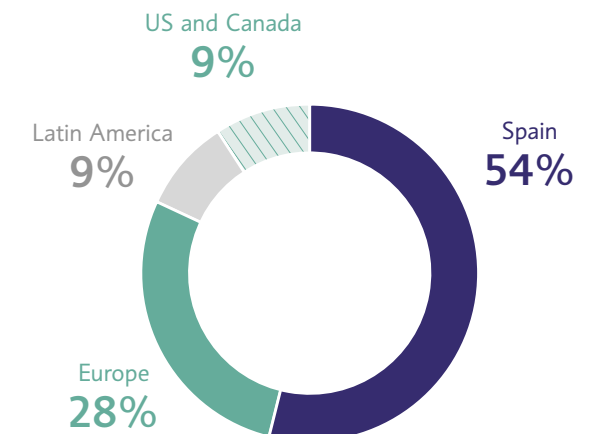
Further activities were also carried out during the year with these foundations and NGOs. For example, OHLA and Fundación Randstad teamed up to hold a day of environmental and inclusive volunteering in Madrid alongside the families of our employees and people with disabilities, with the aim of promoting care for the environment and responsible consumption. For the second year running, OHLA held its 2nd Inclusion Olympics with Fundación Adecco in November to aid in the development of basic skills through sport. The initiative helps to develop social skills and build levels of self-esteem, concentration and coordination among people with disabilities, thus promoting their social and labour inclusion.

OHLA's commitment to the communities in which it operates, to culture and historical heritage, to the inclusion of vulnerable groups as well as to its employees, has meant a social investment¹⁸ in 2022 amounting to €728,308.20

SOCIAL INVESTMENT BY POLICY AREA



SOCIAL INVESTMENT BY GEOGRAPHICAL AREA



18. The social investment figure includes sponsorship, patronage and social welfare actions, as well as other donations arising from legal obligations.

CIRCULAR ECONOMY

OHLA's PFV Coya project fosters circular economy and social inclusion

The construction of the photovoltaic farm involved the installation of more than 369,000 photovoltaic panels across 310 hectares. It took 324 kilometres of underground cable to connect the thousands of panels, generating more than 150 large wooden spools of waste in the process. Due to the large size of the spools, a procedure for their manual dismantling was presented to the client, thus achieving a 200% reduction in the volume of end industrial waste and cost of final disposal, generating instead good quality waste material with potential for reuse. The material was donated to a local educational programme. The learners with disabilities made handicrafts from the donated materials and then sold their products at the entrepreneurship fair.



SOCIAL COMMITMENT

OHLA launches VERA, a digital healthcare services platform, and strengthens its Services business line

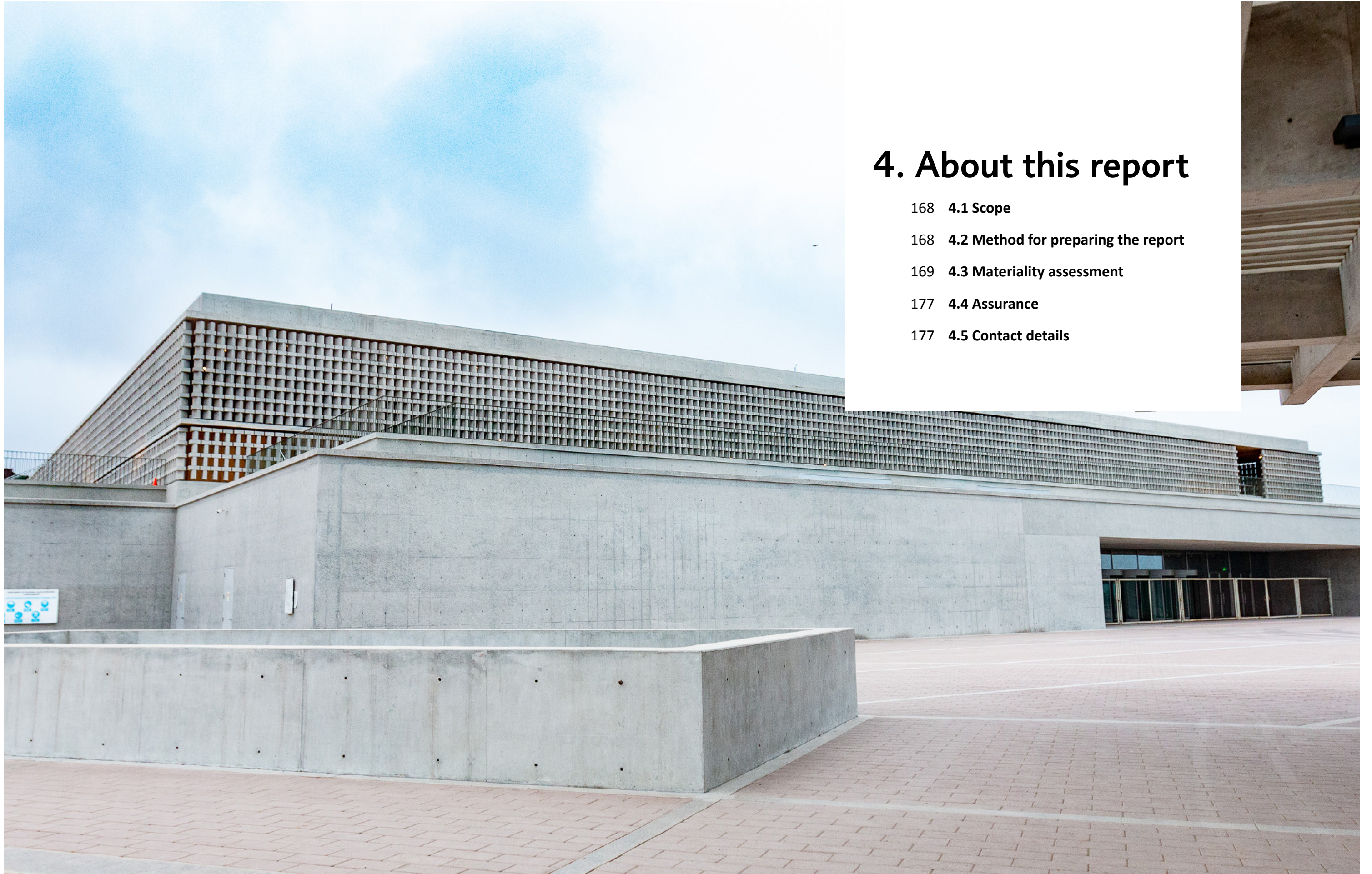
Ingesan has unveiled the VERA platform, a bespoke solution for the OHLA Services line. It was designed and developed under the highest safety and quality standards, and forms part of the Company's R&D&I management system certified under UNE 166002-2014: research, development and innovation in social and health care. The virtual VERA social services centre will ultimately benefit some 6,000 users in Spain, Mexico and Chile.



VERA aims to keep the elderly active and connected with the rest of society and to cater to all their needs, thus enabling social interactions and preventing any physical or cognitive decline through a wide range of services: virtual day centre, lifestyle monitoring, fall detector, communication system with family and friends and leisure activities, among other benefits.

The VERA digital platform relies on technology to bring the services of a traditional social centre into the user's living room. This effectively eliminates physical and distance barriers to travel and delivers a full range of services available to all users: from psychological and social carers to ensuring the individual and collective social integration of the elderly and seeking to maximise their autonomy.

In a nutshell, this virtual platform provides an outstandingly comprehensive and bespoke service to users in their own household, while also promoting personal interrelationships through virtual groups.



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National Museum of Archaeology (MUNA). Peru.

Scope

This report, which contains the Non-Financial Statement, forms part of OHLA's Consolidated Management Report for 2022 and describes the progress made in terms of sustainability throughout the year at both the Company and along its value chain. The aim is to ensure direct and transparent communication with all OHLA stakeholders in relation to the Company's performance, strategy and all other relevant issues for generating short- and long-term value. The information contained in this report should be read in conjunction with other corporate documents and information found at <https://ohla-group.com/>.

The scope of this report is the same as that of the consolidated financial statements and therefore includes Obrascón Huarte Lain, S.A. and its subsidiaries for 2022.

For further information on the companies included in the scope, please refer to the scope of the consolidated financial statements.

To ensure the utmost transparency of the information, any scope change that may affect the comparability of the information will be indicated in due course throughout the report.

Method for preparing the report

The non-financial and sustainability content has been prepared in accordance with the recommendations of the IIRC (International Integrated Reporting Council), in accordance with the GRI Standards (core option), SASB Standards and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD); also taking into account the main material topics identified in the Group's materiality assessment and reporting requirements in relation to the various initiatives to which OHLA is adhered. It also responds to Law 11/2018 of 28 December, amending the Spanish Commercial Code; the consolidated text of the Corporate Enterprises Act (*Ley de Sociedades de Capital*) enacted by Royal Legislative Decree 1/2010 of 2 July; and Law 22/2015 of 20 July, on auditing, with regard to non-financial and diversity information.

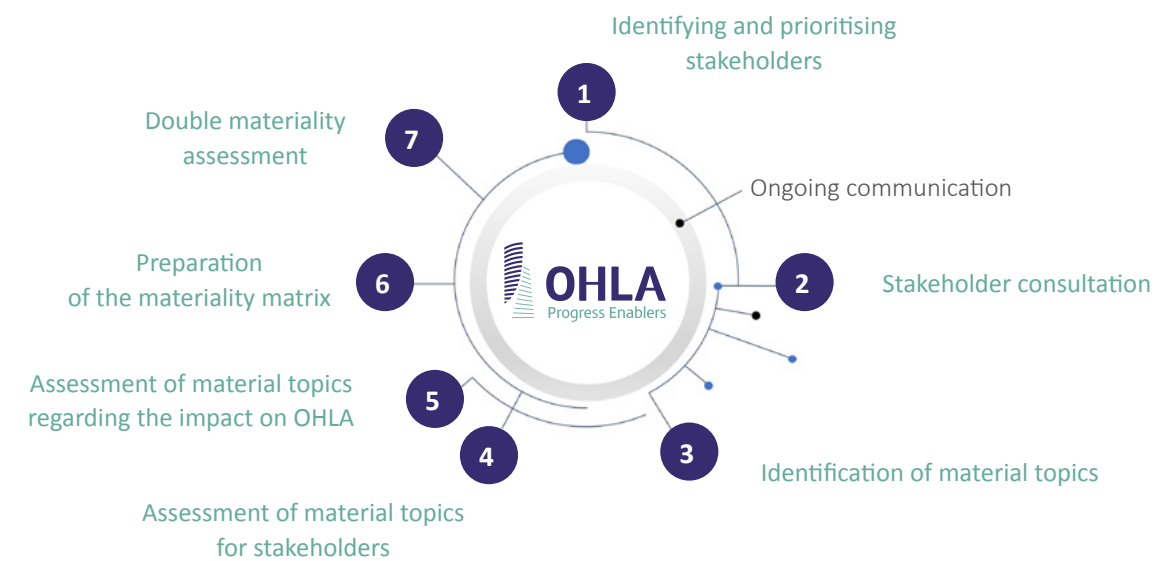
The sustainability reporting principles of the GRI Standards were considered when determining the content of the report (stakeholder inclusiveness, sustainability context, materiality, completeness) and the quality of the information (accuracy, balance, clarity, comparability, reliability and timeliness).

Lastly, this report contains an index showing the contents of the Non-Financial Statement (NFS) and the mapping of each item to relevant GRI indicators.

Materiality assessment

At OHLA, we take a proactive stance towards meeting stakeholders' expectations regarding sustainability. To do so, both the corporate and the business areas have identified their key stakeholders and set up channels and mechanisms for ongoing and transparent dialogue in their relations¹⁹.

In preparing this report, each year we perform a materiality assessment based on the AA1000 standard recommendations to ensure that the expectations and material concerns of our stakeholders are addressed throughout the report. Our approach can be summarised as follows:



Ongoing dialogue is part of our daily routine and comprises each interaction with stakeholders through the various communication channels in place.

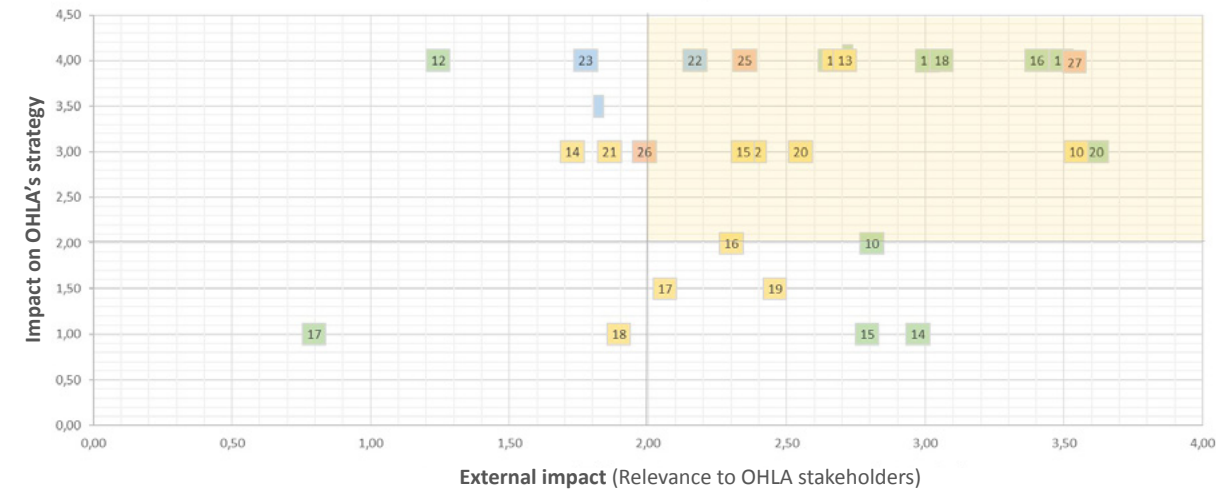
When identifying and updating topics that are material or relevant for stakeholders, we consulted multiple (internal and external) sources to minimise the risk of overlooking any emerging topic and ensure a comprehensive and objective assessment. Specifically, in 2022, we reviewed and analysed ESG regulations applicable in the short and medium term, Spanish and international reporting requirements, and requirements of regulators, ESG analysts and others received through the various communication channels in place. Internally, we went back over our internal policies and rules and the Company's strategic lines.

The material topics identified from the studies carried out for the current reporting period were forwarded to the Management Systems Committee. They were not substantially different to those identified in previous periods.

¹⁹. See Appendix VI Communication channels and stakeholder expectations.

Following this process, the material topics are prioritised by current importance or relevance for stakeholders and by the impact for the Company. The results are used for the materiality matrix to identify the most relevant issues towards which the Company should direct its efforts in the short and medium term.

OHLA Group materiality matrix



- Sustainable business aspects (innovation and the environment).
- Responsible management aspects (good governance).
- Social progress aspects (social-employment and supply chain).

Materiality and impact of topics are measured on a scale of 1 to 4, with 1 being the lowest and 4 the highest materiality and impact. Among all the material aspects²⁰, the following have been flagged as priorities (top right box):

- 2. Efficient energy management: commitment to energy efficiency.
- 4. Climate change: reduction of greenhouse gas (GHG) emissions.
- 7. Promotion of the circular economy.
- 9. Range of sustainable solutions.
- 10. Diversity and equal opportunities.
- 11. Talent attraction and retention.
- 12. Training, education and promoting the employability of the workforce.
- 13. Occupational health and safety.
- 15. Work-life balance and digital disconnect measures.
- 20. Respect for and compliance with Human Rights.
- 22. Responsible supply chain management.

²⁰ See Appendix V List of material topics for a complete list of the material topics identified.

25. Good governance and compliance.

27. Transparency of information.

Throughout this report we respond to the material topics identified, structured around the three strategic priorities envisioned in the 2022-2024 Sustainability Plan, in the following order:

RESPONSIBLE MANAGEMENT

- Good governance and compliance.
- Transparency of information.
- Respect for and compliance with human rights.

SUSTAINABLE BUSINESS

- Efficient energy management: commitment to energy efficiency.
- Climate change: reduction of greenhouse gas (GHG) emissions.
- Promotion of the circular economy.
- Range of sustainable solutions.

SOCIAL PROGRESS



- Diversity and equal opportunities.
- Talent attraction and retention.
- Training, education and promoting the employability of the workforce.
- Occupational health and safety.
- Work-life balance and digital disconnect measures.
- Responsible supply chain management.

For each priority material topic priority identified, we carried out a detailed assessment using the principle of double materiality: the impact of non-financial issues at OHLA, and the Company's impact on the environment.





We used information from the assessments themselves to identify impacts on the environment with the help of people from the pertinent areas in the Company, who also used information from their own management systems. The assessment of the impact of non-financial issues on OHLA was based on the probability of sustainability issues affecting the Company's value. The Company's specialist areas were also involved in measuring each topic identified for future and emerging risks that could become strategically important and the opportunities. They did this considering OHLA's risk map.

The process resulted in a corporate-wide materiality matrix based on the impact on OHLA's value and the Company's impact on society and the environment.

RESPONSIBLE MANAGEMENT

PRIORITY ISSUE	IMPACT ON OHLA'S ENVIRONMENT (SOCIAL AND ENVIRONMENTAL MATERIALITY)	IMPACT ON OHLA (FINANCIAL MATERIALITY)
Responsible supply chain management	Rising levels of global trade and production heavily impact the environment and resources, while also posing a risk in terms of labour. Responsible supply chain management, through supplier certification that includes a review of ESG aspects, allows us to identify, manage and minimise all these risks and impacts, especially in the case of suppliers from countries where compliance with the main ethical, good governance and environmental standards cannot be assured.	Sound supply chain management creates Capital markets (trusted shareholders and investors among suppliers), provides access to strategic markets that can save on production costs, improves brand positioning globally and helps to win new business. It also lowers the risk of legal or reputational damage and the risk of being unable to procure sufficient raw or other materials, which could lead to delays in project delivery.
	Contribution to the SDGs: 8 12 16   	
Good governance and compliance	In recent years, the international community has come to realise the importance of companies being properly and transparently managed. Good corporate governance is the bedrock for the sound functioning of markets, as it fosters credibility and stability and helps drive growth and the generation of wealth.	<p>Poor corporate governance carries a high risk of causing reputational damage and financial losses. Strong governance and control structures, combined with a culture of transparency and readily accessible information, have become a key competitive factor and an opportunity to earn the market's trust.</p> <p>Proper management of the Company's governance and compliance function should minimise the risks of legal or reputational non-compliance, which in some cases could result in fines or even termination of the activity.</p>
	Contribution to the SDGs: 16 	
Transparency of information	<p>Transparency is an essential element in building trust among all OHLA stakeholders, i.e., employees, customers, suppliers, partners and society as a whole. In turn, trust attracts people to the Company and builds loyalty.</p> <p>Moreover, information transparency makes the business more credible and trustworthy in today's fiercely competitive global environment, so much so that it is now all but impossible to guarantee the survival and success of a company without information transparency.</p>	Transparent information is crucial for a proper analysis of the Company by shareholders and investors. Proper management of this key business requirement leads to improved borrowing and investing conditions, increases stakeholder confidence and thus makes the Company more competitive in the marketplace.
	Contribución a los ODS: 16 	




SUSTAINABLE BUSINESS

PRIORITY ISSUE	IMPACT ON OHLA'S ENVIRONMENT (SOCIAL AND ENVIRONMENTAL MATERIALITY)	IMPACT ON OHLA (FINANCIAL MATERIALITY)
Efficient energy management: Commitment to energy efficiency	Traditional energy sources are finite, expensive and polluting. Responsible use of energy by reducing or optimising consumption reduces the consumption of natural resources and the consequences for ecosystems. It also lowers greenhouse gas emissions that contribute to climate change and increases the security of energy supply for the entire population.	<p>Energy efficiency in companies translates into economic savings, as reducing electricity consumption also brings down the electricity costs of the Company's activities. It also maximises profit margins and efficiency in production and commercial processes.</p> <p>According to International Energy Agency (IEA) estimates, making buildings, industrial processes and transport more energy efficient could reduce global energy needs by a third by 2050.</p>
	Contribution to the SDGs: 7 12 13   	
Reducing greenhouse gas emissions and initiatives to combat climate change	The relentless increase in the emission of greenhouse gases into our atmosphere has been causing global warming. The consequences of this process include the melting of glaciers, the flooding of coastal areas, the intensification of meteorological phenomena and the desertification of previously fertile areas. These ecosystem effects have a direct impact on the state of social welfare, such as by causing new diseases and pandemics, or by affecting agricultural and livestock production to the point where global food availability can no longer be assured.	<p>Along with rising sea levels caused by melting Arctic ice caps and ocean acidification, several sources have pointed to an increase in the frequency and severity of extreme events, such as hurricanes and floods, as one of the main consequences of climate change. These phenomena could cause severe damage to the global economy. According to the latest study carried out by the renowned Carbon Disclosure Project, the world's 215 largest companies estimate that their potential loss in asset value due to adverse climate impacts would be around \$170 billion, representing about 1% of their market capitalisation. At OHLA, the risks associated with climate change have a direct impact on project design, planning and development. In addition, the construction industry faces significant risks due to climate change, such as damage to materials and structures, higher maintenance costs and loss of value of real estate assets, among other negative impacts.</p>
	Contribution to the SDGs: 9 13  	




SUSTAINABLE BUSINESS

PRIORITY ISSUE	IMPACT ON OHLA'S ENVIRONMENT (SOCIAL AND ENVIRONMENTAL MATERIALITY)	IMPACT ON OHLA (FINANCIAL MATERIALITY)
Circular economy	World economic and population growth (set to reach nine billion inhabitants by 2050) mean that the Earth's natural resources are being depleted at an alarming rate. Without proper management, there is a real risk of irreversible changes to ecosystems. This calls for efficient and responsible management of raw materials, as this will not only help to preserve ecosystems, but also to enhance economic stability (efficient use of resources is a means to solve the problems of security of supply and volatility within the commodity market).	The construction sector generates around 25% of annual waste worldwide, of which approximately 50% ends up in landfill. Increasing the use of reused material in construction projects and sites would not only help to reduce the amount of waste generated, but also create an economic opportunity because of the resulting competitive advantages and savings in production and waste management costs.
	<p>Contribution to the SDGs: 11 12 13 </p> 	
Oferta de soluciones sostenibles	From the viewpoint of construction, the sustainable solutions offering is predicated on a new business that factors in environmental impacts related to the entire building construction process, from the design and project phase to the construction phase and on to use of the building until its final demolition and waste management. Sustainable construction also touches on the building's surroundings and urban management of cities, creating new ecological areas, green areas, bicycle paths. On a social level, it means: complying with the highest standards of ethics in all phases of the project; promoting socially viable living and working environments with occupational health and safety rules and regulations for the workforce; providing continuous training of staff so that they can contribute to buildings' life cycle; enhancing levels of comfort and productivity of the buildings' users; and using the surroundings build as shared wealth.	<p>Sustainable construction implies transitioning from a linear to a circular economy. Many people believe that building in an eco-smart way is more costly than not doing so. Many eco or green buildings cost as much, if not less, than a conventional building thanks to more effective resource management strategies, which lead to fewer electrical, mechanical and structural systems, although these can depend on a host of factors. Several recent studies in the US indicate that the cost of eco-architecture is no greater than 3% higher than of conventional building.</p> <p>Moreover, there are also new financing, investment and sustainable saving schemes, which broaden the range of possibilities for shifting money out of the private sector and into sustainable activities.</p>
	<p>Contribution to the SDGs: 11 13 </p> 	

SOCIAL PROGRESS

PRIORITY ISSUE	IMPACT ON OHLA'S ENVIRONMENT (SOCIAL AND ENVIRONMENTAL MATERIALITY)	IMPACT ON OHLA (FINANCIAL MATERIALITY)
Diversity and equal opportunities	Progress within society is linked to equality and diversity, improving social welfare and human relations, enriching our cultures and improving financial returns and economic growth. Businesses have a responsibility to facilitate and contribute to this progress, so that they can grow at the pace set by society without being left behind.	From a financial standpoint, equal opportunities without discriminating by race, gender or other qualities allows companies to maximise their human resources, improve the working climate, meet the demands of society and therefore avoid painting the Company in a bad light, while also generating business opportunities in the form of public and private contracts.
	<p>Contribution to the SDGs: 5 8 10 </p> 	
Attracting and retaining talent	Sound management of the workforce enables companies to attract young talent and retain its existing talent, thus creating a more attractive labour market with better opportunities.	<p>Globalisation has made the labour market a more competitive place, where businesses are battling it out to attract and retain the best workers. Moreover, workers' interests are changing and vary significantly from one generation to the next. Adapting to this situation and attracting talent is key to creating competitive work teams.</p> <p>According to the latest research studies, when a person thrives in a positive work environment and has the right tools at their disposal, the result is more satisfied internal and external customers, thus improving the Company's financial performance and probably its market share, while also avoiding the risk of losing talent.</p>
	<p>Contribution to the SDGs: 8 </p> 	
Training, education and promoting the employability of the workforce	Society is changing and with it new professional profiles and jobs have emerged. The link between education and business is therefore necessary to ensure a sustainable labour market in the long run.	Globalisation, environmental paradigm shifts, new generations and high levels of technological development lead to new objectives and regulations and generate new pursuits that companies want to achieve. This requires training and education programmes for employees, not only to build new skills but also to allow companies to achieve emerging goals and remain profitable.
	<p>Contribution to the SDGs: 8 </p> 	

SOCIAL PROGRESS

PRIORITY ISSUE	IMPACT ON OHLA'S ENVIRONMENT (SOCIAL AND ENVIRONMENTAL MATERIALITY)	IMPACT ON OHLA (FINANCIAL MATERIALITY)
Occupational health and safety	<p>Occupational risk prevention has a clear impact on the well-being and quality of life of workers, not only by reducing the number of accidents at work and occupational diseases, but also by encouraging healthy habits and practices among the workforce.</p> <p>Sound management of occupational risk prevention will mean a lower human cost (from physical injury to loss of work, need for medical care and/or rehabilitation, loss of personal autonomy, alteration of life projects, disability, etc.) and a lower economic cost (expenses and material losses caused by the accident, both for the victim and their family, and the cost of the deterioration of materials and equipment and loss of working time for the Company and its insurers, not to mention the cost for the public and for society in general).</p>	<p>Preventing occupational accidents and diseases has a real cost for companies (due to procurement costs and necessary investment to maintain installations, equipment and machinery, as well as the cost of health insurance). It can also impact the Company's normal activity: production or sales decrease, or the products or services provided by the Company worsen, among other effects, all of which can translate into a monetary loss.</p> <p>In addition, occupational risk prevention contributes significantly to improving the Company's performance and productivity by ensuring compliance with legislation and improving worker engagement and, therefore, competitiveness.</p>
	<p>Contribution to the SDGs: 3 8 </p>  	
Work-life balance and digital disconnect measures	<p>Nowadays, one of the most important aspects for most job applicants are work-life balance measures. A business that addresses and responds to these concerns will have a wider and more competitive labour market to tap into, thus increasing its chances of attracting talent.</p>	<p>When a company's workforce is given a good set of work-life balance measures, the result is greater employee engagement and satisfaction and, therefore, higher productivity. It is also a valuable way of reducing absenteeism due to illness and offers workers a solution for overcoming personal events in their lives, in turn lowering the cost of personnel selection, replacement and recruitment processes.</p>
	<p>Contribution to the SDGs: 8 </p> 	
Respect for and compliance with the human rights of employees, regardless of conditions within the country	<p>Respect for and protection of human rights creates propitious conditions for human beings to live in dignity and enjoy freedom, justice and peace. Companies have a responsibility to promote compliance and create workplaces free of all forms of abuse, thus facilitating social progress in the places where they operate.</p>	<p>The UN Guiding Principles on Business and Human Rights calls on all companies to comply with, promote, prevent and address human rights abuses in their activities. Failure to honour these obligations would have clear financial and reputational repercussions for the business.</p>
	<p>Contribution to the SDGs: 8 10 </p>  	

Assurance

Ernst & Young (EY) has verified the information contained in this report following the ISAE 3000 standard, with limited assurance scope.

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Curicó Hospital. Chile.

Appendix I. Other human resources metrics

Workforce breakdown by employee category, age and gender 2022

	TOTAL			UNDER 30				BETWEEN 30 AND 45				BETWEEN 46 AND 55				OVER 55			
				PERMANENT		TEMPORARY		PERMANENT		TEMPORARY		PERMANENT		TEMPORARY		PERMANENT		TEMPORARY	
	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	
Senior management	9	9	-	-	-	-	-	1	-	-	-	3	-	-	-	5	-	-	-
Managers	78	69	9	-	-	-	-	9	1	-	-	37	7	-	-	23	1	-	-
Middle managers	925	823	102	9	1	-	-	284	36	28	3	295	43	17	1	182	18	8	-
Other line personnel	3,279	2,409	870	167	82	85	67	720	344	415	127	508	154	113	25	337	66	64	5
Clerical staff	633	240	393	29	46	50	45	59	121	31	32	30	97	9	5	30	45	2	2
Manual workers	19,946	7,974	11,972	665	575	397	281	2,179	2,766	881	692	1,813	3,453	412	600	1,431	3,281	196	324
Total	24,870	11,524	13,346	870	704	532	393	3,252	3,268	1,355	854	2,686	3,754	551	631	2,008	3,411	270	331

Workforce breakdown by employee category, age and gender 2021

	TOTAL			UNDER 30				BETWEEN 30 AND 45				BETWEEN 46 AND 55				OVER 55			
				PERMANENT		TEMPORARY		PERMANENT		TEMPORARY		PERMANENT		TEMPORARY		PERMANENT		TEMPORARY	
	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀	
Senior management	9	9	-	-	-	-	-	1	-	-	-	3	-	-	-	5	-	-	-
Managers	77	70	7	-	-	-	-	9	2	-	-	40	4	-	-	21	1	-	-
Middle managers	781	689	92	4	-	-	-	246	35	14	4	256	37	11	-	153	16	5	-
Other line personnel	3,244	2,441	803	160	67	102	59	793	342	376	125	491	140	129	18	337	46	53	6
Clerical staff	635	209	426	22	39	38	37	46	141	31	35	36	106	8	10	24	55	4	3
Manual workers	18,033	7,114	10,919	474	320	531	496	1,681	1,935	976	1,226	1,506	2,842	504	1,033	1,173	2,586	269	481
Total	22,779	10,532	12,247	660	426	671	592	2,776	2,455	1,397	1,390	2,332	3,129	652	1,061	1,713	2,704	331	490

Workforce breakdown by country and contract type

	2022			2021		
	PERMANENT	TEMPORARY	TOTAL	PERMANENT	TEMPORARY	TOTAL
Saudi Arabia	15	29	44	30	13	43
Algeria	3	3	6	3	3	6
Argentina	-	-	-	1	-	1
Canada	9	1	10	11	-	11
Chile	3,169	925	4,094	2,350	871	3,221
Colombia	127	235	362	197	391	588
Spain	13,105	2,127	15,232	10,482	3,519	14,001
United States	1,623	8	1,631	1,613	9	1,622
Ireland	34	-	34	20	-	20
Jordan	-	2	2	-	5	5
Kuwait	1	-	1	-	-	-
Mexico	450	274	724	91	706	797
Moldova	1	-	1	2	2	4
Norway	36	1	37	40	14	54
Oman	-	1	1	-	6	6
Panama	10	17	27	8	18	26
Peru	21	1,049	1,070	19	768	787
Polonia	2	-	2	3	-	3
Czech Republic	1,219	174	1,392	1,209	197	1,406
Slovakia	88	34	122	80	41	121
Sweden	31	4	35	22	-	22
Turkey	3	9	12	5	10	15
Uruguay	2	-	2	2	-	2
United Kingdom	3	24	27	6	11	17
Vietnam	1	-	1	1	-	1
Total	19,953	4,917	24,870	16,195	6,584	22,779

Nearly 100% of OHLA Group's contracts are full-time, except in the case of Services, where full-time contracts account for 52% of the total due to the seasonal nature of its activities.



Average age and length of service 2022

	2022		2021	
	AVERAGE AGE	AVERAGE LENGTH OF SERVICE	AVERAGE AGE	AVERAGE LENGTH OF SERVICE
Construction	44	6	44	6
Industrial	42	7	42	5
Services	47	7	47	2
Other activities	39	5	39	4
Total	46	7	46	3

Indirect jobs created

	2022		2021	
	NO. OF SUBCONTRACTOR COMPANIES	NO. OF EMPLOYEES	NO. OF SUBCONTRACTOR COMPANIES	NO. OF EMPLOYEES
Construction	2,250	16,988	2,724	13,949
Industrial	60	111	83	902
Services	353	1,370	713	2,766
Other activities	4	7	5	5
Total	2,667	18,476	3,525	17,622



Turnover⁽¹⁾ and new hires

	2022			2021
			TOTAL	TOTAL
Total departures	7,617	10,545	18,162	7,394
Total new hires	8,609	11,644	20,253	21,224

Churn rate: 23%

(1) The turnover rate is influenced by the seasonality of certain activities, such as the Services segment, as well as international staff movements (especially for staff attached to the "Manual workers" category). Calculation of the turnover rate includes voluntary departures, departures due to death, departures due to dismissal and departures due to retirement.

Hours of absenteeism⁽²⁾

2022			2021
		TOTAL	TOTAL
1,365,314	2,505,575	3,870,889	4,500,694







(2) Calculation of the hours of absenteeism includes: strikes, absences, temporary disability, and paid and unpaid leave.

Parental leave

	2022			2021
			TOTAL	TOTAL
Employees to have taken parental leave	304	291	595	337
Employees who returned to their job after their parental leave ended	166	191	357	263
Return rate	55%	66%	60%	78%

Dismissals by employee category, age and gender

	2022	2021
Senior management	-	2
Directores	1	5
Middle managers	32	67
Other line personnel	208	165
Clerical staff	52	42
Manual workers	1,563	3,540
Total	1,856	3,821

<30	30-45	46-55	>56	TOTAL 2022	TOTAL 2021
					
252	123	554	209	288	132
				202	96
				1,296	560
					2,880
					941

OHLA Group gender pay gap by employee category, business unit and geographical area⁽³⁾

	2022			
	OHLA Europe	OHLA LATAM	OHLA North America	OHLA Services
Senior management	-	-	-	-
Directores	7.0%	-	23.5%	15.1%
Middle managers	-6.5%	16.2%	2.2%	12.3%
Other line personnel	21.9%	22.6%	12.8%	10.2%
Clerical staff	17.1%	6.9%	4.3%	-14.6%
Manual workers	19.4%	40.4%	8.9%	8.4%
Total	15.6%	19.6%	4.8%	16.1%

(3) Gender pay gap calculated according to the following formula: (Average pay for men - Average pay for women) / Average pay for men, whereby a percentage greater than zero means that the average pay for women is lower than the average pay for men.

The pay gap was calculated on the basis of total remuneration, which includes fixed remuneration, variable remuneration, remuneration in kind and other bonuses or wage supplements.

Business units and geographic areas include the following countries:

- Europe: Spain, Czech Republic, Ireland, Norway, Moldova, Slovakia, Turkey, Gibraltar, Poland, Romania, and parts of: Kuwait, Saudi Arabia, Jordan, Oman, Algeria, Vietnam.
- North America: United States and Canada.
- Latin America: Mexico, Peru, Colombia, Chile and Panama.
- Services: Spain, Mexico and Chile.

The gender pay gap was calculated after applying the relevant exchange rates for translation to euros.

Average remuneration at OHLA in 2022 by gender, age and employee category⁽⁴⁾

	UNDER 30		BETWEEN 30 AND 45		BETWEEN 46 AND 55		OVER 55		TOTAL	
	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀
Senior management	-	-	*	-	705,255	-	1,649,081	-	1,199,719	-
Managers	-	-	210,264	*	237,377	197,428	241,533	*	235,226	199,151
Middle managers	47,470	*	83,626	84,628	96,730	91,440	115,996	87,906	95,671	87,700
Other line personnel	36,303	27,974	42,718	35,864	51,160	39,509	58,561	40,203	46,861	35,617
Clerical staff	34,264	28,366	25,741	29,475	27,654	33,600	39,671	36,115	30,320	31,196
Manual workers	20,935	12,714	25,848	13,774	25,819	14,558	25,936	14,930	25,204	14,312

(4) Includes fixed remuneration, variable remuneration, remuneration in kind and other bonuses or wage supplements.

* Not available as the information comprises the confidentiality of the information on remuneration of the person represented in the employee category.











Average remuneration at OHLA in 2021 by gender, age and employee category⁽⁴⁾

	UNDER 30		BETWEEN 30 AND 45		BETWEEN 46 AND 55		OVER 55		TOTAL	
	♂	♀	♂	♀	♂	♀	♂	♀	♂	♀
Senior management	-	-	*	-	539,008	-	1,597,846	-	1,191,655	-
Managers	-	-	190,961	*	251,231	144,004	241,780	*	242,053	163,508
Middle managers	65,851	*	93,483	78,153	97,054	87,162	114,021	87,244	99,531	82,908
Other line personnel	33,039	26,308	39,443	32,339	47,793	38,725	53,362	31,051	43,081	32,494
Clerical staff	31,889	25,971	24,104	29,849	34,911	31,351	37,457	29,995	30,636	29,632
Manual workers	32,486	22,939	40,309	21,082	40,363	15,973	42,444	11,123	39,376	17,149

(4) Includes fixed remuneration, variable remuneration, remuneration in kind and other bonuses or wage supplements.

* Not available as the information comprises the confidentiality of the information on remuneration of the person represented in the employee category.











Average remuneration at OHLA Services in 2022 by gender, age and occupational category⁽⁴⁾

	UNDER 30		BETWEEN 30 AND 45		BETWEEN 46 AND 55		OVER 55		TOTAL	
										
Senior management	-	-	-	-	-	-	*	-	*	-
Managers	-	-	144,200	*	143,102	108,650	115,636	-	138,308	117,425
Middle managers	-	-	53,595	46,409	64,855	63,846	61,070	-	60,572	53,116
Other line personnel	26,542	22,346	31,823	30,091	35,693	34,810	40,819	33,705	32,928	29,584
Clerical staff	15,885	16,593	16,081	19,166	17,210	16,814	19,154	26,075	16,493	18,899
Manual workers	12,325	12,526	15,924	13,727	16,613	14,507	15,445	14,948	15,584	14,275

(4) Includes fixed remuneration, variable remuneration, remuneration in kind and other bonuses or wage supplements.

* Not available as the information comprises the confidentiality of the information on remuneration of the person represented in the employee category.

Average remuneration at OHLA Services in 2021 by gender, age and occupational category⁽⁴⁾

	UNDER 30		BETWEEN 30 AND 45		BETWEEN 46 AND 55		OVER 55		TOTAL	
										
Senior management	-	-	-	-	**	-	-	-	*	-
Managers	-	-	132,606	*	123,443	104,425	93,241	-	122,256	111,437
Middle managers	-	-	48,716	54,237	64,077	63,372	56,774	-	58,449	57,282
Other line personnel	27,743	21,678	31,292	28,769	32,992	31,309	38,332	31,518	32,116	27,628
Clerical staff	11,839	11,596	14,121	17,373	22,587	18,713	13,784	20,368	14,503	16,312
Manual workers	11,618	12,410	15,528	13,904	16,160	15,069	14,878	15,834	15,004	14,751

(4) Includes fixed remuneration, variable remuneration, remuneration in kind and other bonuses or wage supplements.

* Not available as the information comprises the confidentiality of the information on remuneration of the person represented in the employee category.

Percentage of employees who earn remuneration above MW⁽⁵⁾

Country	MW / YEAR	% employees with salary = MW	% employees with salary > MW
Spain	14,000	42%	58%
United States	13,314	0%	100%
Chile	4,550	4%	96%
Mexico	2,726	0%	100%
Czech Republic	7,820	0%	100%
Peru	2,692	0%	100%
Colombia	2,651	0%	100%
Sweden	46,944	24%	76%
Turkey	4,417	0%	100%
Norway	62,832	16%	84%
Ireland	21,294	0%	100%
Canada	20,593	0%	100%
Slovakia	7,752	0%	100%
Panama	3,329	0%	100%

(5) MW: Minimum wage.

Average remuneration of senior management by gender⁽⁶⁾

	2022		2021	
	Male	Female	Male	Female
Average remuneration of senior management (EUR thousand)*	1,113	-	1,417	-

(6) The data considered for the calculation include wages, short- and long-term variable remuneration, financial instruments or share-based payments, termination benefits, long-term savings schemes and other items, all relating to senior management, including the remuneration of the Chief Executive Officer for his executive duties.

Average remuneration of directors by gender⁽⁷⁾



	2022		2021	
	Male	Female	Male	Female
Average remuneration of directors (EUR thousand)*	142	165	86,6	146,1

(7) The data considered for the calculation include the ordinary and extraordinary remuneration earned by external directors.



Training by training type and gender

CLUSTER	AREA	NO. OF PARTICIPANTS	TRAINING HOURS		NO. OF COURSES	WORKFORCE	
			ONLINE	FACE-TO-FACE		Male	Female
Non-subsidised training	Non-subsidised	2,494	7,572	19,331	488	1,237	1,257
Shared areas and depts.	Corporate training – OHLA Group	430	873	-	165	288	142
	Tenders, bidding and procurement	13	555	8	7	10	3
	Project performance	44	2,122	-	26	35	9
Business areas	Technical aspects – construction	598	3,042	3,807	330	543	55
	Technical aspects – industrial	20	820	-	18	17	3
	Technical aspects – services	483	458	16,253	72	347	136
	Technical aspects – concessions	1	45	-	1	1	-
Cross-cutting areas	Languages	258	2,688	6,160	222	168	98
	Occupational health and safety	8,389	3,338	21,327	512	5,484	2,905
	Quality and environment	1,942	1,874	1,314	689	1,697	245
	Office IT tech.	163	2,560	581	87	94	69
	HR	10	524	136	11	1	9
	Economic-financial	104	1,680	99	34	80	25
	Legislation	17	662	270	18	6	11
	Skills	38	577	76	27	18	20
	New technologies and digitalisation	48	1,820	-	34	42	6
Total		15,052	31,210	69,362	2,741	10,068	4,993

Training by employee category and gender

	HORAS DE FORMACIÓN	
		
Senior management	49.5	-
Directores	966.5	63.0
Middle managers	13,787.0	3,561.5
Other line personnel	15,562.5	6,217.5
Clerical staff	1,545.5	3,735.5
Manual workers	26,221.5	28,862.0
Total	58,132.5	42,439.5

Average hours of training

		
Senior management	5.5	-
Directores	14.0	7.0
Middle managers	16.7	34.9
Other line personnel	6.4	7.1
Clerical staff	6.4	9.5
Manual workers	3.2	2.4
Total	5.0	3.1
Promedio de horas de formación: 4.0		

Employees covered by collective agreement

Country	2022
Spain	15,232
Chile	2,816
Mexico	398
Peru	420
United States	860
Norway	31
Czech Republic	1,169
Total	20,926
Percentage	84.1

Appendix II: Environmental performance indicators

1	INTERNAL ENERGY CONSUMPTION	CONSTRUCTION	INDUSTRIAL	SERVICES	CORPORATE*	2022	2021	2020
						TOTAL	TOTAL	TOTAL
Fuel consumption from non-renewable sources (GJ)								
	Diesel fuel (l)	18,305,472.0	430,971.9	2,027,294.4	965,994.9	21,729,733.2	26,109,368.1	31,479,825.9
	Diesel fuel (GJ)	637,495.4	15,008.8	70,601.3	33,641.2	756,746.6	909,269.2	1,096,297.5
	Petrol (l)	1,920,452.0	7,304.8	198,233.9	148,326.9	2,274,317.6	4,502,530.9	5,304,098.0
	Petrol (GJ)	60,687.8	230.8	6,264.3	4,687.2	71,870.3	142,283.6	167,613.7
	Natural gas (m³)	5,568,629.4	0.0	241,663.0	0.0	5,810,292.4	5,660,814.4	6,650,943.6
	Natural gas (GJ)	234,550.7	0.0	10,178.8	0.0	244,729.5	238,433.5	280,137.7
	LPG (l)	431,369.4	100.0	58,797.9	0.0	490,267.3	2,223,822.7	563,269.2
	LPG (GJ)	10,590.6	2.5	1,443.6	0.0	12,036.6	54,597.4	13,828.9
	Lignite (kg)	0.0	0.0	0.0	0.0	0.0	0.0	0.00
	Lignite (GJ)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel consumption from non-renewable sources (GJ)		943,324.5	15,242.1	88,488.1	38,328.4	1,085,383.0	1,344,583.7	1,557,877.9
Fuel consumption from renewable sources (GJ)								
	Biodiesel (l)	332,900.0	0.0	0.0	0.0	332,900.0	1,928,100.0	1,226,590.0
	Biodiesel (GJ)	11,129.3	0.0	0.0	0.0	11,129.3	64,459.1	41,006.6
Indirect energy acquired for consumption								
	Electricity (GJ)	80,571.1	3,090.5	18	20,733.6	104,413.3	117,183.7	103,223.6
	Electricity (GJ) /with renewable certification (GJ)	9,390.3	0.0	0.0	220.1	9,610.4	7,449.9	1,909.2
Total energy consumption (GJ)		1,044,415.2	18,332.6	88,506.1	59,282.1	1,210,536.0	1,600,929.2	1,721,200.4

* Corporate centre includes data relating to all offices.
Data for electricity (GJ) with renewable certification for 2021 and 2020 were restated.

2	ENERGY INTENSITY	CONSTRUCTION	INDUSTRIAL	SERVICES	CORPORATE*	2022	2021	2020
						TOTAL	TOTAL	TOTAL
	Organisational measure of sales (EUR million)	2,699.3	130.6	394.3	25.5	3,249.7	2,778.6	2,830.8
	Energy intensity of sales (GJ/EUR million)	386.9	140.4	224.5	2,324.8	372.5	576.2	608.0

* Corporate centre includes data relating to all offices.

3	TOTAL WATER WITHDRAWAL BY SOURCE		CONSTRUCTION	INDUSTRIAL	SERVICES	CORPORATE*	2022	2021	2020
							TOTAL	TOTAL	TOTAL
		Surface water (m³)	100,412.7	1,346.8	0.00	0.0	101,759.5	106,802.2	413,510.4
		Groundwater (m³)	59,354.5	1.4	0.00	0.0	59,356.0	59,143.7	92,560.0
		Rainwater (own cisterns) (m³)	1,262.0	0.0	0.00	0.0	1,262.0	0.0	7,926.7
		Recovered water (m³)	8,239.6	1,082.0	0.00	0.0	9,321.6	2,881.5	8,502.9
		Water from distribution network (m³)	277,995.7	4,081.2	168.0	5,752.1	287,997.1	444,592.0	700,280.6
		Total (m³)	447,264.6	6,511.4	168.0	5,752.1	459,696.2	613,419.4	1,222,780.6

* Corporate centre includes data relating to all offices.

4	TOTAL VOLUME OF WATER RECYCLED AND REUSED		CONSTRUCTION	INDUSTRIAL	SERVICES	CORPORATE*	2022	2021	2020
							TOTAL	TOTAL	TOTAL
		Total volume of water recycled or reused (m³)	9,501.6	1,082.0	0.0	0.0	10,583.6	8,502.9	5,525.0
		Percentage of water recycled or reused as a percentage of total water consumed (%)	2.1%	16.6%	0.0%	0.0%	2.3%	0.7%	0.3%

* Corporate centre includes data relating to all offices.

5	TOTAL WATER DISCHARGE BY QUALITY AND DESTINATION		CONSTRUCTION	INDUSTRIAL	SERVICES	CORPORATE*	2022	2021	2020
							TOTAL	TOTAL	TOTAL
		Into the soil (m³)	45,508.7	0.0	0.0	0.0	45,508.7	47.3	58,228.0
		Into sewerage system (m³)	197,474.6	485.5	6,336.0	0.0	204,296.1	103,065.7	64,971.1
		Into water bodies (m³)	114,260.0	0.0	0.0	0.0	114,260.0	0.0	0.0
		Other (m³)	0.0	0.0	0.0	0.0	0.0	1,204.3	291,903.6
		Total by division (m³)	357,243.3	485.5	6,336.0	0.0	364,064.8	104,334.2	473,807.8

Treatment: discharge into the general sewage system and subsequent treatment (physico-chemical and biological as a minimum) at a WWTP.

Parameters: as per country authorisation and regulations.

“Other” refers to discharges to various destinations (surface water, groundwater, sewerage system) a breakdown of which cannot be given.

* Corporate centre includes data relating to all offices.

6 MATERIALS USED BY WEIGHT OR VOLUME		CONSTRUCTION	INDUSTRIAL	SERVICES	CORPORATE*	2022	2021	2020
						TOTAL	TOTAL	TOTAL
	Natural raw materials (soil, rock and quarry aggregates) (t)	2,475,814.8	88,420.0	0.0		2,564,234.8	4,373,689.2	11,059,233.4
	Reused material of external origin (aggregates, soil, rock) (t)	547,918.1	22.4	0.0		547,940.5	1,642,615.0	1,140,891.3
	Concrete (t)	1,317,017.4	1,728.0	0.0		1,318,745.4	2,208,927.4	1,648,490.7
	Cement (t)	68,143.6	2.8	0.0		68,146.4	79,722.6	114,757.9
	Topsoil of natural origin (t)	114,595.2	0.0	0.0		114,595.2	75,221.7	547,582.5
	Bituminous mixtures and bitumens (t)	595,787.2	493.0	0.0		596,280.2	407,446.2	972,311.5
	Metals (t)	132,322.2	129.6	0.0		132,451.8	115,271.9	89,499.2
	Reused topsoil of external origin (t)	14,475.1	0.0	0.0		14,475.1	64,831.0	56,425.4
	Wood (non-certified forest product) (t)	35,098.0	8.7	0.0		35,106.7	5,576.8	8,030.9
	Paper (non-certified non-recycled forest product) (t)	74.0	1.1	3.5	49.1	127.7	7,047.6	72.5
	Paints (t)	3,510.4	0.2	0.9		3,511.4	18,853.9	36,994.2
	Paper (non-certified recycled forest product) (t)	70.1	0.0	0.6	8.5	79.2	18.0	8.8
	Chemical products (solvents, phytosanitary products, fertilisers, etc.) (t)	2,862.8	5.3	56.3		2,924.4	670.6	2,448.6
	Total	5,307,688.7	90,811.1	61.3	57.6	5,398,618.7	8,999,891.8	15,676,746.8

* Corporate centre includes data relating to all offices.

7 USE OF RECOVERED MATERIALS		CONSTRUCTION	INDUSTRIAL	SERVICES	CORPORATE*	2022	2021	2020
						TOTAL	TOTAL	TOTAL
	Total (t)	562,393.2	22.4	0.0	0.0	562,415.6	1,707,446.0	1,197,316.7
	Percentage (%)	10.6%	0.0%	0.0%	0.0%	10.42%	18.97%	7.64%

Recovered materials include: Reused material of external origin and reused topsoil of external origin.

* Corporate centre includes data relating to all offices.

8 OWNED, LEASED OR MANAGED OPERATING FACILITIES THAT ARE ADJACENT TO OR LOCATED IN GEOGRAPHIC AREAS AND NON-PROTECTED AREAS OF HIGH BIODIVERSITY VALUE

In 2022, three owned or leased operating facilities were reported in or adjacent to protected areas: Pacadar Madrid, Pacadar Utrera and Elsan Madrid.

The effects and the control of impacts are the same. The potential effects are on water, the coastal environment and ecosystems, and existing fauna and flora. Impacts are controlled through management plans and offsetting measures.

9	TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD	CONSTRUCTION	INDUSTRIAL	SERVICES	CORPORATE*	2022	2021	2020
						TOTAL	TOTAL	TOTAL
Non-hazardous waste (NHW) by type (t)		1,885,898.7	12,407.0	685.7	217.8	1,899,209.2	2,319,592.7	2,167,831.1
	Wood (%)	0.2%	5.4%	0.3%	0.0%	0.2%	0.3%	2%
	Scrap (%)	0.2%	0.1%	0.2%	0.0%	0.2%	0.2%	0%
	Pruning waste (%)	1.8%	0.0%	97.4%	0.0%	1.8%	13.1%	15%
	Plastics (%)	0.0%	7.8%	2.1%	0.0%	0.1%	0.1%	0%
	Paper and cardboard (%)	0.0%	7.4%	0.0%	100.0%	0.1%	0.1%	0%
	MSW (%)	5.4%	2.2%	0.0%	0.0%	5.3%	3.1%	4%
	Debris (%)	21.4%	75.9%	0.0%	0.0%	21.7%	42.4%	19%
	Concrete (%)	10.7%	1.2%	0.0%	0.0%	10.6%	1.7%	6%
	Reused topsoil (%)	15.7%	0.0%	0.0%	0.0%	15.6%	8.3%	21%
	Internal material reused (%)	44.7%	0.0%	0.0%	0.0%	44.4%	30.7%	33%
Non-hazardous waste (NHW) by treatment **		1,885,898.7	12,407.0	685.7	217.8	1,899,209.2	2,319,592.7	2,167,831.1
	Reuse (%)	60.8%	7.60%	0.54%	0.0%	60.5%	38.2%	57%
	Landfill (%)	18.1%	77.91%	1.9%	0.0%	18.5%	40.8%	27.1%
	Composting (%)	1.5%	0.00%	97.42%	0.0%	1.5%	0.2%	2.0%
	Recycling (%)	13.3%	14.49%	0.1%	100.0%	13.3%	2.3%	3.8%
	Incineration with energy recovery (%)	0.0%	0.00%	0.00%	0.0%	0.0%	0.0%	-
	Incineration without energy recovery (%)	6.3%	0.00%	0.00%	0.0%	6.3%	15.1%	-
Hazardous waste (HW) by type (t)		287,008.6	3.0	1.6	19.5	287,032.7	128,105.8	45,161.2
	Contaminated absorbents (%)	0.0%	0.0%	0.6%	0.0%	0.0%	0.0%	0.0%
	Asbestos (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
	Contaminated sludge (%)	0.2%	0.0%	0.0%	0.0%	0.2%	0.3%	0.0%
	Contaminated metals (%)	75.6%	1.3%	0.6%	0.0%	75.6%	0.0%	0.0%
	Contaminated plastics (%)	0.0%	11.1%	64.9%	0.0%	0.0%	0.0%	0.1%
	Chemical products (%)	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.1%
	WEEE (%)	0.0%	31.8%	0.0%	44.2%	0.0%	0.0%	0.1%
	Oil bilges (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.0%
	Contaminated soil (%)	23.5%	29.5%	0.0%	0.0%	23.5%	98.4%	98.1%
	Other HW (%)	0.6%	26.1%	33.9%	55.8%	0.6%	0.9%	1.4%
Hazardous waste (HW) by treatment **		287,008.62	3.03	1.57	19.48	287,032.70	128,105.79	45,161.2
	Reused (%)	0.0%	9.9%	63.9%	0.0%	0.0%	0.0%	0.0%
	Landfill (%)	23.9%	50.2%	0.0%	100.0%	24.0%	58.3%	96.4%
	Composting (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
	Recycling (%)	0.4%	35.9%	36.1%	0.0%	0.4%	41.7%	3.4%
	Incineration with energy recovery (%)	75.6%	4.0%	0.0%	0.0%	75.6%	0.0%	-
	Incineration without energy recovery (%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-

* Corporate centre includes data relating to all offices.

** The indicators requested for the annual environmental data reporting campaign were updated in 2021. Two new destinations were included as a result of this update: incineration with energy recovery and without energy recovery; and the destinations of recovery, injection, deposits and other destinations were removed, as they tended to cause confusion and the values reported in 2019 and 2020 were non-material.

10 NUMBER OF ENVIRONMENTAL COMPLAINTS LODGED, ADDRESSED AND RESOLVED THROUGH FORMAL GRIEVANCE MECHANISMS

CONSTRUCTION INDUSTRIAL SERVICES CORPORATE*

No significant incidents of non-compliance with laws and environmental regulations were reported in 2022

* Corporate centre includes data relating to all offices.

11	OHLA EMISSIONS BY SOURCE²¹	CATEGORY	(T)CO₂eq	%
Scope 1				
	Total Scope 1	-	88,547.0	5.0%
Scope 2				
	Total Scope 2	-	10,439.2	0.6%
Scope 3				
	Category 1	Supply chain (purchased goods and services)	1,387,990.5	78.3%
	Category 2	Capital goods	32,871.5	1.9%
	Category 3	Life cycle of fuels and energy consumption	19,153.2	1.1%
	Category 4	Upstream transportation and distribution	14,269.5	0.8%
	Category 5	Waste generated in operations	74,821.2	4.2%
	Category 6	Business travel	2,679.3	0.2%
	Category 7	Employee commuting	19,040.0	1.1%
	Category 8	Upstream leased assets	24,481.6	1.4%
	Category 9	Downstream transportation and distribution	-	-
	Category 10	Processing of sold products	-	-
	Category 11	Use of sold products	-	-
	Category 12	End-of-life treatment of sold products	-	-
	Category 13	Downstream leased assets	-	-
	Category 14	Franchises	-	-
	Category 15	Investments	98,496.0	5.6%
	Total Scope 3	-	1,673,802.8	100%

HFC and SF6 emissions are not significant in the context of the overall emissions calculation.

Shaded categories (9,10,11,12,13,14) do not apply to the Company's businesses.

21. Organisational limits: OHLA's emissions were calculated using the operational approach, The inventory applies to OHLA activities in all its geographies. For further information, OHLA's Carbon Footprint Calculations, which provide information on the methodology used, the standards used and the sources of emission factors, are available on the corporate website.

12	EMISSIONS BY BUSINESS LINE^{22*}	CONSTRUCTION	INDUSTRIAL	SERVICES	2022 TOTAL	2021 TOTAL	2020 TOTAL
	Scope 1 direct GHG emissions (tCO ₂ eq)	80,492.6	1,314.5	6,740.0	88,547.0	97,943.5	111,864.3
	Scope 2 indirect GHG emissions (tCO ₂ eq)	9,675.1	699.6	64.6	10,439.2	11,453.4	12,623.7
	Scope 3 indirect GHG emissions (tCO ₂ eq)	1,615,581.5	18,823.3	39,398.0	1,673,802.8	1,406,934.4	799,014.3
	Total GHG emissions (tCO₂eq)	1,705,749.2	20,837.4	46,202.5	1,772,789.0	1,516,331.3	923,502.3
	GHG emissions intensity (Scope 1+Scope 2/Sales) (tCO₂eq/EUR m)	33.4	15.4	17.3	39.4	39.5	44.0

In 2022, Scope 3 emissions included those of the Concessions and Development businesses of 797.6 tCO₂eq and 9.3 tCO₂eq, respectively.

Over the course of 2022, OHLA streamlined the Scope 3 calculation, expanding the number of categories it covers in accordance with the GHG Protocol Corporate Value Chain, thereby reduce uncertainties in the result. This applied to both emissions in 2022 and emissions in 2021 for appropriate comparability of the data. For further information on the process for enhancing the calculation of emissions, see the section on *Climate change* in the chapter on *Sustainable business*.

13²²	NO_x, SO_x, AND OTHER SIGNIFICANT AIR EMISSIONS BY TYPE AND WEIGHT*	2022	2021	2020
	NO _x emissions (t)	101.5	125.8	148.5
	SO _x emissions (t)	118.3	151.2	183.4
	CO emissions (t)	39.9	49.5	58.7
	COV emissions (t)	9.2	11.6	13.8
	PM10 particulate matter emissions (t)	18.2	23.2	28.1

22. Organisational limits: OHLA's emissions were calculated using the operational approach, The inventory applies to OHLA activities in all its geographies. For further information, OHLA's Carbon Footprint Calculations, which provide information on the methodology used, the standards used and the sources of emission factors, are available on the corporate website.

Protected habitats and species affected by our operations

Habitats

Following are some of the main protected areas in which OHLA carries out its operations:

- **Parque Regional del Sureste de Madrid park. Spain.** The Elsan asphalt plant, which produces both hot and cold bituminous mixes, is located in this natural park. The area affected covers approximately 9 hectares, but the impacts are insignificant and controlled through emission measurements, control of suspended particles and treatment of discharges. The quality of the water discharged undergoes periodic controls.
- **Complejo Endorreico de Utrera. Spain.** This endorheic area was declared a Special Area of Conservation (SAC) via Decree 1/2017, of 10 January. Designated a Birds Directive Special Protection Area (SPA) in 2002 by complying with Directive 79/409/CEE on the conservation of wild birds (now Directive 2009/147/EC). Nature reserve declared by Law 2/1989 of 18 July 1989. The Pacadar plant, which produces precast concrete parts, is located 18 km from this reserve. Potential impacts on the habitat include: occasional pollution from hazardous waste in soils (reversible impact through clean-up technologies), pollution from non-hazardous dispersed emissions from the discharge of aggregates in the various silos and movements of heavy machinery (occasional reversible impact).
- **Parque Regional Manzanares - Jarama. Spain.** Natural reserve area-B1, and part affected by the Laguna del Campillo (SPA): SPA ES0000142 Cortados y cantiles de los ríos Jarama y Manzanares. SCI-SAC ES3110006 Vegas, cuestras y páramos del Sureste. The Pacadar precast concrete plant is located in this regional park, occupying approximately 14 hectares of land. The potential impacts are relatively insignificant and are controllable and reversible.
- **Cuenca Altoandina de los ríos Cañete y Huaura. Peru.** Functional Area of Inland Water Resources Research (Afirac) by the Directorate-General for Aquaculture Research (DGIA) of the Peruvian Government. Inside the area, construction and restoration work on defences of the Cañete and Huaura rivers is being carried out (on an area of approximately 5 hectares). Special care is being taken during execution of the works to avoid contaminating the water and affecting biotic elements (*Cryphiops Caementarius* freshwater shrimp) by relocating the hatcheries affected.
- **Parque Natural San José de Cúcuta. Colombia.** Declared a natural park in 2004 by Colombia's Special Administrative Unit of the National Natural Parks System (UAESPNN). Corporación Autónoma Regional de la Frontera Oriental (CORPONOR). Inside this protected area, OHLA is building the Cúcuta metropolitan aqueduct (occupying some 5 hectares within the natural park). Impacts on species in the intervention area: Tree felling and loss of habitat for endemic species (vascular epiphytes and cacti). Steps are being taken to mitigate the impacts through reforestation and rehabilitation of areas to plant trees and plants.
- **Tramo medio del Río Aragón. Marcilla. Navarra. Spain.** Special area of conservation (SAC). Bird Directive Special Protection Area –SPA B-151. Inside this special area, we are building the platform for the Zaragoza – Pamplona (Villafranca – Peralta subsection) high-speed line. Construction work on the railway line in this area, which occupies approximately 2 hectares, near the town of Marcilla (Navarre), is likely to have an impact on water pollution and biotic elements (European mink - *Mustela lutreola*). As a result, exhaustive controls are being carried out on breeding sites and the potential effects on the Aragón river.

Species

This section lists some of the endangered species according to the IUCN Red List identified during the assessment of potential environmental impacts of our projects, works and services.

European mink (*Mustela lutreola*)

- Conservation status: Critically endangered (CR)
- Population trend: Decreasing
- Habitat and ecology: European Mink is semi-aquatic, inhabiting densely vegetated banks of rivers, streams and, sometimes, lake-banks. It hunts both in riparian zones and in the water for amphibians, crustaceans, fish, small mammals, insects and birds.
- Threats: Logging & wood harvesting. Roads & railroads. Water management/use. Dams.
- Conservation actions: Part of the population occurs within protected areas. Included in a conservation breeding programme in Spain since 2004.

Egyptian vulture (*Neophron percnopterus*)

- Conservation status: Endangered (EN)
- Population trend: Decreasing.
- Habitat and ecology: Full migrant
- Threats: Ecosystem modifications. Roads, railroads & service lines
- Conservation actions: Species included in EU Birds Directive Annex I and the Bern Convention Appendix II.

Lesser Horseshoe Bat (*Rhinolophus hipposideros*)

- Conservation status: Near threatened (NT).
- Population trend: Decreasing.
- Habitat and ecology: Summer roosts (breeding colonies): natural and artificial underground sites in the southern part of the range, and in attics and buildings in the northern part of it. Winter: it hibernates in underground sties (including cellars, small caves and burrows).
- Threats: Disturbance and loss of underground habitats and attics (by conversion of attics for human habitation), change of agricultural management regime (loss of tree lines and hedgerows).
- Conservation actions: Protection through Bonn Convention (Eurobats) and Bern Convention. Included in Annex II (and IV) of EU Habitats and Species Directive through Natura 2000.

Eurasian otter (*Lutra lutra*)

- Conservation status: Near threatened (NT).
- Population trend: Decreasing.
- Habitat and ecology: Aquatic habitats, including highland and lowland lakes, rivers, streams, marshes, swamp forests and coastal areas.
- Threats: Man-made changes. Canalisation of rivers, removal of bank side vegetation, dam construction, draining of wetlands. Water pollution.
- Conservation actions: Listed on Appendix I of CITES, Appendix II of the Berne Convention, Annexes II and IV of the EU Habitat Directive (92/43/EEC).

Echinopsis pampana

- Conservation status: Endangered (EN).
- Population trend: Decreasing.
- Habitat and ecology: Endemic species of Peru.
- Threats: Gathering terrestrial plants. Many wild specimens are illegally collected and sold as ornamental plants.
- Conservation actions: This species occurs in a national nature reserve.

Ipê (*Handroanthus chrysanthus*)

- Conservation status: Vulnerable (VU).
- Population trend: Decreasing.
- Habitat and ecology: Found in Belize, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Guyana, Honduras, Mexico, Nicaragua, Panama, Peru, Trinidad and Tobago and Venezuela. The population of this species is expected to fall by at least 30% over the next 100 years.
- Threats: Threatened by unsustainable exploitation. The threat of logging to this species remains due to international pressure for tropical sources of timber and the decline in other desirable tropical timber species.
- Conservation actions: *Handroanthus chrysanthus* is recorded in 17 ex situ collections (BGCI 2020) and has been found in many protected areas.

Appendix III. EU Taxonomy

Introduction

Regulation (EU) 2020/852, published by the European Parliament and the Council on 22 June 2020 under the framework of the European Green Deal, was issued to create a decarbonised and fairer economy capable of creating jobs in an equitable manner by defining economic activities that can be considered environmentally sustainable.

According to Article 8 of the Regulation, any undertaking which is subject to Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups (the 'NFRD') shall disclose how and to what extent the undertaking's activities are associated with economic activities that qualify as environmentally sustainable under that Regulation.

As provided for in Commission Delegated Regulation (EU) 2021/2178, of 6 July 2021, supplementing Regulation (EU) 2020/852, specifically article 8, by specifying the content and presentation of information to be disclosed by undertakings subject to the NFRD concerning environmentally sustainable economic activities, this year these undertakings must disclose information on the proportion of the turnover, capital expenditure ("CapEx") and operating expenditure ("OpEx") of their Taxonomy-eligible, not Taxonomy-eligible, Taxonomy-eligible and aligned and Taxonomy-eligible and not aligned activities in accordance with the climate change mitigation and adaptation objectives defined in Commission Delegated Regulation (EU) 2021/2139 of 4 July 2021 supplementing Regulation (EU) 2020/852 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 (the Climate Delegated Act).

In addition, in December 2021 Delegated Regulation (EU) 2021/2139 was amended, establishing the necessary technical screening criteria for determining

whether an economy activity contributes 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 of the EU (circular economy, water and marine resources, pollution prevention and control, and biodiversity).

Therefore, after the latest amendments, economic activities are classified as:

- **Eligible:** activities listed and described in Commission Delegated Regulation (EU) 2021/2139 Annex I (mitigation) and Annex II (adaptation).
- **Non-eligible:** activities not included in Commission Delegated Regulation (EU) 2021/2139, because they:
 - Have a significant negative impact on climate change.
 - Do not make a substantial contribution to climate change mitigation and climate change adaptation.
 - Include future revisions of the EU Taxonomy or approvals of documents that impact the current period.
- **Eligible aligned:** eligible activities that meet the technical screening criteria (TSC) of the climate change mitigation or climate change adaptation objective and ensure that they 'do no significant harm' (DNSH) to any of the four other objectives and are carried out in alignment with the OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights (minimum social safeguards).
- **Eligible not aligned:** eligible activities that do not meet criteria for substantial contribution, DNSH and/or social minimum safeguards; i.e., do not meet one or more of the alignment requirements.

To this end, we took several steps prior to preparing the taxonomy report this year, the most important of which were: performing an exercise to understand the taxonomic criteria, providing internal training cycles for people involved and gathering informa-

tion on taxonomy-related criteria at asset/project/contract level for all OHLA Group companies subject to this assessment. We also put in place a governance model that sets up the necessary communication channels in an attempt to involve all of the Company's business managers, guaranteeing traceability of data, using a model like the financial consolidation model, and ensuring the reliability of taxonomy indicator disclosures.

The governance model is set out in an internal procedure, which defines the scope of the assessment, the method for calculating indicators and considerations for correctly gathering evidence and supporting the indicators. However, given the uncertainty regarding implementation of the taxonomy, reviews will be performed regularly so that this procedure is aligned with sectoral criteria and the new needs of the Regulation in future periods.

Against this backdrop, the understanding exercise was subject to European-wide sector scrutiny; e.g., the stance of the Spanish Association of Infrastructure Concession Operators and Construction Companies (SEOPAN) and the European Taxonomy applied to road projects guidelines.

Lastly, on 19 December 2022, the European Commission issued FAQs (Frequently Asked Questions) to clarify the interpretation of requirements with respect to alignment of activities. These notes aim to clarify the criteria set out in the Regulation, but do not clarify full application of criteria for all the activities described. Therefore, undertakings can justify their interpretations through this report. Accordingly, Taxonomy data are presented based on the Company's understanding and to comply with these obligations.

Assessment of compliance with Regulation (EU) 2020/852

OHLA is a global infrastructure group with more than a century of history under its belt. Positioned in three major geographies - Europe, Latin America and the United States - it seeks to generate value and drive talent in the communities in which it operates. In all of them, it undertakes infrastructure projects with the aim of promoting the growth and well-being of society, with a firm commitment to innovation and sustainability as progress enablers. The Group is primarily active in the construction, industrial and services sectors.

As it falls under the scope of the NFRD, OHLA Group is obliged to report on the extent to which its economic activities are Taxonomy-eligible and Taxonomy-aligned for the climate change mitigation and adaptation objectives. Commission Delegated Regulation 2021/2139, adopted on 4 June 2021, specifies the economic activities and the criteria they must meet in order to contribute to the first two environmental objectives, namely climate change mitigation (Annex I) and climate change adaptation (Annex II). As at the date of this report, no further regulations have been passed establishing the economic activities and the criteria to be met by those activities for the purpose of contributing to the four remaining environmental objectives: 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. Therefore, the OHLA Group's EU Taxonomy report for 2022 is based on the analysis of the first two environmental objectives: climate change mitigation and climate change adaptation. The information is reported using the templates provided by the European Commission to standardise undertakings' reporting models.

Analysis applied

Taking OHLA Group's scope of consolidation, the analysis was carried out by mapping the minimum management unit of the Group's companies, i.e., at work/project or service level, in order to determine the correlation of those management units with activities that qualify as Taxonomy-eligible and Taxonomy-aligned economic activities and their financial performance, thus guaranteeing elimination of inter-company transactions and balances. While certain activities have been identified that could potentially contribute to the climate change adaptation objective, OHLA Group focused its assessment generally on the contribution to the climate change mitigation objective and specifically on certain economic activities for the climate adaptation objective.

To avoid double counting, where projects could be associated with more than one sustainable economic activity, the one with the strongest link to the main activity in each case was selected. Meanwhile, certain OHLA Group activities were identified as Taxonomy non-eligible, either because they do not have a significant impact on climate change mitigation or climate change adaptation, or because they are awaiting integration into the EU Taxonomy Regulation, or because they have a significant negative impact on climate change.

In addition, as OHLA Group carries out activities that could contribute to both the climate change mitigation and climate change adaptation objectives, it prioritised assessment of those economic activities that contribute to the climate change mitigation objective so as to ensure that it avoids the risk of double counting.

To calculate each of the key performance indicators (KPIs) provided for in the Regulation, the following financial metrics were considered:

- **Turnover.** The proportion of turnover referred to in Article 8(2), point (a), of Regulation (EU) 2020/852 was calculated as the part of the net turnover derived from products or services, including intangibles, associated with Taxonomy-aligned economic activities (numerator), divided by the net turnover (denominator) as defined in Article 2, point (5), of Directive 2013/34/EU.

- **Capital expenditure (CapEx).** The proportion of CapEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 includes additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. The calculation also covers additions to tangible and intangible assets resulting from business combinations.

- **Operating expenditure (OpEx).** The proportion of OpEx referred to in Article 8(2), point (b), of Regulation (EU) 2020/852 restricts calculation of this indicator to direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. In addition to these items, leasing costs should be included by non-financial undertakings that apply national generally accepted accounting principles and do not capitalise right-of-use assets.

When calculating OpEx, the direct costs provided for in the Regulation were not included as part of the disclosure because they are not considered material for our businesses compared to total operating costs for the year (EUR 3,244,107 thousand in 2022 compared to EUR 73,837 thousand in 2021; 2.28% of total OpEx to be considered). Therefore, following the recommendations of the European Commission, the proportion of Taxonomy-eligible and Taxonomy-non-eligible economic activities was calculated using the financial KPIs of turnover and CapEx.

Key considerations

In the light of the current regulatory uncertainty on application of the criteria outlined in the Delegated Regulation, the Company laid the foundations for understanding the technical screening criteria so it could assess its assets for disclosing eligibility and alignment. Its understanding is explained in this chapter as required by the European Commission and in an exercise of transparency.

The key considerations taken into account when assessing activities in respect of the Taxonomy relate to the projects and services assessed.

With respect to the financial data used to calculate the KPIs (turnover, CapEx and OpEx), no extrapolations or approximations were made since the data taken as a basis for the assessment are audited financial data of OHLA Group and its subsidiaries for the year ended 31 December 2022.

Eligibility

In line with the assessment performed for the 2021 financial year to identify and calculate the Taxonomy-eligibility of OHLA Group's economic activities, the same scope of disclosures considered in the reporting period was the for financial and non-financial information. The same businesses/divisions, companies, works, projects and services were included.

In cases where there are contracts to perform different activities, the assessment was related to the activity considered to be the most relevant in terms of turnover, with the full amount included in the core business. Similarly, where an OHLA Group activity is eligible for more than one environmental objective, a single objective was chosen for recording the contract in order to avoid double counting in financial metrics.

Assessment was performed at the minimum management level to determine the eligibility of the activities. In this respect, the Group's finance and sustainability areas were assigned the proportion of turnover, CapEx and OpEx that matches the description of the activities listed in the Taxonomy Regulation based on the type of works, projects or services.

In assessing eligibility, the key considerations and assumptions regarding the most relevant eligible activities for the Company included in the Taxonomy were as follows:

Energy activities

With this group of activity, eligibility was calculated taking into account works, projects and services (including construction and operation) related to infrastructure designed for electricity generation using solar photovoltaic technology, activity 4.1, identified as one of OHLA Group's most relevant activities.

Water supply, sewerage, waste management and remediation activities

Projects carried out by the Company in this category include works/projects or services related to construction, extension and operation or renewal of water collection, treatment and supply systems, activities 5.1 and 5.2, and the construction, extension and operation of waste water collection and treatment, activity 5.3).

For Taxonomy activity 5.5 Collection and transport of non-hazardous waste in source segregated fractions,

only projects that comply with the strict description of the activity have been considered, which considers “the separate collection and transport of non-hazardous waste in single or comingled fractions aimed at preparing for reuse or recycling”, thus excluding from the scope of this category the various facility cleaning services carried out by the Services division of the OHLA Group, and including a single project related to the collection of waste in the terms set out in the regulation.

Transport activities

Activities related to infrastructure enabling low-carbon transport, as defined in Annex I of the Climate Delegated Act of the Taxonomy as activities related to infrastructure for personal mobility, cycle logistics (6.13), infrastructure for rail transport (6.14), construction and operation of infrastructure enabling low-carbon road and public transport (6.15), low-carbon inland waterway transport (6.16), and low-carbon airport infrastructure (6.17) have been considered eligible due to their potential to contribute to climate change mitigation by enabling zero-emission transport along these routes. The project’s technical report was used to verify the type and purpose of the infrastructure, which could be personal mobility or the transport of freight or passengers, and to ensure that the objective is not exclusively to store or transport fossil fuels.

Alignment

Based on the eligibility assessment, we drew up a system for compiling and evaluating information whereby the heads of each project/work/service performed a compliance assessment based on substantial contribution criteria (SCC) and criteria for doing no significant harm to other objectives (DNSH).

For the DNSH of climate change adaptation, the Company has its own approach to assessing the risks described in Annex A of the Taxonomy Regulation. In this respect, the Company has drawn up a corporate-wide climate change adaptation plan at asset level, taking the technical and financial considerations of the businesses themselves.

The climate risk and vulnerability assessment performed for activities that are potentially EU Taxonomy-aligned activities identified the economic activities and physical risks that could affect the Company’s performance over the forecast time frame and determined the exposure of those activities to the physical risks listed in Annex A

Likewise, and given that current regulations require the disclosure of key performance indicators in relation to “eligible” activities, these activities are considered to be included in the description of the Annex I activities mentioned above, whether or not they meet the technical screening criteria defined for each activity. Activities included that are considered ‘low carbon’ will determine compliance with the technical screening criteria to assess whether the activities are aligned, but not constraints to assessing eligibility alone. The same approach is used as in the assessment of the previous reporting period and maintained for eligibility this year. Similarly, the eligibility assessment considered sectoral guidelines issued during the current reporting period or drafts of guidelines; e.g., the sectoral guidelines issued by SEOPAN.

Building and real estate activities

In this group, we identified projects entailing construction of new buildings (activity 7.1) and renovation of existing buildings (activity 7.2). Here, all the financial indicators related to these types of projects were considered eligible.

of the Climate Delegated Regulation and their materiality. Lastly, for those considered material, a list of potential adaptation measures to reduce the risk inherent in the activity. The assessment was carried out based on three time horizons covering the period from the present to 2080 for OHLA Group: short term (2040), medium term (2060) and long term (2080).

The intention is to implement this plan in all geographies over the coming years and eventually cover all assets in which OHLA Group has an interest or has built.

The Taxonomy also considers that for an economic activity to be aligned; i.e., that it contributes substantially to the environmental objectives, the Company must also assure that it complies with minimum social safeguards in its operation. Therefore, OHLA Group has assessed aspects related to its performance in terms of human rights, tax, corruption and fair trade.

OHLA Group has a due diligence system, which is evaluated periodically, and has drawn up a specific policy on human rights. Further information is disclosed in the section on human rights. As for corruption, OHLA Group has an ISO 37001-certified management system, while regarding tax it has a tax policy and a tax risk control strategy. For fair trade, specific corporate procedures and rules are in place to ensure that it is managed appropriately.

However, for some activities the application criteria are not clearly defined in the Taxonomy Regulation. They require an interpretation and adaptation to the reality of OHLA Group’s business. Therefore, as explained in FAQ #9 of the European Commission’s explanatory notes, the criteria used for the main economic activities identified as eligible and aligned are as follows:

Energy activities

Activities related to low carbon energies make an immediate contribution to climate change mitigation due to the nature of the activity. For activity 4.1. Electricity generation using solar photovoltaic technology, compliance with the criteria for alignment is demonstrated by the documentation required for construction of the facility and the activity must effectively generate electricity generation using solar photovoltaic technology. Adequate evidence for alignment in this case includes waste management plans and environmental impact assessments.

were assessed based on best sectoral criteria and the criteria of the related project managers. Specifically, the road transport activity (6.15) was assessed for Taxonomy-alignment under two scenarios, a sectoral and a restrictive scenario. In the sectoral scenario, the assessment was carried out in accordance with the recommendations issued by SEOPAN and the European Taxonomy applied to road projects, considering that roads present alignment potential along the entire infrastructure by introducing improvements that enable or promote low-carbon transport. This criterion will not be reported in the European Commission tables.

Meanwhile, in the restrictive scenario, bearing in mind current uncertainty surrounding the potential alignment of the road activity arising from the interpretation of TSC, we decided not to include this activity as aligned in this scenario. This criterion will be reported in the European Commission tables.

The DNSH criteria of all transport activities were assessed asset by asset to find evidence inherent to each project and presenting them to the verifiers of

Transport activities

Assessing transport activities for alignment for substantial contribution to climate change mitigation is extremely complex. For activities 6.14 (infrastructure for rail transport), 6.16 (infrastructure enabling low carbon water transport) and 6.17 (low carbon airport infrastructure), substantial contribution criteria

this report. Where non-compliance with any of the Taxonomy criteria is detected, the necessary remedial action is taken for future periods, thus improving the transport activity's percentage of alignment. Evidence used for the current reporting period came from the normal information for this type of projects (e.g., environmental impact assessments, monitoring plans, remedial action during construction, flora and fauna management plans, and remedial action to mitigate noise, dust, etc.). In certain cases, e.g., construction and demolition waste, specific evidence or indicators were consulted to verify that it was effectively being recovered above the established threshold.

Building and real estate activities

In calculating alignment, we considered activities 7.1 construction of new buildings and 7.2 renovation of existing buildings. In the eligibility assessment we excluded infrastructures designed for storing fossil fuels.

The criteria used to assess alignment of building works were based on availability and the support of other sustainable building certification frameworks.

The DNSH criteria of this activity were assessed against the same sustainable certification criteria as the substantial contribution criteria.

The criteria required by the Taxonomy Regulation causes special problems for these activities as, in many cases, the requirements are stricter than those in current regulations. Often, these characteristics are determined in the design phase, which precludes sufficient remedial action from being taken to align the building once construction has begun. This makes it difficult to obtain the necessary evidence. Therefore, OHLA Group intends to start working on a system that will make it easier to obtain evidence so that the level of alignment will increase as tools are developed in the sector.

Calculations and result for each key performance indicator

Calculation of the indicators

Turnover

Numerator of the eligibility disclosure

Taxonomy-eligible turnover is calculated on the basis of the net turnover for 2022 associated with the economic activities carried out by OHLA Group. This association was based on an analysis of OHLA Group's total turnover, broken down by type of work and service contract associated with the activities listed in Annex I of the Climate Delegated Act.

Numerator of the alignment disclosure

Taxonomy-eligible turnover is calculated on the basis of the net turnover associated with the economic activities carried out by OHLA Group. This association was based on an analysis of OHLA Group's total turnover, broken down by type of work and service contract associated with the activities listed in Annex I of the Climate Delegated Act and being carried out in compliance with the substantial contribution criteria, the DNSH criteria and the social minimum safeguards, by the Group in 2022.

Denominator

The denominator of the turnover indicator considers the total volume of OHLA Group's net turnover, as set out in Note 3.22 of the financial statements.

CapEx

Numerator of the eligibility disclosure

The Taxonomy-eligible CapEx ratio is obtained by associating the percentage by weight of OHLA Group's turnover accounted for by each analysed minimum management unit identified as Taxonomy-eligible with the total capital expenditure for each company analysed. This percentage will serve as a multiplying factor to determine the CapEx associated with minimum management units that qualify as Taxonomy-eligible activities.

Numerator of the alignment disclosure

The Taxonomy-eligible CapEx ratio is obtained by associating the percentage by weight of OHLA Group's turnover accounted for by each analysed minimum management unit identified as Taxonomy-eligible and carried out in compliance with substantial contribution criteria, the DNSH criteria and the minimum social safeguards according to the Taxonomy, with the total capital expenditure for each company analysed. This percentage will serve as a multiplying factor to determine the CapEx associated with minimum management units that qualify as Taxonomy-eligible activities.

Denominator

The denominator of the CapEx indicator covers additions to tangible and intangible assets during the financial year considered before depreciation, amortisation and any re-measurements, including those resulting from revaluations and impairments, for 2022 at the OHLA Group, excluding fair value changes. The denominator also covers additions to tangible and intangible assets resulting from business combinations, as disclosed in Notes 3.1 and 3.3 of the financial statements.

Results

The analysis carried out indicates that 85.3% of turnover and 82.1% of CapEx at OHLA Group is Taxonomy-eligible and 15.0% of turnover and 18.7% of CapEx is Taxonomy-eligible and aligned.

Set out below are the templates for KPIs established in Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 by specifying the content and presentation of information to be disclosed. As we explained above, operating costs are immaterial at OHLA Group, and therefore the result of OpEx is not reported.

Economic activities

CODE(S)	ABSOLUTE TURNOVER (€)	PROPORTION OF TURNOVER (%)	CLIMATE CHANGE MITIGATION (%)	CLIMATE CHANGE ADAPTATION (%)	Substantial contribution criteria			DNSH criteria ('Does not significantly harm')*					MINIMUM SAFEGUARDS (Y/N)	TAXONOMY-ALIGNED PROPORTION OF TURNOVER (%)	CATEGORY (ENABLING ACTIVITY) (E)	CATEGORY '(TRANSITIONAL ACTIVITY)' (T)			
					WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)	POLLUTION (Y/N)	BIODIVERSITY AND ECOSYSTEMS (Y/N)	CLIMATE CHANGE MITIGATION (Y/N)	CLIMATE CHANGE ADAPTATION (Y/N)	WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)					POLLUTION (Y/N)	BIODIVERSITY AND ECOSYSTEMS (Y/N)	
A. TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES																			
A1. Environmentally sustainable activities (taxonomy-aligned)																			
4. Energy																			
4.1 Electricity generation using solar photovoltaic technology	4.1	€105,863,000.0	3.2%	100.0 %	0.0 %					N/A	Y	N/A**	Y	N/A**	Y	Y	3.2%	-	-
5. Water supply, sewerage, waste management and remediation																			
5.2 Renewal of water collection, treatment and supply systems	5.2	€1,661,683.3	0.1%	100.0 %	0.0 %					N/A	Y	Y	N/A**	N/A**	Y	Y	0.1%	-	-
5.5 Collection and transport of non-hazardous waste in source segregated fractions	5.5	€9,515,610.9	0.3%	100.0 %	0.0 %					N/A	Y	N/A**	Y	N/A**	N/A**	Y	0.3%	-	-
6. Transport																			
6.13 Infrastructure for personal mobility, cycle logistics	6.13	€28,430,150.3	0.9%	100.0 %	0.0 %					N/A	Y	Y	Y	Y	Y	Y	0.9%	F	-
6.14 Infrastructure for rail transport	6.14	€207,479,213.2	6.4%	100.0 %	0.0 %					N/A	Y	Y	Y	Y	Y	Y	6.4%	F	-
7. Construction and real estate activities																			
7.1 Construction of new buildings	7.1	€86,578,558.1	2.7%	100.0 %	0.0 %					N/A	Y	Y	Y	Y	Y	Y	2.7%	-	-
7.2 Renovation of existing buildings	7.2	€40,744,404.8	1.2%	100.0 %	0.0 %					N/A	Y	Y	Y	Y	N/A**	Y	1.2%	-	T
9. Professional, scientific and technical activities																			
9.3 Professional services related to energy performance of buildings	9.3	€8,622,160.1	0.3%	100.0 %	0.0 %					N/A	Y	N/A**	N/A**	N/A**	N/A**	Y	0.3%	F	-
12. A. Human health and social work activities																			
12.1 Residential care activities	12.1	€0.0	0.0%	0.0 %	100.0 %					N/A	N/A	N/A**	N/A**	Y	N/A**	Y	0.0%	-	-
Turnover of Taxonomy-eligible and aligned activities (A.1)		488,894,780.7 €	15.0%														15.0%		
A2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
4. Energy																			
4.9 Transmission and distribution of electricity	4.9	€288,005.7	0.0%																
5. Water supply, sewerage, waste management and remediation																			
5.1 Construction, extension and operation of water collection, treatment and supply systems	5.1	€42,226,827.0	1.3%																
5.2 Renewal of water collection, treatment and supply systems	5.2	€26,153,914.3	0.8%																
5.3 Construction, extension and operation of waste water collection and treatment	5.3	€64,015,874.2	2.0%																
5.4 Renewal of waste water collection and treatment	5.4	€6,207,850.1	0.2%																
5.5 Collection and transport of non-hazardous waste in source segregated fractions	5.5	€11,331,648.3	0.3%																

Economic activities

CODE(S)	ABSOLUTE TURNOVER (€)	PROPORTION OF TURNOVER (%)	Substantial contribution criteria					DNSH criteria ('Does not significantly harm')*					MINIMUM SAFEGUARDS (Y/N)	TAXONOMY-ALIGNED PROPORTION OF TURNOVER (%)	CATEGORY (ENABLING ACTIVITY) (E)	CATEGORY '(TRANSITIONAL ACTIVITY)' (T)	
			CLIMATE CHANGE MITIGATION (%)	CLIMATE CHANGE ADAPTATION (%)	WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)	POLLUTION (Y/N)	BIODIVERSITY AND ECOSYSTEMS (Y/N)	CLIMATE CHANGE MITIGATION (Y/N)	CLIMATE CHANGE ADAPTATION (Y/N)	WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)					POLLUTION (Y/N)
A. ACTIVIDADES ELEGIBLES SEGÚN LA TAXONOMÍA																	
A2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																	
6. Transport																	
6.13 Infrastructure for personal mobility, cycle logistics	6.13	€1,541,887.4	0.0%														
6.14 Infrastructure for rail transport	6.14	€515,475,668.2	15.8%														
6.15 Infrastructure enabling low-carbon road transport and public transport	6.15	€1,121,564,252.1	34.4%														
6.16 Infrastructure enabling low carbon water transport	6.16	€88,454,487.0	2.7%														
6.17 Low carbon airport infrastructure	6.17	€25,142,890.0	0.8%														
7. Construction and real estate activities																	
7.1 Construction of new buildings	7.1	€330,344,306.5	10.1%														
7.2 Renovation of existing buildings	7.2	€31,635,504.0	1.0%														
7.3 Installation, maintenance and repair of energy efficiency equipment	7.3	€27,730,063.7	0.9%														
9. Professional, scientific and technical activities																	
9.3 Professional services related to energy performance of buildings	9.3	€0.0	0.0%														
12. A. Human health and social work activities																	
12.1 Residential care activities	12.1	€0.0	0.0%														
Turnover of Taxonomy-eligible but not environmentally sustainable economic activities (A.2)		€2,292,113,178.3	70.3%														
Total (A.1 + A.2)		€2,781,007,959.0	85.3%	-	-	-	-	-	-	-	-	-	-	-	-	15.0%	-
B. TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES																	
Turnover of Taxonomy-non-eligible activities (B)		€478,664,040.9	14.7%														
Total (A + B)		€3,259,672,000.0	100.0%														

* The technical screening criteria for the other four environmental objectives (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) have yet to be published.

** Not applicable according to Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021.

Economic activities

CODE(S)	ABSOLUTE TURNOVER (€)	PROPORTION OF TURNOVER (%)	CLIMATE CHANGE MITIGATION (%)	CLIMATE CHANGE ADAPTATION (%)	Substantial contribution criteria			DNSH criteria ('Does not significantly harm')*					MINIMUM SAFEGUARDS (Y/N)	TAXONOMY-ALIGNED PROPORTION OF TURNOVER (%)	CATEGORY (ENABLING ACTIVITY) (E)	CATEGORY '(TRANSITIONAL ACTIVITY)' (T)			
					WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)	POLLUTION (Y/N)	BIODIVERSITY AND ECOSYSTEMS (Y/N)	CLIMATE CHANGE MITIGATION (Y/N)	CLIMATE CHANGE ADAPTATION (Y/N)	WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)					POLLUTION (Y/N)	BIODIVERSITY AND ECOSYSTEMS (Y/N)	
A. TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES																			
A1. Environmentally sustainable activities (taxonomy-aligned)																			
4. Energy																			
4.1 Electricity generation using solar photovoltaic technology	4.1	€17,201.3	0.0%	100.0 %	0.0 %					N/A	Y	N/A**	Y	N/A**	Y	Y	0.0%	-	-
5. Water supply, sewerage, waste management and remediation																			
5.2 Renewal of water collection, treatment and supply systems	5.2	€128,486.8	0.1%	100.0 %	0.0 %					N/A	Y	Y	N/A**	N/A**	Y	Y	0.1%	-	-
5.5 Collection and transport of non-hazardous waste in source segregated fractions	5.5	€304,854.3	0.3%	100.0 %	0.0 %					N/A	Y	N/A**	Y	N/A**	N/A**	Y	0.3%	-	-
6. Transport																			
6.13 Infrastructure for personal mobility, cycle logistics	6.13	€963,962.8	0.9%	100.0 %	0.0 %					N/A	Y	Y	Y	Y	Y	Y	0.9%	F	-
6.14 Infrastructure for rail transport	6.14	€9,567,611.8	9.2%	100.0 %	0.0 %					N/A	Y	Y	Y	Y	Y	Y	9.2%	F	-
7. Construction and real estate activities																			
7.1 Construction of new buildings	7.1	€6,107,612.7	5.9%	100.0 %	0.0 %					N/A	Y	Y	Y	Y	Y	Y	5.9%	-	-
7.2 Renovation of existing buildings	7.2	€1,799,336.3	1.7%	100.0 %	0.0 %					N/A	Y	Y	Y	Y	N/A**	Y	1.7%	-	T
9. Professional, scientific and technical activities																			
9.3 Professional, scientific and technical activities	9.3	€267,263.1	0.3%	100.0 %	0.0 %					N/A	Y	N/A**	N/A**	N/A**	N/A**	Y	0.3%	F	-
12. A. Human health and social work activities																			
12.1 Residential care activities	12.1	€332,868.7	0.3%	100.0 %	0.0 %					N/A	N/A	N/A**	N/A**	Y	N/A**	Y	0.3%	-	-
CapEx of Taxonomy-eligible and aligned activities (A.1)		€19,489,197.7	18.7%														18.7%		
A2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
4. Energy																			
4.9 Transmission and distribution of electricity	4.9	€1,179.1	0.0%																
5. Water supply, sewerage, waste management and remediation																			
5.1 Construction, extension and operation of water collection, treatment and supply systems	5.1	€735,680.2	0.7%																
5.2 Renewal of water collection, treatment and supply systems	5.2	€126,343.1	0.1%																
5.3 Construction, extension and operation of waste water collection and treatment	5.3	€3,201,628.9	3.1%																
5.4 Renewal of waste water collection and treatment	5.4	€180,620.7	0.2%																
5.5 Collection and transport of non-hazardous waste in source segregated fractions	5.5	€333,239.8	0.3%																

Economic activities

CODE(S)	ABSOLUTE TURNOVER (€)	PROPORTION OF TURNOVER (%)	Substantial contribution criteria						DNSH criteria ('Does not significantly harm')*						MINIMUM SAFEGUARDS (Y/N)	TAXONOMY-ALIGNED PROPORTION OF TURNOVER (%)	CATEGORY (ENABLING ACTIVITY) (E)	CATEGORY '(TRANSITIONAL ACTIVITY)' (T)
			CLIMATE CHANGE MITIGATION (%)	CLIMATE CHANGE ADAPTATION (%)	WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)	POLLUTION (Y/N)	BIODIVERSITY AND ECOSYSTEMS (Y/N)	CLIMATE CHANGE MITIGATION (Y/N)	CLIMATE CHANGE ADAPTATION (Y/N)	WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)	POLLUTION (Y/N)	BIODIVERSITY AND ECOSYSTEMS (Y/N)				
A. TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES																		
A2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																		
6. Transport																		
6.13 Infrastructure for personal mobility, cycle logistics	6.13	€47,794.2	0.0%															
6.14 Infrastructure for rail transport	6.14	€13,006,368.5	12.5%															
6.15 Infrastructure enabling low-carbon road transport and public transport	6.15	€22,170,491.2	21.2%															
6.16 Infrastructure enabling low carbon water transport	6.16	€5,954,430.4	5.7%															
6.17 Low carbon airport infrastructure	6.17	€824,203.4	0.8%															
7. Construction and real estate activities																		
7.1 Construction of new buildings	7.1	€17,252,487.7	16.5%															
7.2 Renovation of existing buildings	7.2	€1,594,603.5	1.5%															
7.3 Installation, maintenance and repair of energy efficiency equipment	7.3	€821,730.51	0.8%															
12. A. Human health and social work activities																		
12.1 Residential care activities	12.1	€0.0	0.0%															
CapEx of Taxonomy-eligible but not environmentally sustainable economic activities (A.2)		€66,250,801.3	63.5%															
Total (A.1 + A.2)		€85,739,999.0	82.1%															18.7%
B. TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES																		
CapEx of Taxonomy-non-eligible activities (B)		€18,643,684.3	17.9%															
Total (A + B)		€104,383,683.3	100.0%															

* The technical screening criteria for the other four environmental objectives (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) have yet to be published.

** Not applicable according to Commission Delegated Regulation (EU) 2021/2139 of 4 June 2021.

Economic activities

CODE(S)	ABSOLUTE OPEX (€)	PROPORTION OF OPEX (%)	Substantial contribution criteria						DNSH criteria ('Does not significantly harm')*						MINIMUM SAFEGUARDS (Y/N)	TAXONOMY-ALIGNED PROPORTION OF TURNOVER (%)	CATEGORY (ENABLING ACTIVITY) (E)	CATEGORY '(TRANSITIONAL ACTIVITY)' (T)
			CLIMATE CHANGE MITIGATION (%)	CLIMATE CHANGE ADAPTATION (%)	WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)	POLLUTION (Y/N)	BIODIVERSITY AND ECOSYSTEMS (Y/N)	CLIMATE CHANGE MITIGATION (Y/N)	CLIMATE CHANGE ADAPTATION (Y/N)	WATER AND MARINE RESOURCES (Y/N)	CIRCULAR ECONOMY (Y/N)	POLLUTION (Y/N)	BIODIVERSITY AND ECOSYSTEMS (Y/N)				
A. TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES																		
A1. Eligible activities for mitigation																		
OpEx of Taxonomy-eligible and aligned activities (A.1)	0.0 €	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%	-	-
A2. Taxonomy-eligible but not-taxonomy-aligned activities																		
OpEx of Taxonomy-eligible but not Taxonomy-aligned activities (A.2)	0.0 €	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A.1 + A.2)	0.0 €	0.0%														0.0%		
B. TAXONOMY NON-ELIGIBLE ECONOMIC ACTIVITIES																		
OpEx of Taxonomy-non-eligible activities (B)	0.0 €	0.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (A + B)	0.0 €	0.0%																
TOTAL OPEX	€3,244,107,000																	

In addition, in the sectoral scenario assessed by the Company for activity 6.15, the results of the Taxonomy exercise would have an impact on the KPIs, increasing the percentage of eligibility and alignment (A.1). The Group's total figures for the Taxonomy-eligible and aligned activity would be 19.7% of turnover and 28.9% of CapEx of OHLA Group in this scenario and 15.0% of turnover and 18.7% of CapEx in the restrictive scenario.

The information contained in this report considers the methodology and results obtained by the OHLA Group in the first analysis carried out in accordance with Sustainable Finance Taxonomy Regulation 2020/852. However, further implementing guidelines, sectoral interpretations and views and the publication of the four remaining environmental objectives could lead to modifications or restatements of the information obtained from this analysis.

Appendix IV: Summary report on climate change risks and opportunities

Climate change: risk and opportunity management

OHLA's environmental management strategy contains a commitment to the responsible use of natural resources, the circular economy, the protection and conservation of biodiversity and the fight against climate change. Therefore, it has climate change mitigation and adaptation as material topics for the business in both the short and long terms. Based on this strategy, it has designed nine strategic lines of action aimed primarily at embedding sustainable criteria in works and projects and implementing responsible supply practices and the activities necessary for operation of the business, such as transport and renewable energy supply. OHLA is also aware of the potential impacts of climate change for its operations and sustainability over time, so it performed an in-depth assessment of these.

To start, in 2021 it conducted its first diagnosis to gauge the Company's alignment with the Task Force on Climate-Related Financial Disclosure (TCFD) recommendations. It took the results and drew up a road map so it could start closing the gap in the four areas: governance, strategy, risk management, and metrics and targets.

According to this roadmap and the TCFD recommendations, in 2022, OHLA conducted its first identification of climate risks- including physical and transition- and opportunities and business unit level - construction, development, industrial, concessions and services -. This study placed special emphasis on the assessment of physical risks of Taxonomy-aligned activities.

The findings of the assessment, presented in this report, will form the basis of prioritising climate change adaptation and other transition risk mitigation measures to boost OHLA's resilience in the foreseeable short-, medium- and long-term climate scenario, and prepare it for potential technological, regulatory

or market changes, etc. Moreover, the idea is to use the assessment as an input for the regulatory and operational framework in terms of OHLA Group's risk control and management.

OHLA plans to continue with this assessment of climate risks and opportunities to keep it up to date and allow timely steps to be taken in the related time horizons.

Approach and assessment of risks and opportunities

For the assessment of climate change risks and opportunities, we started with a list of risks and opportunities drawn up by OHLA's main business areas and other of the Group's internal corporate-wide areas, the risks and opportunities set out in the TCFD recommendations document and the 28 physical risks listed in the EU Taxonomy.

Climate risks and opportunities were assessed and prioritised using IPCC criteria.

For **physical climate risks**, its four core factors were considered:

- **Hazard.** This refers to the possible occurrence of natural or human-induced physical events that may cause damage and losses to property, infrastructure and the provision of services. Hazard is synonymous with "impact".
- **Exposure.** This refers to the presence of infrastructure or economic goods in places or environments that could be adversely affected. Exposures is synonymous with "location".

Specifically, the assessment of exposure to physical risks used climate data from Spanish and internationally renowned and accepted websites, such as Think Hazard and Copernicus. The assessment of hazard and vulnerability was also based on a qualitative scale. In this case, valuation

sources included scientific journals, the IPCC's latest report and information obtained and verified with the Company's areas through meetings.

The time horizons included are those used by the Intergovernmental Panel on Climate Change (IPCC) in its Sixth Assessment Report: near term (present- 2040), medium term (2041-2060) and long term (2061-2080). The climate scenarios used were the RCP 4.5 and RCP 8.5 pathways. The first assumes growth in emissions until peaking in 2040. The second considers a scenario of sharp growth in emissions.

- **Vulnerability.** Refers to the propensity or predisposition to be adversely affected. It covers a range of concepts and elements, including sensitivity or susceptibility to damage and the lack of capacities to face them and adapt. Vulnerability is synonymous with "probability".
- **Adaptation.** Refers to the process of adjustment to actual or expected climate and its effects in order to moderate harm or exploit beneficial opportunities. Adaptation is synonymous with "risk reduction".

Once the values for each of these four components were determined, the risk value was calculated and categorised within the defined thresholds. The analysis was carried out globally for the Company's business units and specifically for the EU Taxonomy-aligned activities. For the aligned activities, the analysis included an estimate of the percentage of assets with a level of relevant risk and a proposal for adaptation measures, which will be reviewed and prioritised before implementation, in response to EU Taxonomy requirements.

For climate transition risks:

The relevant risks for OHLA were identified based on a review of technical publications and literature regarding the problems triggered by climate change. We also performed a qualitative assessment of

climate transition scenarios and expert review with the managers of the activities or processes affected, enabling us to determine the level of risks in the low, medium and high threshold for each scenario in the three defined time horizons.

The baseline scenarios for this assessment were developed by the International Energy Agency (IEA). Specifically, we used the Net Zero Emissions by 2050 (NZE), which assumes the economy will be climate-neutral by 2050, and the Stated Policies Scenario (STEPS), which provides a more conservative benchmark and takes a more granular, sector-by-sector look instead of taking for granted that countries will reach all their goals.

For climate opportunities:

Several business opportunities for the Group were identified, including three that can be grouped into large blocks of action: i) climate change adaptation of infrastructure; ii) promotion of investment and incentives in renewable energy and iii) construction and renovation of water infrastructure.

Given the defined scope, key considerations include the relevance and materiality of the risks affected within the context of a qualitative assessment of climate risks and not their integration into the Company's risk map or use for financial statements.

KEY PHYSICAL RISKS

KEY PHYSICAL RISKS	DESCRIPTION OF THE POTENTIAL IMPACT	ANALYSIS OF PHYSICAL SCENARIOS		
		Term	Scenario	Priority
Floods and heavy precipitation	The IPCC states, with high confidence, that the projected increase in the intensity of extreme precipitation translates to an increase in the frequency and magnitude of pluvial floods. These floods could seriously affect construction projects, causing material damages, delays, safety incidents and quality issues. For the industrial business, this could reduce profitability by giving rise to a higher number of days of downtime.	Near term	RCP 4.5	!!!
			RCP 8.5	!!!
		Medium term	RCP 4.5	!!!
			RCP 8.5	!!!
		Long term	RCP 4.5	!!
			RCP 8.5	!!
Cyclones, hurricanes, major storms and strong winds	According to the IPCC, climate change cause changes in oceanic and atmospheric currents, thus affecting the formation and shifting of cyclones, hurricanes, major storms and strong winds in different parts of the world; e.g., the United States and Europe. Alterations in wind patterns and wind intensity caused by climate change mechanisms can result in material damage to a construction site's structure, equipment or machinery, delays in the work and safety concerns for workers.	Near term	RCP 4.5	!!
			RCP 8.5	!!
		Medium term	RCP 4.5	!!!
			RCP 8.5	!!!
		Long term	RCP 4.5	!!!
			RCP 8.5	!!!
Heat waves	Heat waves should become more frequent and gradually more intense in coming years due to climate change. Bouts of extreme temperatures are associated with decreased safety and productivity of people working outdoors. Heat waves also affect continuity of construction work and activities, possibly resulting in interruptions or cost over-runs. Extreme heat causes tar roads to soften, so they must be resurfaced with more durable materials. It can also cause material damage, shorten the useful life and reduce the reliability of electronic components on railways.	Near term	RCP 4.5	!
			RCP 8.5	!!
		Medium term	RCP 4.5	!!
			RCP 8.5	!!!
		Long term	RCP 4.5	!!!
			RCP 8.5	!!!
Water stress and drought	The IPCC says that under a +2°C global warming scenario, the number of hydrological droughts in the Mediterranean region would increase. In Spain, the water year that just ended in September, was markedly dry, with average precipitation nationwide 25.3% below long-run levels. OHLA's activities can be affected by a lack of water because its processes are highly water intensive. An inability to access water could lead to lost earnings or potential stoppages of works or services.	Near term	RCP 4.5	!
			RCP 8.5	!!
		Medium term	RCP 4.5	!!
			RCP 8.5	!!
		Long term	RCP 4.5	!!
				!!!
Other physical risks identified	The most important are: sandstorms; landslides; forest fires; snow and freezing; temperature variability and heat stress.			

KEY TRANSITION RISKS

KEY TRANSITION RISKS	DESCRIPTION OF THE POTENTIAL IMPACT	ANALYSIS OF PHYSICAL SCENARIOS		
		Term	Scenario	Priority
Higher construction raw material prices	Manufacturing industries of raw materials required for construction (primarily cement and steel) are carbon intensive. Therefore, they are vulnerable to rising carbon and energy prices, which pose a high risk of the increases being passed on to upstream prices, indirectly affecting OHLA. The closer we get to a scenario of global decarbonisation, the greater the risk of increases in construction raw material prices due to market pressure towards decarbonisation of suppliers of carbon-intensive raw materials.	Near term	NZE	!!!
			STEPS	!!!
		Medium term	NZE	!!!
			STEPS	!!!
Increase in fossil fuel prices	Fossil fuel prices can be affected by several factors, including changes in supply and demand, market fluctuations and geopolitical events. Therefore, it is difficult to predict with a high degree of confidence how prices will move in a scenario of net zero emissions in 2050, although there are studies that show sharp increases in a scenario of strong decarbonisation.	Near term	NZE	!!!
			STEPS	!!!
		Medium term	NZE	!!!
			STEPS	!!!
Other transitions risks identified	The most important are: higher prices or decreased insurance coverage; supply chain disruptions; a drop in demand for road transport; the cost of transitioning to low-emission technology; higher demand for decarbonisation from lenders; inclusion in emissions trading schemes and/or carbon taxes.			

!!! High priority

!! Medium priority

! Low priority

KEY CLIMATE OPPORTUNITIES

KEY CLIMATE OPPORTUNITIES	DESCRIPTION OF THE POTENTIAL IMPACT	ANALYSIS OF PHYSICAL SCENARIOS		
Climate change adaptation of infrastructure	<p>One of the climate change adaptation priorities is acting on physical infrastructure for its exposure to outdoor weather conditions. Several assets may be reinforced, relocated or replaced by new equipment built to higher standards relative to physical risks.</p> <p>The need to adapt roads so that they are more resilient to climate change effects is also crucial. There are myriad adaptation solutions, e.g., protecting against landslides, reinforcing slopes, increasing the cutting and filling maintenance frequency, including retaining walls and vegetation, improving the drainage system, replacing the pavement surface layer or protecting foundations of bridges.</p>	Near term	NZE	!!!
			STEPS	!!
		Medium term	NZE	!!!
			STEPS	!!!
Promotion of investment and incentives in renewable energy	<p>European objectives for energy transition and decarbonisation open up opportunities to carry out renewable energy plant construction projects (solar photovoltaic and on-shore and off-shore wind). The International Energy Agency, in its <i>World Energy Outlook 2022</i> report, says that deployment of solar PV and wind power accelerates in all scenarios, setting new records every year to 2030. By mid-century, the combined share of these two technologies in the electricity mix reaches 45% in the average climate emissions scenario (STEPS).</p>	Near term	NZE	!!!
			STEPS	!!
		Medium term	NZE	!!!
			STEPS	!!!
Construction and renovation of water infrastructure	<p>Water infrastructure has gradually aged due to scant investment in renovation. In addition, the River Basin Management Plans of the third cycle (2022-2027) are in line with the European Green Deal and climate change adaptation objectives, with total investment of EUR 21 billion earmarked in Spain for the six-year period. In the international plan, water infrastructure construction and renovation opportunities in Latin America are even greater, with required investment of USD 142 billion according to the Inter-American Development Bank.</p>	Near term	NZE	!!!
			STEPS	!!!
		Medium term	NZE	!!!
			STEPS	!!!
Other climate opportunities identified	<p>The most important are: New opportunities related to decarbonisation of the economy (electrification and green infrastructure in cities); higher maintenance requirements due to the effects of climate change; increased demand for energy efficient building renovation and more service contracts; and water and waste infrastructure concessions.</p>			

- !!! High priority
- !! Medium priority
- ! Low priority

Appendix V. List of material topics

RESPONSIBLE MANAGEMENT

- Good governance and compliance.
- Financial and non-financial risk management.
- Transparency of information.

SUSTAINABLE BUSINESS

- Efficiency in the consumption of raw materials and use of environmentally friendly building materials.
- Efficient energy management: commitment to energy efficiency.
- Promoting the use of renewable energies.
- Climate change: reduction of greenhouse gas (GHG) emissions.
- Efficient water use.
- Protection of biodiversity.
- Promotion of the circular economy.
- Sustainable and smart mobility.
- Range of sustainable solutions.

SOCIAL PROGRESS

- Diversity and equal opportunities.
- Attracting and retaining talent.
- Training, education and promoting the employability of the workforce.
- Occupational health and safety.
- Sense of belonging and job stability – Employer Branding.
- Work-life balance and digital disconnect measures.
- Management of risks and opportunities arising from workers in our value chain.
- Management of community relations and dialogue.
- Promoting global social action and volunteering projects.
- Social impact of OHLA’s actions.
- Respect for and compliance with human rights.
- Human rights impact assessment of OHLA operations.
- Responsible supply chain management.
- Supplier due diligence processes in relation to sustainability aspects.
- Responsibility towards customers.

Appendix VI: Communication channels and stakeholder expectations

STAKEHOLDER	MAIN COMMUNICATION CHANNELS	MAIN EXPECTATIONS
Capital markets: shareholders and investors	<ul style="list-style-type: none"> Roadshows, online and face-to-face meetings, ad hoc briefing meetings, earnings presentations. Annual General Meeting. Communications with proxy advisors 	<ul style="list-style-type: none"> Profit growth. Growth of the customer base. Business sustainability. Legal certainty. Inclusion in sustainability (ESG) indices. Control over accident rates. Transparency.
Lenders	<ul style="list-style-type: none"> CNMV. Corporate website. Roadshows, online and face-to-face meetings, ad hoc briefing meetings, earnings presentations. 	<ul style="list-style-type: none"> Appropriate economic justification of funded activities. Compliance with laws and regulations related to financing.
Business partners, agents or external partners	<ul style="list-style-type: none"> Direct contacts. Fora and conferences. Working groups. 	<ul style="list-style-type: none"> Ensure compliance by business partners/business agents with laws and regulations. Integrity in participation of business partners/business agents in public tenders and calls for bids with private customers. Clarity in the partnership formula. Forge strategic relationships with OHLA over the long term.
Customers	<ul style="list-style-type: none"> Direct contacts Business managers Corporate website Fora Ethics Channel. 	<ul style="list-style-type: none"> Product and service quality. Compliance with project and service requirements and deadlines. Compliance with laws and regulations. Integrity in OHLA's participation in public tenders. Compliance with labour and environmental laws and technical standards. Integrity in OHLA's participation in tenders. Good labour, environmental and execution practices. Effective, efficient and fluid communication. Claims response. Sustainable solutions offering.

STAKEHOLDER	MAIN COMMUNICATION CHANNELS	MAIN EXPECTATIONS
Suppliers	<ul style="list-style-type: none"> Direct contacts. Fora and conferences. Working groups. Ethics Channel. 	<ul style="list-style-type: none"> Transparency in selection. Free competition. Fair trade. Purchase warranties. Be a regular supplier of OHLA Group. Clarity in orders. Collection in accordance with payment terms.
Society	<ul style="list-style-type: none"> Direct contacts. Working groups. Fora and conferences. Corporate website. Social media. Ethics Channel. Communication and sustainability mailboxes. Press releases, interviews. 	<ul style="list-style-type: none"> Ethical conduct. Image of the organisation. Reporting and disclosure of non-financial information. Transparency. Good environmental, labour and execution practices. Minimisation of impacts on the community. Control of social and environmental impacts and risks. Dialogue with communities. Promoting global social action and volunteering projects. Efficient resource and energy consumption. Promotion of renewable energies. Preservation of biodiversity. Promotion of the circular economy. Reduction of GHG emissions. Respect for and compliance with human rights. Sustainable solutions offering. Responsible supply chain management.

STAKEHOLDER	MAIN COMMUNICATION CHANNELS	MAIN EXPECTATIONS
Government / regulatory bodies	<ul style="list-style-type: none"> • Direct contacts. • Fora and conferences. • Working groups. 	<ul style="list-style-type: none"> • Compliance with laws and regulations. • CNMV: <ul style="list-style-type: none"> • Compliance with securities market legislation. • Integrity in disclosures sent to the CNMV. • SEPBLAC: <ul style="list-style-type: none"> • Compliance with anti-money-laundering legislation. • Integrity in disclosures sent to the SEPBLAC. • CNMC: <ul style="list-style-type: none"> • Compliance with anti-trust legislation.
Analysts	<ul style="list-style-type: none"> • CNMV. • Corporate website. • Investor relations department: roadshows, online and face-to-face meetings, ad hoc briefing meetings, earnings presentations. 	<ul style="list-style-type: none"> • Company strategy • Statement of cash flows • Changes in equity • Good governance and compliance • Profit growth • Growth of the backlog • Occupational risk prevention (accident rates) • Transparency of information • Control of social and environmental impacts and risks • Climate change: efficient resource and energy consumption, promotion of renewable energies and reduction of GHG emissions • Respect for and compliance with human rights • Sustainable solutions offering.
Insurance and reinsurance undertakings	<ul style="list-style-type: none"> • Direct contacts. • Fora and conferences. • Working groups. 	<ul style="list-style-type: none"> • Control of business-related impacts and risks.
Senior management and directors	<ul style="list-style-type: none"> • Internal committees. • Board committees. 	<ul style="list-style-type: none"> • Good governance. • Ethical conduct. • Image of the organisation. • Reporting and disclosure of information on OHLA's compliance performance. • Transparency. • Integrity in OHLA's participation in public tenders and bids. • Compliance with legislation. • Execution of project without financial losses. • Corporate social responsibility. • Risk and opportunities management. • Talent attraction and retention.

STAKEHOLDER	MAIN COMMUNICATION CHANNELS	MAIN EXPECTATIONS
Employees	<ul style="list-style-type: none"> • Intranet (OHLA Link). • Working groups. • Ethics Channel. • Contact mailboxes. • Communications through corporate mails, magazines (<i>Mosaico</i>, <i>Tecno</i>) and newsletters (<i>OHLA News</i>). • Face-to-face meetings. • Internal surveys. 	<ul style="list-style-type: none"> • Satisfaction and motivation. • Risk-free job performance. • Career stability. • Career and personal development. • Appropriate training per work position. • Collective bargaining. • Freedom of association. • Diversity and equal opportunity. • Work-life balance measures.
Ex-employees	<ul style="list-style-type: none"> • Corporate website • Social media. 	<ul style="list-style-type: none"> • Financial independence and security.



6. Non-financial statement

- 236 NFS tables
- 243 GRI tables
- 257 SASB tables
- 259 TCFD tables
- 260 Independent assurance of the Non-Financial Statement

Western breakwater of the Port of Hanstholm. Denmark.

Content index required by Law 11/2018. Non-financial statement (NFS)

	PROVISIONS OF LAW 11/2018 ON NON-FINANCIAL INFORMATION		STANDARD USED	PAGE REPORT / ANSWER
Business model	Description of the Group's business model	A brief description of the group's business model, including the business environment, organisation and structure, the markets where the group operates, its objectives and strategies, and the main factors and trends that could affect its performance.	GRI 2-1, 2-6, 2-7	12-21,141-147,168, 178-185
	Policies	Policies pursued by the group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the steps that have been taken.	GRI 2-1, 2-6	12-22, 168, 177 Quality, Health and Safety, Energy and Environment Policy.
	Main risks	The principal risks related to those matters linked to the group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short-, medium- and long-term risks.	GRI 2-23,3-3, 2-12, 201-2	98-106, 122-123, 132-133, 169-177, 224-229 ACGR C.1.17, C.1.18, E.3 Sustainability Policy Risk management policy.
	General disclosures	Current and foreseeable impacts of the undertaking's activities on the environment and, as appropriate, on health and safety.	GRI 2-12	106, 122-123, 138-139, 155-156 Quality, Health and Safety, Energy and Environment Policy.
		Environmental assessment or certification procedures.	GRI 2-23, 3-3, 2-12	138-139, 155-156
		Resources dedicated to the prevention of environmental risks.	GRI 2-12	98-106, 122-139, 156 169-176, 224-228
		Application of the precautionary principle.	GRI 2-23, 3-3	98-102, 122-139, 156

	PROVISIONS OF LAW 11/2018 ON NON-FINANCIAL INFORMATION		STANDARD USED	PAGE REPORT / ANSWER
Business model	General disclosures	Provisions and guarantees for environmental risks.	GRI 307-1	As at 31 December 2022, the Company did not have any significant environmental assets on its statement of financial position.
	Pollution	Measures to prevent, reduce or repair carbon emissions that seriously affect the environment; taking into account any type of air pollution specific to an activity, including noise and light pollution.	GRI 3-3, 2-25, 302-4, 305-5, 305-7	129-133, 138-139, 224-228 With regard to noise pollution, OHLA's teams follow various good practices when carrying out their projects in order to reduce the intensity of the noise generated during the execution phases and, therefore, the resulting noise pollution. Light pollution is considered non-material.
	Circular economy and waste prevention and management	Waste prevention, recycling, reuse, and other forms of recovery and disposal of waste. Actions to combat food waste.	GRI 3-3, 2-25, 301-1, 301-2, 303-3, 306-1, 306-2	134-136, 200-201 Not applicable regarding actions to combat food waste.
	Sustainable use of resources	Water consumption and water supply in accordance with local limits.	GRI 303-1, 303-3	136, 196-197
		Consumption of raw materials and measures taken to make more efficient use of them.	GRI 3-3, 2-25, 301-1, 301-2	134-136, 198-199
		Energy: Direct and indirect energy consumption; Measures taken to improve energy efficiency; and Use of renewable energies.	GRI 3-3, 2-25, 302-1, 302-3, 302-4	122-133, 194-195
	Climate change	Greenhouse gas emissions.	GRI 305-1, 305-2, 305,3, 305-4	129-133, 202-203
		Measures taken to adapt to the consequences of climate change.	GRI 3-3, 2-25-2, 305-5	129-133, 202-203, 224-228
		Voluntary medium- and long-term targets in place to reduce GHG emissions and the resources implemented to that end.	GRI 3-3, 2-25	122
	Protection of biodiversity	Measures in place to preserve or restore biodiversity.	GRI 3-3, 2-25	136-137, 198-199
		Impacts caused by activities or operations in protected areas.	GRI 304-1	204-205

	PROVISIONS OF LAW 11/2018 ON NON-FINANCIAL INFORMATION	STANDARD USED	PAGE REPORT / ANSWER
Disclosures on social and employee-related matters	Policies	Policies pursued by the group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the steps that have been taken.	GRI 3-3, 2-25, 2-15 80-83, 96-98, 140-141 Annual Report on Director Remuneration. Financial statements: Note 4.8. Code of Ethics Human Resources Policy
	Main risks	The principal risks related to those matters linked to the group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short-, medium- and long-term risks.	GRI 2-12 IAGC C.1.17, C.1.18, E.3 Sustainability Policy Risk management policy
Employment	Total number and breakdown of employees by gender, age, country and employee category.	GRI 2-6, 2-7, 2-8, 405-1 b)	141-147, 180-182
	Total number and distribution of types of employment contract.	GRI 2-7, 2-8	141-147, 180-182
	Average annual number of permanent, temporary and part-time contracts by gender, age and employee category.	GRI 2-7, 2-8	141-147, 180-182
	Number and breakdown of dismissals by gender, age, and employee category.	GRI 401-1 b)	184
	Average pay and trend broken down by gender, age, employee category or equivalent metric.	GRI 405-2	186-191
	Pay gap.	GRI 405-2	185
	Remuneration per equivalent job or average at the company.	GRI 202-1	186-191, 245
	Average remuneration of directors and managers, including variable remuneration, per diem allowances, severance pay, long-term retirement plans and any other amounts received, broken down by gender.	GRI 2-19, 2-20	190-191 Annual report on director remuneration Financial statements: Note 4.8
	Implementation of policies on disconnecting from work.	GRI 3-3,2-25	150
	Employees with disabilities.	GRI 405-1 b)	141, 145-146

	PROVISIONS OF LAW 11/2018 ON NON-FINANCIAL INFORMATION	STANDARD USED	PAGE REPORT / ANSWER
Disclosures on social and employee-related matters	Organisation of work	Organisation of working hours.	GRI 2-8, 3-3 141-150, 175-176
		Number of hours of absenteeism.	GRI 403-2 a) 184
	Measures aimed at facilitating work-life balance and encouraging the equal enjoyment by both parents.	GRI 3-3,2-25, 401-3 149-150	
Health and safety	Health and safety conditions in the workplace.	GRI 3-3,2-25 150-155	
	Workplace accidents (frequency and severity), broken down by gender.	GRI 403-2, 403-3 152-153	
	Occupational diseases (frequency and severity), broken down by gender.	GRI 403-2, 403-3 152-153	
Employment relations	Organisation of dialogue between the company and employees, including procedures for informing, consulting and negotiating with employees	GRI 2-29, 402-1, 403-1 148, 252	
	Percentage of employees covered by collective bargaining agreements by country	GRI 2-30 148, 193	
	Description of collective bargaining agreements, particularly in the field of occupational health and safety	GRI 403-1, 403-4 147-155	
Training	Policies in place in relation to training.	GRI 3-3,2-25 141-145, 191-192	
	Total number of training hours by employee category	GRI 404-1 191-192	
Accessibility	Universal accessibility for people with disabilities	GRI 3-3,2-25 138-139, 145-147	
Equal opportunities	Measures taken to foster equal treatment and opportunities for men and women	GRI 3-3,2-25 141-150	
	Equality plans	GRI 3-3,2-25 145-147	
	Measures taken to promote employment	GRI 3-3,2-25 141-145, 158-159, 180-183	
	Protocols against sexual and gender-based harassment	GRI 3-3,2-25 93, 254	
	Integration of and accessibility for persons with disabilities	GRI 3-3,2-25 138-139, 145-146	
	Anti-discrimination policy and, where applicable, diversity management policy	GRI 3-3,2-25, 406-1 93, 145-147 Code of Ethics Human Resources Policy.	

	PROVISIONS OF LAW 11/2018 ON NON-FINANCIAL INFORMATION		STANDARD USED	PAGE REPORT / ANSWER
Information on the respect for human rights	Policies	Policies pursued by the group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the steps that have been taken.	GRI 3-3,2-25, 3-3, 410-1, 412-2	93-98, 156-157 Group Human Rights Policy
	Main risks	The principal risks related to those matters linked to the group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short-, medium- and long-term risks.	GRI 2-12	93-98, 106
	Human rights	Human rights due diligence procedures.	GRI 3-3,2-25	97-98
		Measures to prevent the risk of human rights abuses and, where appropriate, measures to mitigate, manage and redress any abuses committed.	GRI 3-3,2-25, 412-1	97-98 Human Rights Policy
Reports of human rights abuses.		GRI 2-26, 3-3,2-25, 411-1, 419-1	97-98	
	Promotion of and compliance with the provisions contained in the ILO's fundamental conventions on the freedom of association, the right to collective bargaining, the elimination of workplace discrimination and of all forms of forced or compulsory labor and the abolition of child labor.	GRI 3-3,2-25	93-97, 156-157	
Information on anti-corruption and anti-bribery matters	Policies	Policies pursued by the group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the steps that have been taken.	GRI 3-3,2-25, 3-3, 205-2	93-95 Code of Ethics Anti-corruption Policy Crime Prevention Policy.

	PROVISIONS OF LAW 11/2018 ON NON-FINANCIAL INFORMATION		STANDARD USED	PAGE REPORT / ANSWER
Information on anti-corruption and anti-bribery matters	Main risks	The principal risks related to those matters linked to the group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short-, medium- and long-term risks.	GRI 2-12, 205-1	96-106
	Corruption and bribery	Medidas adoptadas para prevenir la corrupción y el soborno	GRI 3-3,2-25	93-97
		Medidas para luchar contra el blanqueo de capitales	GRI 3-3,2-25	93-97
		Aportaciones a fundaciones y entidades sin ánimo de lucro	GRI 3-3,2-25, 201-1, 203-2, 415-1	93-95, 158-163, 255
Information about the company	Policies	Policies pursued by the group, including due diligence processes implemented to identify, assess, prevent and mitigate significant risks and impacts and for assurance and control, and the steps that have been taken.	GRI 3-3,2-25, 3-3	140-141, 158-159 Sustainability Policy Responsible Procurement Policy Tax policy
	Main risks	The principal risks related to those matters linked to the group's operations including, where relevant and proportionate, its business relationships, products or services which are likely to cause adverse impacts in those areas, and how the Group manages those risks, explaining the processes undertaken to detect and assess them in accordance with national, EU-based or international frameworks for each. Disclosures should be included on the impacts detected, with a breakdown of the risks, in particular the principle short-, medium- and long-term risks.	GRI 2-12	140-141, 158-159, 171-176

	PROVISIONS OF LAW 11/2018 ON NON-FINANCIAL INFORMATION	STANDARD USED	PAGE REPORT / ANSWER
Information about the company	Commitment of the Company to sustainable development	Impact of the undertaking's activities on society in terms of employment and local development.	GRI 203-1, 203-2, 204-1, 413-1 158-165, 180-182
		Impact of the undertaking's activities on society in terms of local communities and territories.	GRI 203-1, 203-2, 413-1 123-129, 158-165
		Relations maintained with local community agents and forms of dialogue with those agents.	GRI 2-29, 413-1 84-87, 158-165, 169-171, 230-233
		Association or sponsorship actions.	GRI 2-28, 201-1, 203-1 20-21, 158-165
Subcontracting and suppliers	Embedding social, gender equality and environmental concerns in the procurement policy.	GRI 3-3	156-157
	Consideration of social and environmental responsibility concerns in relations with suppliers and subcontractors.	GRI 3-6, 3-3	156-157
	Supervision and audit systems and their outcomes.	GRI 308-1	156-157
Consumers	Consumer health and safety measures.	GRI 3-3, 2-25, 416-1	155-156
	Whistle-blowing mechanisms, concerns reported and their resolution.	GRI 3-3, 2-25, 2-26	95, 155-156
Tax information	Profit or loss by country.	GRI 201-1	119-120 Financial statements: Note 4.1
	Income tax paid.	GRI 201-1	119-120 Financial statements: Note 3.22
	Government grants received.	GRI 201-4	145, ACGR C

Content index required by the Global Reporting Initiative (GRI)

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
GENERAL CONTENT				
GRI 2: General disclosures 2021	2-1 Organizational details.	12-13, 168, 177		
	2-2 Entities included in the organization's sustainability reporting.	168		
	2-3 Reporting period, frequency and contact point.	168, 177		
	2-4 Restatements of information.	Those data that have been restated have been identified and commented on in the report.		
	2-5 External assurance.	249		
	2-6 Activities, value chain and other business relationships.	12-21		
	2-7 Employees.	141-147, 180-183		
	2-8 Workers who are not employees.	141-147, 180-185		
	2-9 Governance structure and composition.	89-93 Regulations of the Board of Directors ACGR, sections C.1.2 and C.1.14		
	2-10 Nominating and selecting the highest governance body.	89-92		
	2-11 Chair of the highest governance body.	89		
	2-12 Role of the highest governance body in overseeing the management of impacts.	ACGR, sections C.1.17 y C.1.18 Sustainability Policy Risk management policy		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
GENERAL CONTENT				
GRI 2: General disclosures 2021	2-13 Delegation of responsibility for managing impacts.	Regulations of the Board of Directors Sustainability Policy.		
	2-14 Role of the highest governance body in sustainability reporting.	80 Sustainability Policy.		
	2-15 Conflicts of interest.	89-92 Regulations of the Board of Directors Anti-corruption Policy.		
	2-16 Communication of critical concerns.	90-92 ACGR Financial statements: Note 4.6		
	2-17 Collective knowledge of the highest governance body.	https://media.ohla-group.com/wp-content/uploads/2022/03/03095610/Cv_consejeros_ESP.pdf		
	2-18 Evaluation of the performance of the highest governance body.	ACGR, section C.1.15		
	2-19 Remuneration policies.	186-191 Financial statements: Note 4.8 Annual Report on Director Remuneration Regulations of the Board of Directors of Obrascón Huarte Lain, S.A, Chapter VIII Director remuneration Remuneration policy		
	2-20 Process to determine remuneration.	186-191 Financial statements: Note 4.8 Annual Report on Director Remuneration Regulations of the Board of Directors of Obrascón Huarte Lain, S.A, Chapter VIII Director remuneration Remuneration policy.		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
GENERAL CONTENT				
GRI 2: General disclosures 2021	2-21 Annual total compensation ratio.		Confidentiality restrictions	This indicator is not reported as the information is confidential
	2-22 Statement on sustainable development strategy.	8-9		
	2-23 Policy commitments.	93-98, 230-233		
	2-24 Embedding policy commitments.	79-83, 93-97, 142-145, 156-157, 191-192, 230-233		
	2-25 Processes to remediate negative impacts.	84-87, 93-97, 169-176, 193, 230-233		
	2-26 Mechanisms for seeking advice and raising concerns.	93-97		
	2-27 Compliance with laws and regulations.	Financial statements: Notes 3.19, 4.6		
	2-28 Membership associations.	In 2022, OHLA collaborated with 21 associations: ATC, ACEX, ACHILLES, Asociación Científica Técnica Hormigón Estructural, FEPECO, AETOS, GAESCO, AECOM, APECCO, SEOPAN, Cambra Oficial de Contractistes D'Obres de Catalunya, ACP, PTEC, Asociación de Emisores Españoles, Conocimiento y Creatividad S.L.N.E, Forética, Instituto de Auditores Internos, ATPYC, ASCONGI, ASCOBI.		
	2-29 Approach to stakeholder engagement.	84-87, 169-176, 230-233		
	2-30 Collective bargaining agreements.	148-149, 193		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
MATERIAL TOPICS				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 169-176, 230-233		
	3-2 List of material topics.	229		
ECONOMIC PERFORMANCE				
GRI 3: Material topics 2021	3-3 Management of material topics.	80-83, 169-176, 230-233		
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed.	159		
	201-2 Financial implications and other risks and opportunities due to climate change.	132-133, 224-228		
	201-3 Defined benefit plan obligations and other retirement plans.	147-150		
	201-4 Financial assistance received from government.	145, ACGR C		
MARKET PRESENCE				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 169-176, 230-233		
GRI 201: Economic performance 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage.	OHLA employees who are under the collective agreement receive the wages set out in the collective agreement or in some cases exceed those wages, so for similar positions they have the same or a higher remuneration package than the one established in the collective agreement.		
	202-2 Proportion of senior management hired from the local community.	Of OHLA's managers abroad, 93.59% are natives of the same country.		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
INDIRECT ECONOMIC IMPACTS				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 169-176, 230-233		
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported.	158-165		
	203-2 Significant indirect economic impacts.	158-165, 172-176		
PROCUREMENT PRACTICES				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 169-176, 230-233		
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers.	156-157		
ANTI-CORRUPTION				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 169-176, 230-233		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption.	93-97		
	205-2 Communication and training about anti-corruption policies and procedures.	93-97, 156-157, 191-192 ACGR Anti-corruption Policy		
	205-3 Confirmed incidents of corruption and actions taken.	93-97 ACGR		
ANTI-COMPETITIVE BEHAVIOR				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 169-176, 230-233		
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices.	Financial statements, Note 4.6		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
TAXATION				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 169-176, 230-233		
GRI 207: Tax 2019	207-1 Approach to tax.	119-120		
	207-2 Tax governance, control, and risk management.	96-97, 98-102, 119-120		
	207-3 Stakeholder engagement and management of concerns related to tax.	118-121		
	207-4 Country-by-country reporting.	120		
MATERIALS				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 122-123, 169-176, 230-233		
GRI 301: Materials 2016	301-1 Materials used by weight or volume.	134-136, 198-199		
	301-2 Recycled input materials used.	134-136, 198-199		
	301-3 Reclaimed products and their packaging materials.		N/A	
ENERGY				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 122-123, 169-176, 230-233		
GRI 302: Energy 2016	302-1 Energy consumption within the organization.	129-133, 194-195		
	302-2 Energy consumption outside the organization.	129-133, 194-195		
	302-3 Energy intensity.	194-195		
	302-4 Reduction of energy consumption.	129-133, 194-195		
	302-5 Reductions in energy requirements of products and services.	138-139		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
WATER AND EFFLUENTS				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 122-123, 169-176, 230-233		
GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource.	136,196-197		
	303-2 Management of water discharge-related impacts.	136,196-197		
	303-3 Water withdrawal.	136,196-197		
	303-4 Water discharge.	136,196-197		
	303-5 Water consumption.	136,196-197		
BIODIVERSITY				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 122-123, 169-176, 230-233		
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	136-137, 198-199, 204-205		
	304-2 Significant impacts of activities, products, and services on biodiversity.	136-137, 198-199, 204-205		
	304-3 Habitats protected or restored.	204-205		
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations.	204-205		
EMISSIONS				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 122-123, 169-176, 230-233		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
EMISSIONS				
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions.	129-133, 200-203		
	305-2 Energy indirect (Scope 2) GHG emissions.	129-133, 200-203		
	305-3 Other indirect (Scope 3) GHG emissions.	129-133, 200-203		
	305-4 GHG emissions intensity.	129-133, 200-203		
	305-5 Reduction of GHG emissions.	129-133, 200-203		
	305-6 Emissions of ozone-depleting substances (ODS).		Information not available/incomplete.	
	305-7 Nitrogen oxides (NO _x), sulfur oxides (SO _x) other significant air emissions.	129-133, 200-203		
WASTE				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 122-123, 169-176, 230-233		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts.	134-136, 200-201		
	306-2 Management of significant waste-related impacts.	134-136, 200-201		
	306-3 Waste generated.	200-201		
	306-4 Waste not destined for disposal.	200-201		
	306-5 Waste destined for disposal.	200-201		
SUPPLIER ENVIRONMENTAL ASSESSMENT				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 122-123, 169-176, 230-233		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
SUPPLIER ENVIRONMENTAL ASSESSMENT				
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria.	156-157		
	308-2 Negative environmental impacts in the supply chain and actions taken.	156-157		
EMPLOYMENT				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 401: Employment 2016	401-1 New employees hires and employee turnover.	140-141, 180-183		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees.	147-150		
	401-3 Parental leave.	184		
LABOR/MANAGEMENT RELATIONS				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 402: Labor/management relations 2016	402-1 Minimum notice periods regarding operational changes.			There is no minimum notice period at OHLA. In any case, operational changes are always carried out in accordance with the law and regulations of each country.
OCCUPATIONAL HEALTH AND SAFETY				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system.	150-155		
	403-2 Hazard identification, risk assessment, and incident investigation.	151-153		

GRI STANDARD CONTENT LOCATION OMISSION REASON EXPLANATION

OCCUPATIONAL HEALTH AND SAFETY

GRI 403: Occupational health and safety 2018	403-3 Occupational health services.	150-155		
	403-4 Worker participation, consultation, and communication on occupational health and safety.	150-155		
	403-5 Worker training on occupational health and safety.	152		
	403-6 Promotion of worker health.	150-155		
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	150-155		
	403-8 Workers covered by an occupational health and safety management system.	All OHLA employees are represented on the health and safety committees.		
	403-9 Work-related injuries.	152-153		
	403-10 Work-related ill health.	152		

TRAINING AND EDUCATION

GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee.	142-145, 191-192		
	404-2 Programs for upgrading employee skills and transition assistance programs.	142-145, 191-192		
	404-3 Percentage of employees receiving regular performance and career development reviews.	In 2022, 29% of employees received performance reviews (the performance evaluation model was not included in the first launch-USA- nor were senior managers or manual workers).		

GRI STANDARD CONTENT LOCATION OMISSION REASON EXPLANATION

DIVERSITY AND EQUAL OPPORTUNITY

GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 405: Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees.	145-147, 180-183 ACGR C		
	405-2 Ratio of basic salary and remuneration of women to men.	185-190		

NON-DISCRIMINATION

GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken.	OHLA expresses its absolute rejection and zero tolerance of any behaviour or action that might constitute any form of sexual, moral or gender-based harassment, and undertakes to collaborate actively, effectively and firmly to prevent, detect, correct and punish any such conduct. OHLA has a procedure in place to prevent or take action against sexual and/or gender-based harassment, which is governed by the principles of speed, confidentiality, transparency, objectivity, impartiality and respect for the privacy and dignity of employees. It also has a guide offering assistance and protection for victims of gender-based violence.		

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 88-89, 169-176, 230-233		
GRI 407: Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.	93-98, 148-149, 193		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
CHILD LABOUR				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 88-89, 97-98, 169-176, 230-233		
GRI 408: Child labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labor.	97-98, 156-157		
FORCED OR COMPULSORY LABOR				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 88-89, 97-98, 169-176, 230-233		
GRI 409: Forced or compulsory labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor.	97-98, 156-157		
SECURITY PRACTICES				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 88-89, 97-98, 169-176, 230-233		
GRI 410: Security practices 2016	410-1 Security personnel trained in human rights policies or procedures.	97-98		
RIGHTS OF INDIGENOUS PEOPLES				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 88-89, 97-98, 169-176, 230-233		
GRI 411: Rights of indigenous peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples.	OHLA did not identify any violations of indigenous peoples' rights in 2022.		
LOCAL COMMUNITIES				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 413: Local communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs.	158-165		
	413-2 Operations with significant actual and potential negative impacts on local communities.	158-165		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
SUPPLIER SOCIAL ASSESSMENT				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria.	156-157		
	414-2 Negative social impacts in the supply chain and actions taken.	156-157		
PUBLIC POLICY				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 88-89, 169-176, 230-233		
GRI 415: Public policy 2016	415-1 Political contributions.	The Code of Ethics prohibits donations or contributions to political parties.		
CUSTOMER HEALTH AND SAFETY				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 416: Customer health and safety 2016	416-1 Assessment of the health and safety impacts of product and service categories.	155-156		
	416-2 Incidents of non-compliance concerning the health and safety impacts of product and services.	In 2022, no incidents of non-compliance concerning the health and safety impacts of any products or services were uncovered.		
MARKETING AND LABELING				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labelling.	138-139		

GRI STANDARD	CONTENT	LOCATION	OMISSION REASON	EXPLANATION
MARKETING AND LABELING				
GRI 417: Marketing and labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labelling	In 2022, no incidents of non-compliance concerning product and service information and labelling were uncovered and none resulting in a fine or penalty. There were no incidents of non-compliance resulting in a warning.		
	417-3 Incidents of non-compliance concerning marketing communications	In 2022, no incidents of non-compliance in this respect were uncovered.		
CUSTOMER PRIVACY				
GRI 3: Material topics 2021	3-1 Process to determine material topics.	80-83, 140-141, 169-176, 230-233		
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data.	In 2022, no complaints concerning breaches of customer privacy and losses of customer data were uncovered.		

Content index required by the Sustainability Accounting Standards Board (SASB)

TOPIC	DESCRIPTION	CODE	LOCATION IN REPORT
1. REPORTING TOPICS ON SUSTAINABILITY AND ACCOUNTING PARAMETERS			
Environmental impacts of project development	Number of incidents of non-compliance with environmental permits, standards, and regulations.	IF-EN-160a.1	Financial statements: Notes 3.19, 4.6
	Discussion of processes to assess and manage environmental risks associated with project design, siting, and construction.	IF-EN-160a.2	98-106, 122-139, 171-176
Structural integrity & safety	Amount of defect- and safety-related rework costs.	IF-EN-250a.1	Not available
	Total amount of monetary losses as a result of legal proceedings associated with defect- and safety-related incidents.	IF-EN-250a.2	Not available
Workforce health & safety	1) Total recordable incident rate (TRIR). 2) Fatality rate for: (a) direct employees and (b) contract employees.	IF-EN-320a.1	150-155
Lifecycle impacts of buildings & infrastructure	Number of: (1) commissioned projects certified to a sustainability standard certification. (2) Active projects seeking such certification.	IF-EN-410a.1	73-77, 138-139
	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design	IF-EN-410a.2	136, 138-139
Climate impacts of business mix	Amount of backlog for: (1) hydrocarbon-related projects and (2) renewable energy projects.	IF-EN-410b.1	61-65
	Amount of backlog cancellations associated with hydrocarbon-related projects.	IF-EN-410b.2	N/A
	Amount of backlog for non-energy projects associated with climate change mitigation.	IF-EN-410b.3	206-223

TOPIC	DESCRIPTION	CODE	LOCATION IN REPORT
1. REPORTING TOPICS ON SUSTAINABILITY AND ACCOUNTING PARAMETERS			
Business ethics	(1) Number of active projects and (2) backlog in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	IF-EN-510a.1	OHLA does not carry out projects in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index.
	Total amount of monetary losses as a result of legal proceedings associated with charges of (1) bribery or corruption and (2) anticompetitive practices	IF-EN-510a.2	Financial statements: Notes 3.19, 4.6
	Description of policies and practices for prevention of (1) bribery and corruption and (2) anti-competitive behavior in the project bidding processes	IF-EN-510a.3	93-96
2. ACTIVITY METRICS			
	Number of active projects.	IF-EN-000.A	12-21
	Number of commissioned projects.	IF-EN-000.B	12-21
	Total backlog.	IF-EN-000.C	12-21

Content index required by the Task Force on Climate-Related Financial Disclosure (TCFD)

CONTENT	DESCRIPTION	LOCATION IN REPORT
Governance	Describe the board's oversight of climate-related risks and opportunities.	80-83, 129-133
	Describe management's role in assessing and managing climate-related risks and opportunities.	80-81, 89-91, 129-133
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	224-228
	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	224-228
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	224-228
Risk management	Describe the organization's processes for identifying and assessing climate-related risks.	98-106, 129-133, 224-228
	Describe the organization's processes for managing climate-related risks.	98-106, 129-133, 224-228
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	98-106, 129-133, 224-228
Metrics and targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	194-205, 224-228
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	129-131, 202-203
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	80-83, 122-123, 224-228 2022-2024 Sustainability Plan

Independent assurance of the Non-Financial Statement



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INDEPENDENT ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT

To the shareholders of Obrascón Huarte Lain, S.A.:

In accordance with article 49 of the Spanish Commercial Code, we have verified, with a limited scope, the consolidated Non-financial Statement ("NFS") for the year ended 31 December 2022 of Obrascón Huarte Lain S.A. and subsidiaries (the "Group"), which is part of the Group's accompanying Consolidated Management Report.

The content of the Management Report contains additional disclosures to those required under prevailing company law with respect to non-financial reporting that was not part of our assurance engagement. In this regard, our work was limited exclusively to verifying the information identified in the "NFS Tables" and the "GRI Tables" included in the accompanying Management Report.

Responsibility of the directors

The preparation of the NFS included in the Group's Consolidated Management Report and its content are the responsibility of the directors of Obrascón Huarte Lain, S.A. The NFS has been prepared in accordance with the content required by prevailing Spanish company law and following the criteria of the *Sustainability Reporting Standards* issued by the *Global Reporting Initiative* (the "GRI Standards"), as well as other criteria described as outlined for each matter in the "NFS Tables" and the "GRI Tables" of the Consolidated Management Report.

This responsibility also includes the design, implementation, and maintenance of such internal control as considered necessary to ensure that the NFS is free of material misstatement, due to fraud or error.

The directors of Obrascón Huarte Lain, S.A. are also responsible for defining, implementing, adapting, and maintaining the management systems from which the necessary information for preparing the NFS is obtained.

Our independence and quality management

We have complied with the independence and other ethics requirements laid down in the International Code of Ethics for Professional Accountants (including international standards on independence) issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Our firm applies prevailing international standards on quality, which means that it has a quality system that includes policies and procedures covering compliance with its ethics requirements, professional rules and applicable legal and regulatory provisions.



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The engagement team comprised professionals specialised in the review of non-financial information and, specifically, 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. We have performed our work in accordance with the requirements established in the International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000 Revised) issued by the International Audit and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and considering the guidelines for assurance engagements of non-financial statements (*Guía de Actuación sobre encargos de verificación del Estado de Información No Financiera*), issued by the Spanish Institute of Chartered Auditors (Instituto de Censores Jurados de Cuentas de España).

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 of the Group's various business units that participated in the preparation of the NFS, reviewing the processes used for compiling and validating the information presented in the NFS, and applying certain analytical procedures and sample review tests as described below:

- ▶ Holding meetings with Group staff to obtain an understanding of the business model, the policies and management approaches applied, and the main risks related to these matters and to gather the information needed to perform the independent assurance work.
- ▶ Analysing the scope, relevance and completeness of the content of 2022 NFS based on the materiality assessment performed by the Group and described in the "Materiality assessment" section of the NFS, considering content required in prevailing company law.
- ▶ Analysing the processes used to compile and validate the data presented in the 2022 NFS.
- ▶ Reviewing the disclosures relating to the risks, policies and management approaches applied with respect to the material matters presented in the 2022 NFS.
- ▶ Checking, through sample testing, the information underlying the content of the 2022 NFS and whether it has been adequately compiled based on data provided by information sources.
- ▶ Obtaining a representation letter from the directors and management.

Annual corporate governance report



3

Emphasis of matter paragraph

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 requires disclosure of how and to what extent the Company's activities are associated with economic activities that are aligned with climate change mitigation and climate change adaptation objectives for the first time for 2022, in addition to the disclosures regarding eligible activities required in 2021. Therefore, the accompanying NFS does not include comparative information on alignment. Moreover, to the extent that the level of disclosures on Taxonomy-eligible economic activities in 2021 is not the same as for 2022, the breakdowns provided regarding eligibility in the accompanying NFS are not completely comparable. Therefore, the directors of Obrascón Huarte Lain S.A. included disclosures on the criteria that, in their opinion, best enable compliance with those obligations and are defined in Appendix 3 "Taxonomy" of the accompanying Consolidated Management Report. Our conclusion is not modified in respect of this matter.

Conclusion

Based on the procedures performed in our assurance and the evidence obtained, no matter has come to our attention that would lead us to believe that the Group's NFS for the year ended 31 December 2022 has not been prepared, in all material respects, in accordance with the content required by prevailing Spanish company law and the criteria established by the GRI Standards, as well as other criteria described as explained for each matter in the "NFS Tables" and the "GRS Tables" of the Consolidated Management Report.

Use and distribution

This report was prepared in response to the requirements established in prevailing company law in Spain and may not be appropriate for other purposes and jurisdictions.

ERNST & YOUNG, S.L.

(Signed on the original Spanish version)

Alberto Castilla Vida

27 April 2023



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

ISSUER IDENTIFICATION DETAILS

Year-end date: [31/12/2022]

TAX ID (CIF): [A-48010573]

Company name:

[OBRASCÓN HUARTE LAIN, S.A.]

Registered office:

[PASEO DE LA CASTELLANA, 259 D, TORRE ESPACIO MADRID]



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

A. OWNERSHIP STRUCTURE

A.1. Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company bylaws contain the provision of double loyalty voting:

Yes
 No

Date of last modification	Share capital (euros)	Number of shares	Number of voting rights
26/03/2021	147,781,145.75	591,124,583	591,124,583

Indicate whether there are different classes of shares with different associated rights:

Yes
 No

A.2. List the company's significant direct and indirect shareholders at year end, including directors with a significant shareholding:

Name or company name of shareholder	% of voting rights attributed to the shares		% of voting rights through financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
LUIS FERNANDO MARTIN AMODIO HERRERA	0.00	12.98	0.00	0.00	12.98
JULIO MAURICIO MARTIN AMODIO HERRERA	0.00	12.98	0.00	0.00	12.98
INMOBILIARIA ESPACIO, S.A.	0.00	7.10	0.00	0.00	7.10
SIMON DAVIES	0.00	0.00	15.51	0.00	15.51
SAND GROVE OPPORTUNITIES MASTER FUND LTD	0.00	0.00	12.23	0.00	12.23
THE GOLDMAN SACHS GROUP, INC	0.00	2.62	3.64	0.00	6.26



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

The interest held by Simon Davies, beneficial owner, is through Sand Grove Capital Management LLP, Sand Grove Opportunities Master Fund Ltd, Sand Grove Tactical Fund LP and Investment Opportunities SPC "for the account of Investment Opportunities 2 Segregated Portfolio" legal person owners of the ordinary shares. Simon Davies has a majority shareholding in Sand Grove Capital Management (Cayman) LP, owner of Sand Grove Capital Intermediate Ltd., which in turn is the owner of Sand Grove Capital Management LLP.

Breakdown of the indirect holding:

Name or company name of indirect owner	Name or company name of the direct owner	% of voting rights attributed to the shares	% of voting rights through financial instruments	% of total voting rights
INMOBILIARIA ESPACIO, S.A.	GRUPO VILLAR MIR, S.A.U.	7.10	0.00	7.10
LUIS FERNANDO MARTIN AMODIO HERRERA	FORJAR CAPITAL, S.L.U.	12.98	0.00	12.98
JULIO MAURICIO MARTIN AMODIO HERRERA	SOLID ROCK CAPITAL, S.L.U.	12.98	0.00	12.98

Indicate the most significant changes in the shareholder structure during the year:

Most significant movements

According to the information published on the Spanish National Securities Market Commission (CNMV) website:

DWS INVESTMENT GMBH:
28/10/2022: Ownership interest decreased to below the 3% threshold.



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

A.3. Give details of the participation at the close of the fiscal year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A2 above:

Name or company name of director	% voting rights attributed to shares (including loyalty votes)		% of voting rights through financial instruments		% of total voting rights	From the total % of voting rights attributed to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
JOSÉ ANTONIO FERNÁNDEZ GALLAR	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Total percentage of voting rights held by the Board of Directors	0.00
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José Antonio Fernández Gallar holds 3,860 shares, representing 0.0010% of share capital.

Breakdown of the indirect holding:

Name or company name of director	Name or company name of the direct owner	% voting rights attributed to shares (including loyalty votes)	% of voting rights through financial instruments	% of total voting rights	From the total % of voting rights attributed to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote
No data					

List the total percentage of voting rights represented on the board:

Total percentage of voting rights represented on the Board of Directors	0.00
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ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

A.4. If applicable, indicate any family, commercial, contractual or corporate relationships that exist among significant shareholders to the extent that they are known to the company, unless they are insignificant or arise in the ordinary course of business, with the exception of those reported in section A.6:

Name or company name of related party	Nature of relationship	Brief description
FORJAR CAPITAL, S.L.U., LUIS FERNANDO MARTIN AMODIO HERRERA	Family member	Luis Fernando Martin Amodio Herrera has a 96% ownership interest in the share capital of Somares Invest, S.L. which, in turn, holds all the shares into which the share capital of Forjar Capital, S.L.U. is divided. Forjar Capital, S.L.U. and Solid Rock Capital, S.L.U. are owned by the Amodio family, as disclosed in the Inside Information notice of 21 May 2020.
SOLID ROCK CAPITAL, S.L.U., JULIO MAURICIO MARTIN AMODIO HERRERA	Family member	Julio Mauricio Martín Amodio Herrera has a 97% ownership interest in the share capital of Menes Invest, S.L. which, in turn, holds all the shares into which the share capital of Solid Rock Capital, S.L.U. is divided. Solid Rock Capital, S.L.U. and Forjar Capital, S.L.U. are owned by the Amodio family, as disclosed in the Inside Information notice of 21 May 2020.

A.5. If applicable, indicate any commercial, contractual or corporate relationships that exist between significant shareholders and the company and/or its group, unless they are insignificant or arise in the ordinary course of business:

Name or company name of related party	Nature of relationship	Brief description
FORJAR CAPITAL, S.L.U.	Commercial	The Board of Directors, based on a favourable report by the Audit and Compliance Committee and the abstention, in both cases, of the proprietary directors appointed by FORJAR CAPITAL, S.L.U. and SOLID ROCK CAPITAL, S.L.U., agreed to authorise the Company to sign a relationship protocol between OHLA Group and CAABSA Group for their construction business. The purpose of the agreement is to promote, to the benefit of all OHLA Group shareholders, the potential synergies arising from the groups working together in the construction sector while remaining separate groups and competitors.



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

Name or company name of related party	Nature of relationship	Brief description
		Both groups consider that, with the utmost respect for their autonomy and independent management, as well as applicable standards on corporate governance and related party transactions, their partnership could be beneficial, especially as their geographical markets of operation complement each other well.
SOLID ROCK CAPITAL, S.L.U.	Commercial	The Board of Directors, based on a favourable report by the Audit and Compliance Committee and the abstention, in both cases, of the proprietary directors appointed by FORJAR CAPITAL, S.L.U. and SOLID ROCK CAPITAL, S.L.U., agreed to authorise the Company to sign a relationship protocol between OHLA Group and CAABSA Group for their construction business. The purpose of the agreement is to promote, to the benefit of all OHLA Group shareholders, the potential synergies arising from the groups working together in the construction sector, while remaining separate groups and competitors. Both groups consider that, with the utmost respect for their autonomy and independent management, as well as applicable standards on corporate governance and related party transactions, their partnership could be beneficial, especially as their geographical markets of operation complement each other well.



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

A.6. Unless insignificant for both parties, describe the relationships that exist between significant shareholders, shareholders represented on the Board and directors or their representatives in the case of directors that are legal persons.

Explain, if applicable, how the significant shareholders are represented. Specifically, indicate those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders, or who are linked to significant shareholders and/or companies in their group, specifying the nature of such relationships or ties. In particular, mention the existence, identity and post of any directors of the listed company, or their representatives, who are in turn members or representatives of members of the Board of Directors of companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders:

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post
JUAN VILLAR-MIR DE FUENTES	INMOBILIARIA ESPACIO, S.A.	INMOBILIARIA ESPACIO, S.A.	Second deputy chairman of Obrascón Huarte Lain, S.A. / Natural person representative of the chairman and CEO of Inmobiliaria Espacio, S.A.
JUAN VILLAR-MIR DE FUENTES	INMOBILIARIA ESPACIO, S.A.	ESPACIO CONIL, S.A.U.	Second deputy chairman of Obrascón Huarte Lain, S.A. / Representative of the sole director of Espacio Conil, S.A.U.
JUAN VILLAR-MIR DE FUENTES	INMOBILIARIA ESPACIO, S.A.	ESPACIO INFORMATION TECHNOLOGY, S.A.	Second deputy chairman of Obrascón Huarte Lain, S.A. / Joint and several director of Espacio Information Technology, S.A. (until 5 April 2022)
JUAN VILLAR-MIR DE FUENTES	INMOBILIARIA ESPACIO, S.A.	GRUPO VILLAR MIR, S.A.U.	Second deputy chairman of Obrascón Huarte Lain, S.A. / Natural person representative of the chairman and CEO of Grupo Villar Mir, S.A.U.
JUAN VILLAR-MIR DE FUENTES	INMOBILIARIA ESPACIO, S.A.	GESTION INTEGRAL DE SERVICIOS INMOBILIARIOS, S.L.U.	Second deputy chairman of Obrascón Huarte Lain, S.A. / Representative of the sole director of Gestión Integral de



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post
			Servicios Inmobiliarios, S.L.U.
JUAN VILLAR-MIR DE FUENTES	INMOBILIARIA ESPACIO, S.A.	ARINVER, S.L.U.	Second deputy chairman of Obrascón Huarte Lain, S.A. / Representative of the sole director of Arinver, S.L.U.
JUAN VILLAR-MIR DE FUENTES	INMOBILIARIA ESPACIO, S.A.	PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	Second deputy chairman of Obrascón Huarte Lain, S.A. / Chairman and CEO of Promociones y Propiedades Inmobiliarias Espacio, S.L.U.
JUAN VILLAR-MIR DE FUENTES	INMOBILIARIA ESPACIO, S.A.	VILLAR MIR ENERGÍA, S.L.U.	Second deputy chairman of Obrascón Huarte Lain, S.A. / Director of Villar Mir Energía, S.L.U.
JUAN VILLAR-MIR DE FUENTES	INMOBILIARIA ESPACIO, S.A.	CARTERA VIMIRA 20, S.L.U.	Second deputy chairman of Obrascón Huarte Lain, S.A. / Sole director of Cartera Vimira 20, S.L.U.

A.7. Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with the provisions of Articles 530 and 531 of the Spanish Corporate Enterprises Act. If so, describe them briefly and list the shareholders bound by the agreement:

Yes
 No

Indicate whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

Yes
 No

Parties to the concerted action	% of share capital affected	Brief description of the agreement	Expiry date of the concert, if any
LUIS FERNANDO MARTIN AMODIO HERRERA, JULIO	25.96	The Company is aware that the concerted action exists, but not of its terms.	The Company does not know when the concerted action expires.



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

Parties to the concerted action	% of share capital affected	Brief description of the agreement	Expiry date of the concert, if any
MAURICIO MARTIN AMODIO HERRERA			

If any of the aforementioned agreements or concerted actions have been amended or terminated during the year, indicate this expressly:

[N/A]

A.8. Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act. If so, identify them:

Yes
 No

A.9. Complete the following table with details of the company's treasury shares:

At the close of the year:

Number of direct shares	Number of indirect shares (*)	Total percentage of share capital
738,857		0.13

(*) Through:

Name or company name of direct shareholder	Number of direct shares
No data	

Explain any significant changes during the year:

Explain significant changes

[N/A]



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

A.10. Provide a detailed description of the conditions and terms of the authority given to the Board of Directors to issue, repurchase, or dispose of treasury shares.

Authorisation was given at the Annual General Meeting held on 29 June 2021 so that the Company's Board of Directors, pursuant to Article 146 of the Spanish Corporate Enterprises Act, could repurchase treasury shares under any form of transfer accepted by law, directly or through a subsidiary or investee, up to the maximum amount permitted by law. The authorisation is granted for a period of five years and the shares may be acquired at a maximum price of EUR 6 per share, with no minimum price limit, rendering null and void the unused portion of the authorisation resolved in this connection at the Annual General Meeting held on 21 June 2016.

Pursuant to Article 146.1(a) of the Spanish Corporate Enterprises Act, the shares repurchased may be granted to company employees or directors as remuneration or as a result of duly agreed-upon share option plans or share capital ownership plans.

There is also a current mandate approved by the Annual General Meeting held on 15 June 2019 delegating to the Board of Directors the power to issue shares in accordance with Article 297.1(b) of the Spanish Corporate Enterprises Act, and the power to, in one or several stages and at any time, increase capital of the Company with pre-emptive rights. In this regard, the Board of Directors was authorised to increase the share capital at the time and by the amount that it decides, without consulting the General Meeting, in one or several stages and at any time, within a maximum period of five years from the date of the General Meeting that approved the delegation, for the maximum provided by law, i.e., EUR 85,964,486.7, equal to half the share capital at that time, through the issuance of new shares -with or without a share premium- with the equivalent value of the new shares to be issued consisting of monetary contributions.

The Board of Directors may establish the terms and conditions of the capital increase, freely offer unsubscribed new shares during the pre-emption period, and establish, in the event of incomplete subscription, that the capital only be increased by the amount of the shares subscribed and that the Article of the Company's bylaws on share capital be redrafted.

The Board of Directors may also apply for the admission to trading of the new shares issued under this delegated power on either Spanish or foreign official organised secondary markets, and perform the necessary formalities and actions for the admission to trading before the competent bodies of the various Spanish or foreign securities markets.

A.11. Estimated float:

	%
Estimated float	51.50

A.12. Indicate whether there are any restrictions (articles of incorporation, legislative or of any other nature) placed on the transfer of shares and/or any restrictions on voting rights. In particular, indicate the existence of any type of restriction that may inhibit a takeover of the company through acquisition of its shares on the market, as well as such regimes for prior authorisation or notification that may be applicable, under sector regulations, to acquisitions or transfers of the company's financial instruments.

Yes
 No

A.13. Indicate whether the general shareholders' meeting has resolved to adopt measures to neutralise a takeover bid by virtue of the provisions of Law 6/2007.

Yes
 No



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

If so, explain the measures approved and the terms under which such limitations would cease to apply:

A.14. Indicate whether the company has issued shares that are not traded on a regulated EU market.

Yes
 No

If so, indicate each share class and the rights and obligations conferred:

B. GENERAL SHAREHOLDERS' MEETING

B.1. Indicate whether there are any differences between the minimum quorum regime established by the Spanish Corporate Enterprises Act for General Shareholders' Meetings and the quorum set by the company, and if so give details:

Yes
 No

B.2. Indicate whether there are any differences between the company's manner of adopting corporate resolutions and the regime provided in the Spanish Corporate Enterprises Act and, if so, give details:

Yes
 No

B.3. Indicate the rules for amending the company's articles of incorporation. In particular, indicate the majorities required for amendment of the articles of incorporation and any provisions in place to protect shareholders' rights in the event of amendments to the articles of incorporation.

Pursuant to Article 17 of the Bylaws, approval by an absolute majority of shareholders at the General Meeting is required for amendments to the Bylaws, provided that shareholders attending the General Meeting in person or by proxy reach at least fifty per cent of the subscribed share capital with voting rights.

If shareholders holding at least twenty-five percent of the subscribed voting shares are present in person or by proxy, but do not reach fifty percent of the share capital, the resolution may only be validly adopted with the affirmative vote of shareholders representing two-thirds of the share capital present in person or by proxy at the Meeting.

B.4. Give details of attendance at General Shareholders' Meetings held during the reporting year and the two previous years:

Date of general meeting	Attendance data				Total
	% physical presence	% present by proxy	% distance voting		
			Electronic voting	Other	
15/06/2020	14.64	17.89	0.01	0.05	32.59
Of which float:	0.00	1.89	0.01	0.05	1.95


**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED
PUBLIC LIMITED COMPANIES**

Date of general meeting	Attendance data				Total
	% physical presence	% present by proxy	% distance voting		
			Electronic voting	Other	
26/03/2021	0.00	14.79	0.21	15.34	30.34
Of which float:	0.00	6.79	0.21	0.70	7.70
29/06/2021	0.00	16.84	0.02	14.78	31.64
Of which float:	0.00	0.84	0.02	0.14	1.00
02/06/2022	0.00	36.58	0.02	0.26	36.86
Of which float:	0.00	3.51	0.02	0.26	3.79

B.5. Indicate whether any point on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders for any reason.

Yes
 No

B.6. Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes
 No

B.7. Indicate whether it has been established that certain decisions, other than those established by law, entailing an acquisition, disposal or contribution to another company of essential assets or other similar corporate transactions must be submitted for approval to the General Shareholders' Meeting.

Yes
 No

B.8. Indicate the address and manner of access on the company's website to information on corporate governance and other information regarding General Shareholders' Meetings that must be made available to shareholders through the company website.

Website: www.ohl.es/www.ohla-group.com
Information on corporate governance: path: ohla-group.com/en/shareholder-and-investor-information/corporate-governance/
Other information on General Meetings: path: [https://ohla-group.com/en/shareholder-and-investor-information/corporate-governance/Annual General Meeting](https://ohla-group.com/en/shareholder-and-investor-information/corporate-governance/Annual%20General%20Meeting)


**ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED
PUBLIC LIMITED COMPANIES**
C. STRUCTURE OF THE COMPANY'S ADMINISTRATION
C.1. Board of Directors

C.1.1 Maximum and minimum number of directors established in the articles of incorporation and the number set by the general meeting:

Maximum number of directors	13
Minimum number of directors	7
Number of directors set by the general meeting	10

C.1.2 Complete the following table on Board members:

Name or company name of director	Representative	Category of director	Position on the Board	Date first appointed	Date of last appointment	Election procedure
CARMEN DE ANDRES CONDE		Independent	DIRECTOR	09/07/2018	28/05/2019	RESOLUTION OF GENERAL MEETING
REYES CALDERON CUADRADO		Independent	DIRECTOR	27/05/2015	28/05/2019	RESOLUTION OF GENERAL MEETING
CESAR CAÑEDO-ARGÜELLES TORREJON		Independent	DIRECTOR	09/07/2018	28/05/2019	RESOLUTION OF GENERAL MEETING
FRANCISCO JOSE GARCÍA MARTIN		Independent	DIRECTOR	29/07/2021	02/06/2022	RESOLUTION OF GENERAL MEETING
JUAN ANTONIO SANTAMERA SÁNCHEZ		Independent	DIRECTOR	23/06/2016	29/06/2021	RESOLUTION OF GENERAL MEETING
LUIS FERNANDO MARTIN AMODIO HERRERA		Proprietary	CHAIRMAN	04/06/2020	26/03/2021	RESOLUTION OF GENERAL MEETING



ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

Name or company name of director	Representative	Category of director	Position on the Board	Date first appointed	Date of last appointment	Election procedure
JULIO MAURICIO MARTIN AMODIO HERRERA		Proprietary	DEPUTY CHAIRMAN 1º	04/06/2020	26/03/2021	RESOLUTION OF GENERAL MEETING
JOSE ANTONIO FERNANDEZ GALLAR		Executive	CHIEF EXECUTIVE OFFICER	28/06/2018	28/05/2019	RESOLUTION OF GENERAL MEETING
JUAN VILLAR-MIR DE FUENTES		Proprietary	DEPUTY CHAIRMAN 2º	25/06/1996	28/05/2019	RESOLUTION OF GENERAL MEETING
LUIS FERNANDO AMODIO GIOMBINI		Proprietary	DIRECTOR	29/07/2021	02/06/2022	RESOLUTION OF GENERAL MEETING

Total number of directors	10
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Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name or company name of director	Category of the director at the time of cessation	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
No data					

C.1.3 Complete the following tables on the members of the Board and their categories:

EXECUTIVE DIRECTORS		
Name or company name of director	Post in organisation chart of the company	Profile
JOSE ANTONIO FERNANDEZ GALLAR	Chief Executive Officer	Civil Engineer with specialisation in hydraulics and energy from ETS ICCP in Madrid. Master's Degree in Construction and Real Estate Company Management ("MDI").

Total number of executive directors	1
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ANNUAL CORPORATE GOVERNANCE REPORT OF LISTED PUBLIC LIMITED COMPANIES

Percentage of Board	10.00
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PROPRIETARY DIRECTORS		
Name or company name of director	Name or company name of the significant shareholder represented by the director or that nominated the director	Profile
LUIS FERNANDO MARTIN AMODIO HERRERA	FORJAR CAPITAL, S.L.U.	Graduate in Civil Engineering from Universidad La Salle (Mexico). Founding partner and co-chairman of Caabsa Group, a business consortium established in 1979 comprising 30 companies in the construction, real estate, concession and service industries.
JULIO MAURICIO MARTIN AMODIO HERRERA	SOLID ROCK CAPITAL, S.L.U.	Graduate in Civil Engineering from Universidad La Salle (Mexico). Founding partner and co-chairman of Caabsa Group, a business consortium established in 1979 comprising 30 companies in the construction, real estate, concession and service industries.
JUAN VILLAR- MIR DE FUENTES	GRUPO VILLAR MIR, S.A.U.	Graduate in Economics and Business Studies from Universidad Autónoma de Madrid. He is currently chairman of Inmobiliaria Espacio, S.A. and Grupo Villar Mir, S.A.U. and director of Ferroglobe PLC.
LUIS FERNANDO AMODIO GIOMBINI	FORJAR CAPITAL, S.L.U.	Graduate in Civil Engineering from Universidad Anahuac México Norte. He has held several positions in Caabsa Group and is a founding partner of Throw App Co.

Total number of proprietary directors	4
Percentage of Board	40.00

EXTERNAL INDEPENDENT DIRECTORS	
Name or company name of director	Profile
CARMEN DE ANDRES CONDE	First woman in Spain to earn a degree in Civil Engineering. She has experience in the public sector (Spanish Ministry of Public Works, Spanish Ministry of Industry and Energy and the Spanish state holding company SEPI, where she has held executive positions related to the areas of technology and innovation, and in the private sector (Uralita and Tyspa). She is currently the founder and CEO of Creatividad y Tecnología, a company engaged in technology consulting. National Civil Engineering Award winner (2021).
REYES CALDERON CUADRADO	PhD in Economics and Philosophy from the University of Navarra, where she has served as Dean of Economics and Director of Reputation. She completed the Senior Management Program at IESE Business School and the Digital Transformation program at Instituto de Empresa. She holds half a dozen patents on Artificial Intelligence applied to operational risk, reputational risk, and energy consumption. She has been secretary of the Board of Directors of the Instituto de Empresa y Humanismo, independent director and chairwoman of the Audit Committee of the Corporación Pública Empresarial de Navarra, and she is currently an independent director for Abside media. She is a Corporate Governance and Ethics Professor at the Francisco de Vitoria University, having been a visiting Professor at the Hass School (University of Berkeley),



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EXTERNAL INDEPENDENT DIRECTORS	
Name or company name of director	Profile
	the School of Economics at the University College of London, and the Sorbonne. As an artist, she is the author of 12 novels translated into several languages and has received the Azorin Award and the Abogados Novel Award.
CESAR CAÑEDO-ARGÜELLES TORREJON	Civil engineer. He has successfully led projects such as Prointec, in which he was the chairman from 1990 to 2013; during this tenure he led the integration with Soluziona (Unión Fenosa Group). He has been the chairman of Inse Rail, S.L. He has received outstanding distinctions: medal of honour from the Spanish Association of Civil Engineers (2005); medal for professional services from the Spanish Association of Civil Engineers (1995); and medal of honour from the Spanish Road Association (2013).
FRANCISCO JOSE GARCÍA MARTIN	He holds a Civil Engineering Degree from the Technical University of Catalonia and a Master's Degree in Construction and Real Estate Management from the Technical University of Madrid. For over 15 years, he held various positions of responsibility in FCC until he was appointed General Director of FCC Construcción in 2001. In 2009, he joined Grupo Isolux Corsán as President of Corsán-Corviam, where he subsequently held the position of Chief Executive Officer of the Group. Medal of honour from the Spanish Association of Civil Engineers (2022).
JUAN ANTONIO SANTAMERA SÁNCHEZ	Doctorate in Civil Engineering from Universidad Politécnica de Madrid and Graduate in Economics and Business Studies from UNED. Master's Degree in Planning from Universidad Politécnica de Madrid, Master's Degree in Urban Planning from Instituto de Estudios de la Administración Local and Master's Degree in Budgetary Analysis Techniques in the Public Sector from Instituto de Estudios Fiscales. He was President of the Spanish Association of Civil Engineers (Colegio de Ingenieros de Caminos, Canales y Puertos) and the Fundación Caminos foundation, and Director of the UPM Civil Engineering School.

Total number of independent directors	5
Percentage of Board	50.00

Indicate whether any director classified as independent receives from the company or any company in its group any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in its group during the past year, whether in his or her own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
CARMEN DE ANDRES CONDE	N/A	N/A



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Name or company name of director	Description of the relationship	Reasoned statement
REYES CALDERON CUADRADO	N/A	N/A
CESAR CAÑEDO-ARGÜELLES TORREJON	N/A	N/A
FRANCISCO JOSE GARCÍA MARTIN	N/A	N/A
JUAN ANTONIO SANTAMERA SÁNCHEZ	N/A	N/A

OTHER EXTERNAL DIRECTORS			
Identify the other external directors, indicate the reasons why they cannot be considered either proprietary or independent, and detail their ties with the company or its management or shareholders:			
Name or company name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
No data			
Total number of other external directors	N/A		
Percentage of Board	N/A		

Indicate any changes that have occurred during the period in each director's category:

Name or company name of director	Date of change	Previous category	Current category
No data			

C.1.4 Complete the following table with information relating to the number of female directors at the close of the past four years, as well as the category of each:

	Number of female directors				% of total directors for each category			
	2022	2021	2020	2019	2022	2021	2020	2019
Executive					0.00	0.00	0.00	0.00



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	Number of female directors				% of total directors for each category			
	2022	2021	2020	2019	2022	2021	2020	2019
Proprietary			1	1	0.00	0.00	25.00	25.00
Independent	2	2	2	2	40.00	40.00	50.00	50.00
Other External					0.00	0.00	0.00	0.00
Total	2	2	3	3	20.00	20.00	30.00	30.00

C.1.5 Indicate whether the company has diversity policies in relation to its Board of Directors on such questions as age, gender, disability, education and professional experience. Small and medium-sized enterprises, in accordance with the definition set out in the Spanish Auditing Act, will have to report at least the policy that they have implemented in relation to gender diversity.

- Yes
- No
- Partial policies

If so, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the Board of Directors and the nomination and remuneration committee to achieve a balanced and diverse presence of directors.

If the company does not apply a diversity policy, explain the reasons why.

Description of policies, objectives, measures and how they have been applied, and results achieved

The Company has rules regarding integration and diversity management that apply to the entire OHLA Group. Their implementation is a key priority of the sustainability policy.

In 2017, the Board of Directors approved a Director Selection Policy. Measures in the policy included:

- endeavouring to ensure that candidates are always selected from among persons recognised for their solvency, competence and experience, and assessing the knowledge, skills, experience and merits of the proposed candidate, as well as their commitment to performing the role with the required dedication, and
- ensuring, in particular, that on filling the vacancies, the selection procedures are not afflicted by any bias hindering the appointment of female directors and deliberately seek women who could potentially be candidates for the post.



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C.1.6 Describe the measures, if any, agreed upon by the nomination committee to ensure that selection procedures do not contain hidden biases which impede the selection of female directors and that the company deliberately seeks and includes women who meet the target professional profile among potential candidates, making it possible to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:

Explanation of measures:

As set out in the Regulations of the Board of Directors and the Director Selection Policy, the Nomination and Remuneration Committee specifically ensures that, on filling vacancies, the selection procedures are not afflicted by bias hindering the appointment of women directors and deliberately seek women who could potentially be candidates for the post.

In compliance with this principle, when vacancies have arisen, the Nomination and Remuneration Committee has endeavoured to invite its members and external advisers to present female candidates who might, in principle, have a professional profile that matches the positions to be filled.

The Nomination and Remuneration Committee has not expressly agreed on measures to encourage the Company to have a significant number of female senior managers. However, the principles included in the Company's Human Resources Policy (III Equality Plan) include strengthening the principle of equal opportunities as a growth driver and promoting non-discrimination based on, among other reasons, gender, promoting a greater presence of women in positions of responsibility within the organisation and favouring their access to all levels and categories, especially in those in which they are the least represented.

If in spite of any measures adopted there are few or no female directors or senior managers, explain the reason for this:

Explanation of reasons

There were no vacancies in the Board in 2022, so no selection process was carried out. However, the Company remains committed to gender diversity and will pay special attention to ensuring that when vacancies arise the candidate selection process will include deliberately seeking potential female candidates with a view to achieving a balanced membership between men and women.

C.1.7 Explain the conclusions of the nomination committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

The Nomination and Remuneration Committee verifies compliance with the Director Selection Policy on an annual basis.

In 2022, the committee verified that the Board complied with the policy on diversity of gender, and of knowledge and experience of new directors. All directors are persons recognised for their solvency, competence and experience.

C.1.8 If applicable, explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than a 3% equity interest:

Name or company name of shareholder	Reason
No data	

Indicate whether the Board has declined any formal requests for presence on the Board from shareholders whose equity interest is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, explain why the requests were not granted:

- Yes
- No



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C.1.9 Indicate the powers, if any, delegated by the Board of Directors, including those relating to the option of issuing or re-purchasing shares, to directors or board committees:

Name or company name of director or committee	Brief description
JOSE ANTONIO FERNANDEZ GALLAR	All the powers of the Board of Directors, except for those that are non-delegable under the law or within the meaning of Article 5 of the Board Regulations, which establish as such powers: the approval of the general corporate strategies and of basic corporate organisational criteria, management objectives and annual budgets; investment and financing policy; the structure of the corporate group; the corporate governance policy; the organisation and functioning of the Board of Directors; the corporate social responsibility policy; the policy in relation to dividends and treasury shares; the appointment, remuneration and, where appropriate, removal of the company's senior managers; control and evaluation of executive management; identification of the main corporate risks and implementation and oversight of internal control systems, appropriate risk and information management system; policy for reporting to and communicating with shareholders, markets and public opinion, with particular attention to the financial information that all listed companies must periodically make public; the creation or acquisition of ownership interests in special purpose vehicles or entities domiciled in countries or territories considered to be tax havens; and in general any transactions that involve the disposition of substantial corporate assets, major corporate transactions and those specifically provided for in the aforementioned regulations.

C.1.10 Identify any members of the Board who are also directors, representatives of directors or managers in other companies forming part of the listed company's group:

Name or company name of director	Company name of the group entity	Position	Does the director have executive powers?
JOSE ANTONIO FERNANDEZ GALLAR	HUARIBE, S.A. DE C.V.	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	PLAYA 4-5 MAYAKOBA, S.A. DE C.V.	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	OHLDM, S.A. DE C.V.	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	OHLA USA, INC	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	JUDLAU CONTRACTING, INC	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	CAC VERO I	Director	NO



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Name or company name of director	Company name of the group entity	Position	Does the director have executive powers?
JOSE ANTONIO FERNANDEZ GALLAR	OHL ARELLANO CONSTRUCTION COMPANY	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	COMMUNITY ASPHALT, CORP	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	OHLA BUILDING, INC	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	SAWGRASS ROCK QUARRY, INC	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	OHL OPERACIONES, S.A.U.	Natural person representative of the sole director	NO
JOSE ANTONIO FERNANDEZ GALLAR	OBRASCÓN HUARTE LAIN, DESARROLLOS, S.A.U.	Chairman and CEO	YES
JOSE ANTONIO FERNANDEZ GALLAR	OHL HOLDING, SÀRL	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	CENTRO CANALEJAS MADRID, S.L.	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	ALSE PARK, S.L.	Deputy chairman	NO
JOSE ANTONIO FERNANDEZ GALLAR	PROYECTO CANALEJAS GROUP, S.L.	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	OHL INICIATIVAS, SÀRL	Director	NO
JOSE ANTONIO FERNANDEZ GALLAR	PACADAR, S.A.U.	Chairman	NO

C.1.11 List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

Identity of the director or representative	Company name of the listed or non-listed entity	Position
JUAN VILLAR-MIR DE FUENTES	FERROGLOBE PLC	DIRECTOR
CARMEN DE ANDRES CONDE	CREATIVIDAD Y TECNOLOGÍA, S.A.	SOLE DIRECTOR
REYES CALDERON CUADRADO	ABSIDE MEDIA, S.L.	DIRECTOR
LUIS FERNANDO MARTIN AMODIO HERRERA	CAABSA Infraestructura, S.A. DE C.V.	CHAIRMAN
LUIS FERNANDO MARTIN AMODIO HERRERA	CAABSA Constructora, S.A. DE C.V.	CHAIRMAN



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Identity of the director or representative	Company name of the listed or non-listed entity	Position
LUIS FERNANDO MARTIN AMODIO HERRERA	PREFABRICADOS Y TRANSPORTES PRET, S.A. DE C.V.	CHAIRMAN
LUIS FERNANDO MARTIN AMODIO HERRERA	TRUCKS PRET, S.A. DE C.V.	CHAIRMAN
LUIS FERNANDO MARTIN AMODIO HERRERA	AMECSA ARRENDADORA DE MAQUINARIA ESPECIALIZADA DE CAMIONES, S.A. DE C.V.	CHAIRMAN
JULIO MAURICIO MARTIN AMODIO HERRERA	CAABSA Infraestructura, S.A. DE C.V.	SECRETARY, DIRECTOR
JULIO MAURICIO MARTIN AMODIO HERRERA	CAABSA Constructora, S.A. DE C.V.	DIRECTOR
JULIO MAURICIO MARTIN AMODIO HERRERA	PREFABRICADOS Y TRANSPORTES PRET, S.A. DE C.V.	SECRETARY, DIRECTOR
JULIO MAURICIO MARTIN AMODIO HERRERA	TRUCKS PRET, S.A. DE C.V.	SECRETARY, DIRECTOR
JULIO MAURICIO MARTIN AMODIO HERRERA	AMECSA ARRENDADORA DE MAQUINARIA ESPECIALIZADA DE CAMIONES, S.A. DE C.V.	SECRETARY, DIRECTOR

Reyes Calderón Cuadrado is independent director of Ábside Media, S.L.
Julio Mauricio Martin Amodio Herrera is director and treasurer of CAABSA Constructora, S.A. de C.V.

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or representative	Other paid activities
No data	

C.1.12 Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

Yes
 No

Explanation of the rules and identification of the document where this is regulated

In accordance with the Company's Board Regulations, in general and except where duly justified by the Nomination and Remuneration Committee, individuals holding more than five directorships in other companies may not be proposed as directors.

C.1.13 Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	3,446
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Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	
Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	
Pension rights accumulated by former directors (thousands of euros)	

Remuneration accrued in 2022 is in line with the remuneration policy approved at the Annual General Meeting held on 2 June 2022.

C.1.14 Identify members of senior management who are not also executive directors and indicate their total remuneration accrued during the year:

Name or company name	Position(s)
JOSÉ EMILIO PONT PEREZ	GENERAL MANAGER FOR EUROPE AND LATIN AMERICA
JOSE MARÍA DEL CUVILLO PEMÁN	GENERAL MANAGER OF THE LEGAL DEPARTMENT
GONZALO TARGHETTA REINA	GENERAL MANAGER OF CORPORATE RESOURCES
TOMAS RUIZ GONZALEZ	CORPORATE GENERAL MANAGER
JOSE ANTONIO DE CACHAVERA SANCHEZ	GENERAL MANAGER OF SERVICES
JOSE MARIA SAGARDOY LLONIS	CHIEF FINANCIAL OFFICER
FAUSTO GONZÁLEZ CASADO	CONCESSIONS GENERAL MANAGER
DANIEL RUIZ ANDUJAR	GENERAL MANAGER FOR NORTH AMERICA
ASHOK PATEL	GENERAL MANAGER FOR NORTH AMERICA

Number of women in senior management	
Percentage of total senior management	0.00

Total remuneration of senior management (thousands of euros)	9,030
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Total remuneration includes the remuneration of Juan Carlos Peña Fernández, Corporate Director of Internal Audit.

It also includes settlements paid to directors who stepped down in 2022. Directors who stepped down in 2022:

- Ashok Patel LEFT OHLA Group on 14 July 2022.

C.1.15 Indicate whether the Board regulations were amended during the year:

Yes
 No



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Description of amendment(s)

Articles 10 and 13 of the Regulations of the Board of Directors were amended in 2022.

C.1.16 Specify the procedures for selection, appointment, re-election and removal of directors. List the competent bodies, steps to follow and criteria applied in each procedure.

Proposals for the selection, appointment or re-election of directors submitted by the Board of Directors to shareholders at the Annual General Meeting and decisions on appointments adopted by the Board using the powers of co-option vested in it by law are based on a recommendation or report by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall endeavour to ensure that candidates are selected from among persons recognised for their solvency, competence and experience (Article 20 of the Board Regulations). For re-elections, it will assess the quality of the directors' work and dedication to discharging their duties (Article 21 of the Board Regulations).

Directors will cease to hold office once their period of tenure has expired and when decided by the Annual General Meeting or the Board of Directors by virtue of the powers vested in them by law or as mandated by the Company bylaws. Directors must also tender their resignation to the Board of Directors when any of the grounds for resignation outlined in the Board Regulations arise, always based on a report by the Nomination and Remuneration Committee.

C.1.17 Explain to what extent the annual evaluation of the Board has given rise to significant changes in its internal organisation and in the procedures applicable to its activities:

Description of amendment(s)

The annual reevaluation carried out in 2022 did not give rise to any significant change in the internal organisation or procedures and work continued internally so that the decision-making process would remain effective and satisfactory.

Describe the evaluation process and the areas evaluated by the Board of Directors with or without the help of an external advisor, regarding the functioning and composition of the Board and its committees and any other area or aspect that has been evaluated.

Description of the evaluation process and areas evaluated

The evaluation process entailed directors filling out a questionnaire on the structure and functioning, responsibilities and effectiveness, and the performance of the Board, the chairman, the secretary and Board committees, as well as the Remuneration Policy.

The findings from the questionnaire are set out in a report submitted to the Board of Directors for its analysis.

C.1.18 Provide details, for years in which the evaluation was carried out with the help of an external advisor, of the business relationships that the external advisor or company in its group maintains with the company or any company in its group.

The Company did not engage external advisors to perform the evaluation in 2022.

C.1.19 Indicate the cases in which directors are obliged to resign.

Article 23 of the Board Regulations states that directors must tender their resignation to the Board and, if the latter sees it fit, resign in the following cases:

- a) Proprietary directors, if the shareholder they represent disposed of its entire shareholding. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the latter number should be reduced accordingly.
- b) Executive directors, when they no longer hold the executive positions to which their appointment as director was associated.



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- c) All directors, when any of the conflicts of interest or prohibitions set out by the legislation in force arise or they have interests that go against those of the Company.
- d) All directors, when they are severely reprimanded by the Nomination and Remuneration Committee as a result of a breach of their director duties.
- e) All directors, when their remaining on the Board may jeopardise the Company's interests, or when the reasons for which they were appointed cease to exist.

Article 23.3 of the Board Regulations states that directors must inform the Board of any circumstances, whether or not related to their actions in the Company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate.

C.1.20 Are qualified majorities other than those established by law required for any particular kind of decision?

- Yes
- No

If so, describe the differences.

C.1.21 Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the Board of Directors.

- Yes
- No

C.1.22 Indicate whether the articles of incorporation or Board regulations establish any limit as to the age of directors:

- Yes
- No

C.1.23 Indicate whether the articles of incorporation or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

- Yes
- No

C.1.24 Indicate whether the articles of incorporation or Board regulations establish specific rules for appointing other directors as proxy to vote in Board meetings, if so the procedure for doing so and, in particular, the maximum number of proxies that a director may hold, as well as whether any limit has been established regarding the categories of director to whom votes may be delegated beyond the limits imposed by law. If so, briefly describe these rules.

Article 18 of the Regulations of the Board of Directors states that directors who cannot attend Board meetings shall endeavour to grant a proxy to another member of the Board of Directors of the same category and provide the relevant instructions. It also says that external directors may only delegate their representation to another external director.

C.1.25 Indicate the number of meetings held by the Board of Directors during the year. Also indicate, if applicable, the number of times the Board met without the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Number of Board meetings	8
Number of board meetings held without the chairman's presence	0



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Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director:

Number of meetings	0
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Indicate the number of meetings held by each Board committee during the year:

Number of meetings held by the NOMINATION AND REMUNERATION COMMITTEE	5
Number of meetings held by the AUDIT AND COMPLIANCE COMMITTEE	11
Number of meetings held by the GUARANTEE COMMITTEE	24

C.1.26 Indicate the number of meetings held by the Board of Directors during the year with member attendance data.

Number of meetings at which at least 80% of the directors were present in person	8
Attendance in person as a % of total votes during the year	97.50
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	7
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	87.50

C.1.27 Indicate whether the individual and consolidated financial statements submitted to the Board for issue are certified in advance:

- Yes
- No

Identify, if applicable, the person(s) who certified the individual and consolidated financial statements of the company for issue by the Board:

Name	Position
TOMAS RUIZ GONZALEZ	CORPORATE GENERAL MANAGER

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure that the financial statements it presents to the General Shareholders' Meeting are prepared in accordance with accounting regulations.

The financial statements, as well as all other periodic financial information or any other information which prudence dictates should be disclosed to the markets, are examined by the Audit and Compliance Committee before they are authorised for issue in a meeting at which the external auditors report on the stage of completion of the audit. The financial statements are examined again at a final meeting at which the external auditors report on their draft auditor's report, in accordance with the Regulations of the Board of Directors. In addition, the Audit and Compliance Committee, at any of its ordinary meetings, may call upon the external auditors to attend, if considered necessary, to be informed about, or clarify, any discrepancy, and provide, as the case may be, additional information to avoid a qualified opinion.

Lastly, the auditors present their draft auditor's report to the Board of Directors in a full board meeting held to authorise the financial statements for issue.



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According to Article 42 of the Regulations of the Board of Directors, the Board of Directors will endeavour to prepare the financial statements so that they do not give rise to qualifications by the auditors. The Company has complied with this recommendation since it has been listed on the securities market.

C.1.29 Is the secretary of the Board also a director?

- Yes
- No

If the secretary is not a director, complete the following table:

Name or company name of the secretary	Representative
JOSE MARÍA DEL CUVILLO PEMÁN	

C.1.30 Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, and any mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

One of the Audit and Compliance Committee's functions is to receive information on matters that might compromise the auditors' independence and any other matters related to the financial audit process, and to receive other notifications provided for in auditing laws and technical auditing standards. The committee examines the external auditor's independence. At an annual meeting, it assesses the external auditor's independence and reviews compliances with requirements regarding conflicts of interest established in Spanish Audit Law 22/2015, of 20 July. The committee considered that this independence had been demonstrated, paying particular to the amount relating to fees for non-audit work. In addition, in accordance with Article 42 of the Board Regulations, the Board shall refrain from proposing the engagement of auditors when the estimated fees exceed 10% of the audit firm's revenue in the previous year.

In addition, at meetings at which the General Economic and Financial Department requests authorisation for the audit firm or other companies in its network to provide non-audit services, the Audit and Compliance Committee reiterates the need to only engage services deemed essential to ensure auditor independence and guarantee compliance with current standards relating to the provision of non-audit services.

On an annual basis, the committee issues a report in which it expresses its opinion on the independence of the Company's and its Group's auditor.

The committee pays special attention to preserving its independence in any process carried to engage financial analysts, investment banks or rating agencies in the ordinary course of the Company's business.

C.1.31 Indicate whether the company changed its external auditor during the year. If so, identify the incoming and outgoing auditors.

- Yes
- No

If there were any disagreements with the outgoing auditor, explain their content:

- Yes
- No



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C.1.32 Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

Yes
 No

	Company	Group companies	Total
Amount invoiced for non-audit services (thousand euros)	44	12	56
Amount invoiced for non-audit work/Amount for audit work (in %)	6.48	1.70	4.09

C.1.33 Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations. If so, indicate the reasons given to shareholders at the general meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion or reservations.

Yes
 No

C.1.34 Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	2	2
	Individual	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (%)	0.06	0.06

C.1.35 Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

Yes
 No

Details of the procedure
The required documentation and information is subject to analysis or approval at each meeting of the Board of Directors and Board committees, along with the minutes of each meeting, and made available to directors sufficiently in advance through the digital platform to which directors have exclusive, individual access.



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C.1.36 Indicate whether the company has established rules obliging directors to inform the Board of any circumstances, whether or not related to their actions in the company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate. If so, provide details:

Yes
 No

Explain the rules
According to Article 23.3 of the Regulations of the Board of Directors, directors must inform the Board of any circumstances, whether or not related to their actions in the Company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate. In particular, directors must inform the Board of any criminal proceedings in which they appear as suspects. The Board will examine the case and decide, based on a report from the Nomination and Remuneration Committee, whether or not any measure must be adopted, and disclose this in the annual corporate governance report, unless there are special reasons not to do so.

C.1.37 Indicate whether, apart from such special circumstances as may have arisen and been duly minuted, the Board of Directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

Yes
 No

C.1.38 Detail any material agreements entered into by the company that come into force, are modified or are terminated in the event of a change in control of the company following a public takeover bid, and their effects.

Under the scope of the terms and conditions of the "EUR 487,266,804 Split Coupon Senior Secured Notes", effective as of 2021, the Company entered into an agreement regarding transactions of existing shareholders or third parties that may control OHLA Group. Moreover, the terms and conditions agreed by the Company and its main financial creditors in 2021 for the Company's refinancing included covenants regarding change of control.
In both cases, a change in control in the agreed terms would trigger the redemption/repurchase of notes and the early cancellation of financing facilities.

C.1.39 Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries	9
Type of beneficiary	Description of agreement
1 EXECUTIVE CHAIRMAN, 8 SENIOR EXECUTIVES	TERMINATION BENEFIT: CHIEF EXECUTIVE OFFICER: 2 years' salary. SENIOR EXECUTIVES: in accordance with each employment contract, the bylaw-stipulated amount, with a minimum of one year's salary or a fixed amount. NON-COMPETE AGREEMENT: CHIEF EXECUTIVE OFFICER: one year, for one year's salary. SENIOR EXECUTIVES: in accordance with each employment contract, with one or two years' salary depending on the duration of the agreement or a fixed amount.



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Indicate whether, beyond the cases established by legislation, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

	Board of Directors	General Shareholders' Meeting
Body authorising the clauses	√	
	Yes	No
Are these clauses notified to the General Shareholders' Meeting?		√

C.2. Committees of the Board of Directors

C.2.1 Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them:

NOMINATION AND REMUNERATION COMMITTEE		
Name	Position	Category
REYES CALDERON CUADRADO	CHAIRMAN	Independent
FRANCISCO JOSE GARCÍA MARTIN	MEMBER	Independent
JUAN ANTONIO SANTAMERA SÁNCHEZ	MEMBER	Independent
LUIS FERNANDO MARTIN AMODIO HERRERA	MEMBER	Proprietary
JUAN VILLAR-MIR DE FUENTES	MEMBER	Proprietary

% of executive directors	0.00
% of proprietary directors	40.00
% of independent directors	60.00
% of other external directors	0.00

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

See section H.1.

AUDIT AND COMPLIANCE COMMITTEE		
Name	Position	Category
FRANCISCO JOSE GARCÍA MARTIN	CHAIRMAN	Independent
JULIO MAURICIO MARTIN AMODIO HERRERA	MEMBER	Proprietary
LUIS FERNANDO AMODIO GIOMBINI	MEMBER	Proprietary



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AUDIT AND COMPLIANCE COMMITTEE		
Name	Position	Category
REYES CALDERON CUADRADO	MEMBER	Independent
CESAR CAÑEDO-ARGÜELLES TORREJON	MEMBER	Independent

% of executive directors	0.00
% of proprietary directors	40.00
% of independent directors	60.00
% of other external directors	0.00

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

See section H.1.

Identify the directors who are members of the audit committee and have been appointed taking into account their knowledge and experience in accounting or audit matters, or both, and state the date on which the Chairman of this committee was appointed.

Name of directors with experience	FRANCISCO JOSE GARCÍA MARTIN
Date of appointment of the chairman	29/07/2021

GUARANTEE COMMITTEE		
Name	Position	Category
CARMEN DE ANDRES CONDE	CHAIRMAN	Independent
JOSE ANTONIO FERNANDEZ GALLAR	MEMBER	Executive

% of executive directors	50.00
% of proprietary directors	0.00
% of independent directors	50.00
% of other external directors	0.00

Members besides Carmen de Andrés Conde, chairman of this committee, and José Antonio Fernández Gallar include:

- The Corporate General Manager: Tomás Ruiz González, as member.
- The Chief Financial Officer: José María Sagardoy Llonis, as member.
- The General Manager of the Legal Department: José María del Cuvillo Pemán, as member.
- The Chief Risk and Internal Control Officer: Álvaro Medina Abenoza, as member.
- And the Finance and Treasury Manager Ignacio Martínez Estéban, Ignacio Martínez Esteban, acting as secretary.



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Explain the functions delegated or assigned to this committee, other than those that have already been described in Section C.1.9, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Guarantee Committee was set up as a Board committee via a resolution of the Board of Directors on 15 June 2020, on the recommendation of the Nomination and Remuneration Committee.

It meets every two months as called by its chairman. Extraordinary meetings are held as required by the senior officers of the business divisions.

The Guarantee Committee's functions entail:

1. Controlling and overseeing trends in the Group's guarantee facilities.
2. Assessing and approving, or rejecting, requests for new bank guarantees for OHLA Group, irrespective of the type, business or subsidiary submitting the request or the geographical area.

C.2.2 Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

	Number of female directors							
	2022		2021		2020		2019	
	Number	%	Number	%	Number	%	Number	%
NOMINATION AND REMUNERATION COMMITTEE	1	20.00	1	20.00	1	20.00	2	40.00
AUDIT AND COMPLIANCE COMMITTEE	1	20.00	1	20.00	2	40.00	1	33.00
GUARANTEE COMMITTEE	1	14.30	1	14.30	1	16.66	0	0.00

No information on the Guarantee Committee is disclosed for 2019 since it was set up by the Board of Directors in 2020.

C.2.3 Indicate, where applicable, the existence of any regulations governing Board committees, where these regulations are to be found, and any amendments made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

The regulations of the Audit and Compliance and Nomination and Remuneration Committees are established in the Regulations of the Board of Directors, the updated version of which is available on the Company's website: www.ohla.es (<https://ohla-group.com/en/shareholder-and-investor-information/corporate-governance/Board-committees>).

There were no amendments to the regulations governing the Board committees in 2022.

Each year, the Audit and Compliance Committee and the Nomination and Remuneration Committee approve their Annual Activity Report, which is published on the website when the Annual General Meeting is called.



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D. RELATED PARTY AND INTRAGROUP TRANSACTIONS

D.1. Explain, where appropriate, the procedure and competent bodies relating to the approval of transactions with related and intragroup parties, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected director or shareholders. Detail the internal information and periodic control procedures established by the company in relation to those related party transactions whose approval has been delegated by the board of directors.

In 2016, the Company's Board of Directors approved rules implementing the provisions of the Regulations of the Board of Directors, in which the procedures and controls for the transactions that the Company or any of the Group companies wish to perform with the directors or significant shareholders, or with their respective related parties, were reinforced and detailed. The results were revised in 2021.

Transactions affected by this procedure include all transfers of resources, services, rights or obligations, irrespective of whether or not they are for consideration, performed by any of the parties referred to in the preceding paragraph with the Company or with any Group company.

Related party transactions carried out by the Company, as provided for in Law 5/2021 amending the Spanish Corporate Enterprises Act, must first be authorised by General Meeting or the Company's Board of Directors and based on favourable report from the Nomination and Remuneration Committee. The Board of Directors will ensure that transactions with the respective related parties are advantageous for the Company, are timely, are carried out on an arm's length basis, and respect the principle of equal treatment of shareholders who are in the same position. Breach of the provisions and obligations established in the Group's internal rules and regulations in this respect could be considered an infringement by those at whom they are directed, who have executed and authorised them, and who are required to disclose them, but have failed to do so.

Pursuant to Article 260 of the Spanish Corporate Enterprises Act, the Company will disclose significant transactions between the Company and related third parties in the notes to the financial statements, indicating the nature, relationship, amount and any other information related to the transaction needed to determine the Company's financial position. Moreover, pursuant to Order EHA/3050/2004, of 15 September, as an issuer of securities admitted to trading on official secondary securities markets, it will provide all the information on related party transactions determined by the half-yearly financial reports, without prejudice to the public announcement by the Company, in accordance with article 529 univocally of the Spanish Corporate Enterprises Act, of related party transactions carried out or that reach (i) 5 percent of total assets and (ii) 2.5 percent of total annual revenue.

D.2. Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

	Name or company name of the shareholder or any of its subsidiaries	% shareholding	Name or company name of the company or entity within its group	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against by the majority of independents
(1)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	7.10	AVALORA TECNOLOGIAS DE LA INFORMACIÓN, S.A.U.	63	Board of Directors	N/A	NO



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	Name or company name of the shareholder or any of its subsidiaries	% shareholding	Name or company name of the company or entity within its group	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against by the majority of independents
(2)	GRUPO VILLAR MIR, S.A.U.	7.10	AVALORA TECNOLOGIAS DE LA INFORMACIÓN, S.A.U.	1	Board of Directors	N/A	NO
(3)	PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	7.10	AVALORA TECNOLOGIAS DE LA INFORMACIÓN, S.A.U.	37	Board of Directors	N/A	NO
(4)	ESPACIO LIVING HOMES, S.L.	7.10	OBRASCÓN HUARTE LAIN, S.A.	11	Board of Directors	N/A	NO
(5)	ESPACIO INFORMATION TECHNOLOGY, S.A.	7.10	OHL SERVICIOS-INGESAN, S.A.U.	5	Board of Directors	N/A	NO
(6)	VILLAR MIR ENERGÍA, S.L.U.	7.10	OHL SERVICIOS-INGESAN, S.A.U.	25	Board of Directors	N/A	NO
(7)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	7.10	AGRUPACIÓN GUINOVART OBRAS Y SERVICIOS HISPANIA, S.A.U.	1	Board of Directors	N/A	NO
(8)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	7.10	CONSTRUCCIONES ADOLFO SOBRINO, S.A.U.	6	Board of Directors	N/A	NO
(9)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	7.10	ASFALTOS Y CONSTRUCCIONES ELSAN, S.A.U.	7	Board of Directors	N/A	NO
(10)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	7.10	OHL SERVICIOS-INGESAN, S.A.U.	24	Board of Directors	N/A	NO
(11)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	7.10	CHEMTROL-PROYECTOS Y SISTEMAS, S.L.U.	20	Board of Directors	N/A	NO
(12)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	7.10	OBRASCÓN HUARTE LAIN, S.A.	41	Board of Directors	N/A	NO
(13)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	7.10	PACADAR, S.A.U.	520	Board of Directors	N/A	NO



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	Name or company name of the shareholder or any of its subsidiaries	% shareholding	Name or company name of the company or entity within its group	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against by the majority of independents
(14)	ESPACIO INFORMATION TECHNOLOGY, S.A.	7.10	PACADAR, S.A.U.	38	Board of Directors	N/A	NO
(15)	GRUPO FERROATLÁNTICA, S.A.U.	7.10	PACADAR, S.A.U.	7	Board of Directors	N/A	NO
(16)	ESPACIO INFORMATION TECHNOLOGY, S.A.	7.10	OBRASCÓN HUARTE LAIN, S.A.	557	Board of Directors	N/A	NO
(17)	ESPACIO INFORMATION TECHNOLOGY, S.A.	7.10	AVALORA TECNOLOGIAS DE LA INFORMACIÓN, S.A.U.	106	Board of Directors	N/A	NO
(18)	GRUPO VILLAR MIR, S.A.U.	7.10	OBRASCÓN HUARTE LAIN, S.A.	17,026	Board of Directors	N/A	NO

	Name or company name of the shareholder or any of its subsidiaries	Nature of the relationship	Type of operation and other information required for its evaluation
(1)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	Contractual	Revenue
(2)	GRUPO VILLAR MIR, S.A.U.	Contractual	Revenue
(3)	PROMOCIONES Y PROPIEDADES INMOBILIARIAS ESPACIO, S.L.U.	Contractual	Revenue
(4)	ESPACIO LIVING HOMES, S.L.	Contractual	Other operating income
(5)	ESPACIO INFORMATION TECHNOLOGY, S.A.	Contractual	Other operating income
(6)	VILLAR MIR ENERGÍA, S.L.U.	Contractual	Other operating income



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	Name or company name of the shareholder or any of its subsidiaries	Nature of the relationship	Type of operation and other information required for its evaluation
(7)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	Contractual	Other operating expenses
(8)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	Contractual	Other operating expenses
(9)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	Contractual	Other operating expenses
(10)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	Contractual	Other operating expenses
(11)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	Contractual	Other operating expenses
(12)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	Contractual	Other operating expenses
(13)	ENÉRGYA VM GESTION DE ENERGIA, S.L.U.	Contractual	Other operating expenses
(14)	ESPACIO INFORMATION TECHNOLOGY, S.A.	Contractual	Other operating expenses
(15)	GRUPO FERROATLÁNTICA, S.A.U.	Contractual	Other operating expenses
(16)	ESPACIO INFORMATION TECHNOLOGY, S.A.	Contractual	Management or partnership agreements
(17)	ESPACIO INFORMATION TECHNOLOGY, S.A.	Contractual	Management or partnership agreements
(18)	GRUPO VILLAR MIR, S.A.U.	Contractual	Repayment or cancellation of loans granted

The related party transactions disclosed above are related to INMOBILIARIA ESPACIO, S.A., which holds 7.0970% of the shares.

According to Note 4.4 to the Group's consolidated financial statements, in addition to these related party transactions there are the following related party transactions between the Company and group companies and significant shareholders:

(1)
 Significant shareholder: Espacio Living Homes, S.L.
 % stake: 7.10%
 Company: Obrascón Huarte Lain, S.A.



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Item: Revenue (EUR thousand): (504)
 Approving body: Board of Directors

(2)
 Significant shareholder: Espacio Living Homes, S.L.
 % stake: 7.10%
 Company: Obrascón Huarte Lain, S.A. Item:
 Guarantees and deposits provided (EUR thousand): 277
 Approving body: Board of Directors

(3)
 Significant shareholder: Espacio Information Technology, S.A.U.
 % stake: 7.10 %
 Company: Obrascón Huarte Lain, S.A. Item:
 Purchase of intangible assets Amount (EUR thousand): 102
 Approving body: Board of Directors

All the transactions were carried out in the ordinary course of the Group's businesses and on an arm's length basis.

D.3. Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

	Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against by the majority of independents
(1)	LUIS FERNANDO MARTIN AMODIO HERRERA	JETFLIGHT SERVICES, S.A. DE C.V.	Contractual	59	Board of Directors	Proprietary directors representing the interests of Solid Rock Capital, S.L.U. and Forjar Capital, S.L.U.	NO



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Name or company name of the administrators or managers or their controlled or jointly controlled entities	Nature of the operation and other information necessary for its evaluation
(1) LUIS FERNANDO MARTIN AMODIO HERRERA	Other operating expenses

The related party transaction with JETFLIGHT SERVICES, S.A. DE C.V. is related to three proprietary directors: Luis Fernando Martin Amodio Herrera, Julio Mauricio Martin Amodio Herrera and Luis Fernando Amodio Giombini.

D.4. Report individually on intragroup transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction conducted with entities established in countries or territories considered as tax havens:

Company name of the entity within the group	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data		

D.5. Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

Company name of the related party	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data		



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D.6. Give details of the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group and its directors, senior management, significant shareholders or other associated parties.

The Regulations of the Board Directors establish, among others, as basic obligations arising from the director's duty of loyalty the adoption of the necessary measures to avoid situations in which their interests, either as independent professionals or as employees, may be in conflict with the corporate interests of, and their duties to, the Company and in particular require the director to refrain from:

- a) Performing transactions with the Company other than ordinary transactions performed under standard conditions for customers and of scant significance, i.e., those where the related information is not necessary to give a true and fair value of the equity, financial position and results of the Company.
- b) Using the Company name or their position as director to unduly influence the performance of personal transactions.
- c) Using corporate assets, including the Company's confidential information, for personal ends.
- d) Exploiting the Company's business opportunities.
- e) Obtaining benefits or remuneration from third parties other than the Company and its Group associated with the discharge of their position, except merely as a courtesy.
- f) Performing activities as independent professionals or as employees (current or potential) that involve effectively competing with the Company or that, in any other way, place them in a situation of ongoing conflict with the interests of the Company.

2. These provisions also apply if the beneficiary of the acts or of the prohibited activities is a person related to the director.

3. In any case, directors must notify the Board of Directors of any direct or indirect conflict of interest that they or persons related to them might have with the interests of the Company.

Conflicts of interest in which directors might be involved must be disclosed in the notes to the financial statements.

The Company may waive the prohibitions outlined above in certain cases, authorising a director or a related person to carry out a certain transaction with the Company, to use certain corporate assets, to take advantage of a specific business opportunity, or to obtain a benefit or remuneration from a third party. When the subject matter of the authorisation is exemption from the prohibition on obtaining a benefit or remuneration from third parties or affects a transaction whose value exceeds 10% of the Company's assets, such authorisation must necessarily be agreed upon at the Annual General Meeting. In all other cases, authorisation may be granted by the Board of Directors, provided that the independence of the Board members granting the exemption is guaranteed with respect to the exempt director. It shall also be necessary to ensure the harmless nature of the authorised transaction regarding assets and liabilities and, where appropriate, its performance on an arm's length basis and the transparency of the process. The obligation not to compete with the Company may only be waived in the event that no damage is expected to be caused for the Company or the expected damage is offset by the benefits expected to be obtained as a result of the waiver. The waiver shall be granted by means of an express and separate resolution of the General Meeting. In any event, at the request of any shareholder, the General Meeting shall resolve on the removal of the director carrying on competing activities where the risk of damage to the Company is deemed significant. When use of corporate assets is authorised, the director may be exceptionally exempted from the obligation to pay consideration, but in that case the economic benefit will be considered as indirect remuneration and require authorisation by the Board of Directors, based on a report from the Nomination and Remuneration Committee. If the benefit is received as a shareholder, it will only be authorised if the principle of equal treatment of shareholders is upheld.

The Board will be apprised, in any case, of any economic or commercial relationships that may arise between the director and the Company.

Moreover, the regulation on procedures for related party transactions in force at the Company requires all beneficiaries thereof (directors and senior executives) to be aware of, and comply with, the regulated procedure, and take the appropriate measures to ensure compliance by OHLA and the Group.

D.7. Indicate whether the company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

- Yes
- No



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E. RISK MANAGEMENT AND CONTROL SYSTEMS

E1. Explain the scope of the company's financial and non-financial risk management and control system, including tax risk.

OHLA Group's Risk Management System works in a comprehensive and ongoing manner, through operational divisions and corporate functional areas, consolidating this management at Group level and issuing the pertinent guidelines.

E2. Identify the bodies within the company responsible for preparing and executing the financial and non-financial risk management and control system, including tax risk.

RESPONSIBILITIES ATTRIBUTED TO THE BOARD OF DIRECTORS:

The Board of Directors is the most senior decision-making body of the Company and, as detailed in Article 5 3b) of its Regulations, it must directly exercise "the policy on risk control and management, including tax risks, and oversight of the internal reporting and control systems".

It performs its work through the Audit and Compliance Committee ("the Audit Committee").

RESPONSIBILITIES ATTRIBUTED TO THE AUDIT COMMITTEE:

The Audit Committee's remit, notwithstanding any duties imposed by law, the General Meeting or the Board of Directors, includes the following, as indicated in Article 23 f) of the Bylaws and Article 15 of the Regulations of the Board of Directors: "supervise the effectiveness of internal control, the Company's internal audit services and risk management systems, and review the appointment and replacement of their officers and discuss with the auditors of the financial statements the significant weaknesses of the internal control system detected in the performance of the audit".

RESPONSIBILITIES ATTRIBUTED TO THE RISK AND INTERNAL CONTROL DEPARTMENT:

See section F.5 – Supervision of the functioning of the system.

RESPONSIBILITIES ATTRIBUTED TO THE INTERNAL AUDIT DEPARTMENT:

See section F.5 – Supervision of the functioning of the system.

E3. Indicate the main financial and non-financial risks, including tax risks, as well as those deriving from corruption (with the scope of these risks as set out in Royal Decree Law 18/2017), to the extent that these are significant and may affect the achievement of business objectives.

SEE SECTION H.1.

E4. Indicate whether the entity has risk tolerance levels, including for tax risk.

OHLA Group has a risk tolerance level (i.e. acceptable level of risk) established at corporate level.

It defines risk tolerance as the expression of the acceptable or unacceptable level of risk.

Risk tolerance levels are defined for the main risk areas the Group faces and included in the Risk Management Regulations approved by the Board of Directors. Factors considered in determining the level of risk tolerance include risk-return ratio, the primary risk response approach, and risk response decision-making criteria.



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The Group has defined certain situations that, if they arise in the course of a transaction, could give rise to an intolerable risk (i.e. red lines). It requires certain authorisations before such risks can be assumed so as to ensure that they are reported and that the appropriate control measures are implemented. The Board of Directors has approved the different levels of authorisation within the Group to address these situations based on the severity of the risks.

OHLA Group has zero tolerance for occupational health and safety, regulatory compliance, and reputation and ethics risks. Regarding reputation and ethics, Obrascón Huarte Lain, S.A. has UNE-ISO 37001 (anti-bribery management systems) and UNE 19601 (criminal compliance management systems) certification. It also has an Internal Compliance Control system that demonstrates that the Company operates on the basis of internationally recognised best practices to combat offences within its organisation, in line with the requirements of Spain's Criminal Code.

E5. Indicate which financial and non-financial risks, including tax risks, have materialised during the year.

SEE SECTION H.1.

E6. Explain the response and oversight plans for the company's main risks, including tax risks, as well as the procedures followed by the company in order to ensure that the Board of Directors responds to any new challenges that arise.

Controlling and managing the risks to which the Group's operations are subject are part of OHLA's regulatory and operational framework. When applied by the organisation in carrying out its operations, it can:

- Identify the risks that can affect the achievement of objectives and understand the factors that could trigger risk events and their potential consequences.
- Determine the context that will enable OHLA Group to focus its risk management efforts in step with the environment in which it operates and the business it carries out.
- Analyse and assess risks, to understand the magnitude of both the positive aspects and the negative implications of a risk event, and the vulnerability to this risk event (i.e. probability of occurrence based on the current level of control). The assessment of the magnitude (impact) and vulnerability to potential risks enables OHLA Group to prioritise and, therefore respond to, its risks so that the focus is on those that pose the greatest threat to achievement of its objectives.
- Respond to risks, to put the risk treatment or response options into practice and make integrated decisions in light of the business and context so that the responses are aligned with the Group's defined risk tolerance. Treating risk not only aims to minimise the potential damage, but also to maximise the potential growth of opportunities. Risk responses can be classified into the following types:
 - o Reduce: actions aimed at minimising the impact and/or exposure to a risk.
 - o Accept: actions aimed at maintaining the risk at acceptable levels.
 - o Share: actions aimed at sharing the risk with third parties by taking out insurance, process outsourcing, distributing risk through agreements, or other similar actions.
 - o Avoid: actions aimed at eliminating, where possible, the factors giving rise to the risk.
- Follow-up and review: to assess, on an ongoing basis, the effectiveness and relevance of the risk-management decisions taken and to implement the pertinent corrective measures.



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F. INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS RELATING TO THE PROCESS OF PUBLISHING FINANCIAL INFORMATION (ICFR)

Describe the mechanisms forming your company's Internal Control over Financial Reporting (ICFR) system.

F.1. The entity's control environment.

Report on at least the following, describing their principal features:

F.1.1 The bodies and/or departments that are responsible for: (i) the existence and maintenance of an adequate and effective ICFR system; (ii) its implementation; and (iii) its supervision.

RESPONSIBILITIES ATTRIBUTED TO THE BOARD OF DIRECTORS:

The Board of Directors is the most senior decision-making body of the Company and, as provided for in Article 5 3b) of the Board Regulations, its responsibilities include "approval of general corporate policies and strategies and of the Company's basic organisation and, in particular, the policy on risk control and management, including tax risks, and oversight of the internal reporting and control systems".

The Board of Directors has a supervisory role regarding the Internal Control over Financial Reporting (ICFR) system, understanding the risks relating to the Group's financial reporting objectives and the controls established by the Board to mitigate them.

It performs its oversight work through the Audit and Compliance Committee ("the Audit Committee") and the Internal Audit Department.

RESPONSIBILITIES ATTRIBUTED TO THE AUDIT COMMITTEE:

The Audit Committee's remit, notwithstanding any duties imposed by law, the General Meeting or the Board of Directors, includes the following responsibilities according to Article 23 f) of the Bylaws and Article 15 of the Regulations of the Board of Directors:

1. Supervising the effectiveness of the Company's internal control, internal audit services and risk management systems, and reviewing the appointment and replacement of their officers and discussing with the auditors of the financial statements the significant weaknesses of the internal control system detected in the performance of the audit.
2. Overseeing the financial reporting preparation and presentation process and reviewing the appointment and replacement of the persons responsible.
3. Reviewing the Company's financial statements, monitoring compliance with legal requirements and the correct application of generally accepted accounting principles, and reporting on proposals for changes in accounting principles and policies put forward by management.

RESPONSIBILITIES ATTRIBUTED TO MANAGEMENT:

The General Economic and Financial Department has overall responsibility for the design, implementation and maintenance of the internal controls of the Group's ICFR system to ensure the quality of the information. This responsibility is outlined in the Functions Handbook and the Group's Financial Reporting System Oversight Model.

The ICFR system of each company and/or department is the responsibility of their most senior manager and Economic and Financial Manager.

Among the overall responsibilities and oversight of the internal control system attributed to it, the Corporate Internal Risk and Control Department works together with the General Economic and Financial Department in assessing the impact of reported incidents and monitoring implementation of the action plans to resolve them. This responsibility is outlined in the Financial Reporting System Maintenance and Reporting Instructions.



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OHLA Group's Internal Audit Department checks the reliability of the risk management and internal control systems and the quality of information and, in particular, reviews the ICFR system and the adequacy of the controls in place. This responsibility is included in the Internal Audit Charter approved by the Board of Directors, in the Group's Functions Handbook and in its Financial Reporting System Oversight Model.

F.1.2 Indicate whether the following exist, especially in relation to the drawing up of financial information:

- Departments and/or mechanisms in charge of: the design and review of the organisational structure; (ii) clear definition of lines of responsibility and authority with an appropriate distribution of tasks and functions; and (iii) ensuring that adequate procedures exist for their proper dissemination throughout the entity.

The Board of Directors' policy is to delegate the normal management of the Company to the executive bodies and the management team, and focus its efforts on defining the business and organisational policy and discharging its general oversight function.

The Group's Chief Executive Officer is responsible for designing and reviewing the organisational structure, and proposing any changes to the Group's basic organisational chart.

The General Organisation and Corporate Resources Department is responsible for implementing improvements to the Group's organic structure, proposing structural optimisation and efficiency measures, and defining the reporting lines and domains of competency of the Group's basic structure.

The Chief Executive Officer is responsible for approving the basic organisational charts of the General Departments under his or her authority, and for proposing to the Board of Directors the Group's organic structure and functioning.

The Nomination and Remuneration Committee's basic responsibilities include proposing to the Board of Directors the annual remuneration system and amounts paid to the members of the Management Committee, and the criteria for the remuneration of the Group's other management staff.

The Group has basic and detailed organisational charts covering the entire organisation, which are available to all Group employees.

It also has a Basic Functions Handbook, updated in 2022, which describes the reporting line, composition and basic functions of each governance body, the structure of the Group and its operating divisions. The Handbook is available to Group employees on the corporate Intranet.

The Organisational Chart and the Functions handbook are updated periodically and when circumstances dictate.

- Code of conduct, the body approving this, degree of dissemination and instruction, principles and values covered (stating whether there is specific mention of record keeping and preparation of financial information), body charged with analysing breaches and proposing corrective actions and sanctions.

SEE SECTION H.1.

- Whistleblower channel allowing notifications to the audit committee of irregularities of a financial and accounting nature, in addition to potential breaches of the code of conduct and unlawful activities undertaken in the organisation, indicating whether this channel is confidential.

OHLA Group has a whistleblower channel (the "Ethics Channel") governed by an internal procedure published in the Company's body of regulations. The Ethics Canal is available to all OHLA personnel and stakeholders wishing to ask any questions or report, on good faith, any professional conduct that could imply, by action or omission, irregularities, breaches or infringements of the rules and principles of action outlined in the Code of Ethics, and other regulations or procedures that make up the Company's internal rules and regulations, or are against the law.

The Compliance Department is responsible for receiving and processing the complaints and consultations received through the Ethics Channel, which is available in Spanish, English and Czech on the corporate Intranet, the Group's website (<https://www.canaletico.ohla-group.com>), or by post (OHLA Group Ethics Channel - Compliance Department: Pº Castellana, 259 D. Torre Espacio, 28046 Madrid. Therefore, it is widely accessible.

The procedure of the Group's Ethics Channel provides, *inter alia*, specifies how to process complaints to ensure confidentiality, fair treatment and the absence of retaliation: notification, analysis, investigation and resolution. Before the Audit Committee examines a complaint, the Compliance Department collates the information it deems necessary to form an opinion about whether a matter or substance exists that would enable it to determine whether or not to initiate an investigation.



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This phase ends with a decision by the Ethics Channel Manager (Compliance Department) on whether to accept the complaint for processing, which must be approved by the Audit Committee. Where there is a conflict of interest, a proposal to reject the complaint or reasons of urgency, the complaint must be reported to the Audit and Compliance Committee.

OHLA Group allows complaints to be reported anonymously. However, to be accepted for processing, sufficient evidence of the reported facts must be provided so that the investigation can focus on specific facts.

Once the investigation is concluded, the Compliance Department informs the Audit Committee of the conclusions of the reports carried out in this stage and proposes the adoption of the measures it deems necessary for the definitive resolution of the matter.

In 2022, a total of 36 communications of potential breaches of the Code of Ethics (as well as various queries) were received. Of these, 26 were made directly through the Ethics Channel and the other 10 through other channels. Of the complaints, 20 were investigated and 16 either dismissed or referred to other areas or departments as they did not represent any violation of the Code of Ethics.

All complaints accepted were or are being duly investigated and the consultations answered, in line with the internal procedures in place. At year-end, four were still being investigated.

- Training and periodic refresher programmes for staff involved in the preparation and revision of financial information, as well as assessment of the ICFR (Internal Control System for Financial Information), that covers at least accounting rules, audits, internal control and risk management.

For training and periodic refresher courses for staff involved in the preparation and review of the financial information, topics related to economic and financial improvements and updates have been included in the Group's training catalogue.

Meanwhile, all personnel responsible for the Group's financial reporting have access to a digital archive of all ICFR system regulations, the Group's Accounting Policies Handbook and the other accounting legislation used generally. All of internal regulations regarding financial reporting and financial reporting processes are available on the Group's Intranet.

F.2. Assessment of risks in financial reporting.

Report on at least the following:

F.2.1 The main characteristics of the risk identification process, including risks of error and fraud, as regards:

- Whether the process exists and is documented:

SEE SECTION H.1.

- Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often.

SEE SECTION H.1.

- The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles.

SEE SECTION H.1.

- Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements.



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SEE SECTION H.1.

- The governing body within the company that supervises the process.

SEE SECTION H.1.

F.3. Control activities.

Report on whether the company has at least the following, describing their main characteristics:

- F.3.1 Review and authorisation procedures for financial information published by the stock markets and a description of the ICFR, indicating those responsible, as well as documentation describing the flow of activity and controls (including those relating to the risk of fraud) of the various types of transactions which may materially affect the financial statements, including financial closing procedures and the specific review of judgements, estimates, valuations and relevant forecasts.

The Group has a detailed procedure for disclosing financial information to third parties, so that both the preparation and dissemination of such information have the utmost guarantees.

The Group's General Economic and Financial Department is in charge of preparing the Group's financial information.

Before disclosure to the markets, the Board of Directors must approve this financial information, based on a favourable report by the Audit Committee, analysing it and requesting any clarifications it deems necessary, both internally and from the Group's external auditor.

These activities are performed for the interim, quarterly and half-yearly financial reporting, as well as for the annual reporting. Half-yearly and annual reporting is subject to approval by Obrascón Huarte Lain, S.A.'s Board of Directors.

The procedure for disclosing financial information to third parties also governs how to act regarding other issues, such as:

- Inside information
- Financial information for other securities markets
- Financial information for analysts and investors, financial institutions and rating agencies
- Statistics
- Tenders and bids
- Financial information required in agreements

Individuals in charge of preparing, authorising and disclosing public financial information are established for each case.

DOCUMENTATION ON FLOWS OF ACTIVITIES AND CONTROLS:

A basic step to ensuring the reliability of the information is the analysis of critical processes and subprocesses affecting the preparation of such information. The aim is to facilitate the risk identification described and the implementation of controls. In this connection, the work comprises the following steps:

1. Identifying the critical processes, and the sub-processes comprising each one of them, which play a part, directly or indirectly, in the generation of the financial information for the companies included in the scope.
2. Describing the flow of activities using process and sub-process flowcharts.
3. Identifying key control activities that mitigate the identified risks that might affect the generation of financial information, identifying the person in charge of control, the frequency of the activity, the type of control (detective or preventive), the type of execution (manual or automatic) and the related supporting documentation.

The activity flow documentation compiled in the course of the processes and sub-processes is available to all employees on the Group's intranet.

The documented processes include the accounting close, reporting and consolidation process, taking into account the specific review of the significant judgements and estimates made.



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The Group has a governance, risk and compliance (GRC) IT tool that supports its ICFR system structure and serves as a database for all the material processes and sub-processes of the Group companies. This allows for integrated reporting and oversight of the ICFR system for all material processes and sub-processes of the Group companies within its scope.

The Group's General Economic and Financial Department, supported by the various divisions, is responsible for updating processes and activities. It reports to the Audit Committee regularly on the stage of completion of the work performed in relation to the ICFR system and the improvement processes implemented.

F.3.2 Internal IT control policies and procedures (access security, control of changes, system operation, operational continuity and segregation of duties, among others) which support significant processes within the company relating to the preparation and publication of financial information.

OHLA's ICFR model envisages the IT processes that include the environment, architecture and infrastructure of the information technologies, as well as the applications related to transactions that directly affect the Company's main processes and, accordingly, the financial reporting and accounting close processes.

The Group's Information Systems Department is responsible for the information systems. Its duties include defining and monitoring the security policies and standards for applications and infrastructure that support the internal control model within the area of information technologies.

In relation to the internal control framework of the information systems, areas considered priority areas relate to application security and access control, data protection, developments of applications in response to the Group's needs, and the ability to recover from a security incident that could affect business operations.

Within these areas, the following items relating to the applications supporting the financial reporting system are considered to be particularly relevant:

- Physical security of the data processing centres.
- Management of the demand for developments and functional changes.
- Management of IT development flow.
- Management of cybersecurity risks.
- Management of incidents.
- Management of continuity of economic processes.

In addition, in 2022 actions were taken to set up control, monitoring and reporting of the IT systems that support business processes with an impact on the financial reporting, including:

- In infrastructure:
 - Continued review of communications from headquarters to enhance monitoring of end-to-end traffic.
 - Further deployment of probes at several facilities and construction sites to gather information on availability of communications for proactive detection of connection, speed or other incidents.
 - Completion of the migration of all Group computers to Windows 10 for increased security and start of unification of the version installed to standardise remote updates of equipment.
 - Continuation of the Active Directory unification project, to have a corporate-wide set of users and computers with the same policies throughout the Group, allowing for better segmentation of user rights and integration with Azure Cloud.
 - Start of the deployment of cloud applications using Azure Cloud/AWS technology to optimise operations and help minimise the carbon footprint.
- In applications:
 - Further development of the data management initiative to have dashboards and indicators at different levels of management in the following areas and/or processes: Construction project record (operational and aggregated), HR indicators and management control scorecard.
 - Implementation of ERP SAP B1 in the Concessions business line.
 - Migration of integrated reporting indicators from the Enablon to the Bwise application, thus standardising the Group's reporting of controls and indicators.
 - Improvements to GCONS in the level of progress, allowing for automated uploading of information of level of progress/future losses from branches.
 - Further implementation of the invoice and e-invoice approval process, requiring this in new agreements entered into with suppliers in Spain, thereby making the process more efficient by reducing handling time and automating controls in the invoice management process.
 - Migration of construction project documents from the GCONS repository to a cloud-based repository (SharePoint) to optimise their search and access possibilities.
- In IT governance:
 - Completion of the update of all regulations of the Corporate IT Systems Department.
 - Implementation of scorecards for monitoring costs related to consumption rate-based licenses such as Autodesk and Microsoft Office 365 to enhance their control and monitoring.



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- Creation of committees for monitoring initiatives, problems and incidents among the OHL Group's systems managers to share experiences and find solutions to the various problems that arise.
- Completion of the project to optimise the corporate services catalogue of the Information Systems Department using the Group's services management tool to enhance user searches and browsing.

- In IT security:
 - Further work on implementing user equipment protection measures to enhance control of OHLA Group devices by applying security set ups, encrypting laptop drives, installing antivirus and antiransomware tools, and distributing automatic security updates.
 - Continued implementation of communications, infrastructure and systems usage monitoring to detect anomalies and incidents that could affect business operations.
 - Implementation of a mail safety backup and filing process for OHLA Group user documents to safeguard information against incidents that could result in loss and enable their recovery.
 - Audit of personal data processing in OHLA to verify compliance with data protection laws and ensure that personal data are processed correctly.
 - Launch of an information security awareness campaign to teach OHLA Group users best cybersecurity practices so they can identify threats that jeopardise data and IT systems and act more safely in their daily work.

F.3.3 Internal control policies and procedures for overseeing the management of activities subcontracted to third parties, as well as of those aspects of assessment, calculation or valuation entrusted to independent experts, which may materially affect financial statements.

The Group has internal control procedures in place aimed at overseeing the information included in the financial statements of temporary business associations (UTEs) and joint ventures (JVs) in which it holds an interest.

This procedure distinguishes between UTEs managed by the Group and those that are not. For managed UTEs, since the information is managed in the Group's systems, the same controls and accounting policies followed for the rest of the Group are applied.

When the Group is not responsible for management of the UTEs/joint ventures/consortia, information review and uniformity processes are carried out, where necessary for inclusion in the Group's financial statements, and the basic economic and financial criteria are set by mutual agreement with the partners. In both cases, review work is also performed through the Group's representatives on the management committees.

For valuations requested from independent experts, the criteria used are analysed to verify their suitability and the valuations are discussed in detail. Where reports are not deemed to be conclusive or controversial aspects arise, additional opinions are requested for their clarification. Where valuations are based on estimates by the Group's various divisions, the assumptions used and their reasonableness are verified by the General Economic and Financial Department.

For other significant judgements, estimates and projections, a detailed review is conducted. Particular attention is paid to the criteria used in the medium- and long-term projections performed by the Group's various subsidiaries / divisions and whether they are consistent in respect of all the parameters used.

F.4. Information and communication.

Report on whether the company has at least the following, describing their main characteristics:

- F.4.1 A specifically assigned function for defining and updating accounting policies (accounting policy area or department) and resolving doubts or conflicts arising from their interpretation, maintaining a free flow of information to those responsible for operations in the organisation, as well as an up-to-date accounting policy manual distributed to the business units through which the company operates.

ACCOUNTING POLICIES HANDBOOK:

The Group has an Accounting Policies Handbook designed to summarise the Group's general accounting principles, measurement bases and general accounting policies and the specific accounting policies of each division. Compliance with the handbook is mandatory for all OHLA Group companies.



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The Group's General Economic and Financial Department is responsible for the internal application of the accounting policies.

In both cases, the General Economic and Financial Department informs the Audit Committee of any updates before they are made.

For matters not detailed in the Accounting Policies Handbook, International Financial Reporting Standards (IFRSs) are applied.

RESPONSIBILITIES OF THE AUDIT AND COMPLIANCE COMMITTEE:

According to Article 15 (1) of Obrascón Huarte Lain, S.A.'s Regulations of the Board of Directors, the basic responsibility of the Audit Committee is as follows: "Reviewing the Company's financial statements, monitoring compliance with legal requirements and the correct application of generally accepted accounting principles, and reporting on proposals for changes in accounting principles and policies put forward by management."

The Audit Committee actively discharges this responsibility by being informed of the accounting updates proposed by the Group's General Economic and Financial Department, and developments in accounting legislation, in the process of being approved by the IASB, that may affect the Group.

This information is also discussed with the Group's auditors in regular meetings held with the Audit Committee.

In addition, the reports issued by Internal Audit and also received by the Audit Committee usually address the review of the proper application of the accounting principles within the areas or review projects as part of their planned engagements.

F.4.2 Mechanisms for capturing and preparing financial information in standardised formats for application and use by all units of the entity or group, and support its main financial statements and notes, as well as disclosures concerning ICFR.

The Group has a procedure in place, managed by the Group's General Economic and Financial Department, for obtaining periodic financial information from all divisions. It describes the financial reporting models that Group subsidiaries must send regularly, indicating the persons responsible for their preparation and update.

This procedure includes:

- The Group's accounting close timetable.
- A mandatory standardised monthly financial reporting model, which in most cases includes traceability of the information from the IT system and detailed instructions for its completion.
- A standardised annual financial reporting model for preparation of the notes to the Group's financial statements, with detailed instructions for its completion.
- Internal system for sending corporate information.

Any significant change in this procedure is reported to the Audit Committee.

ICFR SYSTEM MAINTENANCE AND REPORTING

An ICFR system maintenance and reporting procedure is in place for internal control purposes aimed at periodically reporting on its functioning.

The persons responsible for updating and maintaining the ICFR system at the companies included within the ICFR system scope must keep each process up to date, based on a specified assignment of responsibilities.

Similarly, a half-yearly reporting procedure is in place to facilitate internal knowledge regarding the degree of compliance of the ICFR system.

The Reporting Model is submitted to the Group's General Economic and Financial Department by the economic and financial head of each subsidiary on a half-yearly basis. In a bid to achieve continuous improvement, all changes and incidents reported by each subsidiary are evaluated by the General Economic and Financial Department so that the ICFR system is kept up to date and in step with the applicable circumstances.

Since 2020, to comply with ESEF regulations issued by ESMA, the Group has had an IT tool in place for creating and presenting annual financial reports electronically. This tool also allows for labelling using the ESEF taxonomy. When the time comes, the financial statements will be published on the Group's website in that format.



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F.5. Supervision of the functioning of the system.

Report on at least the following, describing their principal features:

F.5.1 The activities of the audit committee in overseeing ICFR as well as whether there is an internal audit function one of the responsibilities of which is to provide support to the committee in its task of supervising the internal control system, including ICFR. Additionally, describe the scope of ICFR assessment made during the year and the procedure through which the person responsible prepares the assessment reports on its results, whether the company has an action plan describing possible corrective measures, and whether its impact on financial reporting is considered.

SEE SECTION H.1.

F.5.2 Whether there is a discussion procedure whereby the auditor (as defined in the Spanish Technical Audit Standards), the internal auditor and other experts can report to senior management and the audit committee or directors of the company any significant weaknesses in internal control identified during the review of the annual financial statements or any others they have been assigned. Additionally, state whether an action plan is available for correcting or mitigating any weaknesses detected.

Article 15 of Obrascón Huarte Lain, S.A.'s Board Regulations includes the following responsibilities of the Audit and Compliance Committee:

Section 2c): establish appropriate relations with external auditors to receive information on matters that might compromise the auditors' independence and any other matters related to the financial audit process, and to receive other notifications provided for in auditing laws and technical auditing standards.

Section 2j): supervise the effectiveness of the Company's internal controls and risk management systems, and discuss with the auditor any significant weaknesses in the internal control system that may have been detected over the course of the audit, without compromising its independence. To this end, and where appropriate, it may submit recommendations or proposals to the Board of Directors and the corresponding time frame for follow-up activities.

These responsibilities are performed actively, through regular meetings the Audit Committee holds with the Group's external auditors and with the department managers, and with the Group's Chief Financial Officer, Risk and Internal Control Director, Internal Audit Director and Chief Compliance Officer, who are all permanently invited to attend all of the Audit Committee's meetings.

This way, based on an annual schedule, the Audit Committee calls the heads of each of area in advance to attend in person and give a specific presentation to the committee members on how they manage risk in their respective areas.

The Audit Committee holds meetings with the external auditors at least every six months and annually to be informed of internal control issues detected in the course of the audit which, where applicable, are corrected by updating the affected policies or rules and the controls defined in the Internal Control System. In 2022, the external auditor attended five Audit Committee meetings.

The Audit Committee receives reports on all actions of the Internal Audit Department, the Risk and Internal Control Department and the Compliance Department, and a report on the weaknesses detected and monitoring of compliance with all the significant recommendations made in the performance of its work.

The three departments are in constant communication with the Audit Committee regarding those functions, particularly of preparing and keeping up to date:

- The annual engagement plan.
- The Department's annual budget.
- The reports on each assignment performed.
- The Department's Organisational and Procedural Rules.



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The aim is for the Audit and Compliance Committee to monitor all the activities performed as an effective measure for developing and complying with its oversight responsibilities.

F.6. Other relevant information.

NOT APPLICABLE

F.7. External auditor's report.

Report:

F.7.1 Whether the ICFR information sent to the markets has been subjected to review by the external auditor, in which case the entity should include the corresponding report as an attachment. If not, reasons why should be given.

The Group engaged an external auditor to prepare a review report on the ICFR system information described in this document, attached as an Appendix, in line with Guidelines on the Auditor's Report relating to the Information on the ICFR system of Listed Companies, published by the CNMV on its website.



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G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Specify the company's degree of compliance with recommendations of the Good Governance Code for listed companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company's conduct. General explanations are not acceptable.

1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.

Complies [X] Explain []

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:

a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.

b) The mechanisms in place to resolve any conflicts of interest that may arise.

Complies [] Complies partially [] Explain [] Not applicable [X]

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:

a) Changes that have occurred since the last General Shareholders' Meeting.

b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies [X] Complies partially [] Explain []


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4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies [X] Complies partially [] Explain []

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of pre-emptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of pre-emptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies [X] Complies partially [] Explain []

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

- a) Report on the auditor's independence.
- b) Reports on the workings of the audit and nomination and remuneration committees.
- c) Report by the audit committee on related party transactions.

Complies [X] Complies partially [] Explain []

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by such remote means.

Complies [X] Complies partially [] Explain []


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8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals.

Complies [X] Complies partially [] Explain []

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies [X] Complies partially [] Explain []

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:

- a) Should immediately distribute such complementary points and new proposals for resolutions.
- b) Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.
- c) Should submit all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.
- d) That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies [] Complies partially [] Explain [] Not applicable [X]

11. That, if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Complies [] Complies partially [] Explain [] Not applicable [X]



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12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies [X] Complies partially [] Explain []

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies [X] Explain []

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

- a) Is concrete and verifiable.
- b) Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and
- c) Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies [X] Complies partially [] Explain []



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15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Complies [] Complies partially [X] Explain []

When a vacancy on the Board of Directors arises, the Board specifically ensures that, on filling it, the selection procedures are not afflicted by bias hindering the appointment of women directors and deliberately seek women who could potentially be candidates for the post.

16. That the number of proprietary directors as a percentage of the total number of non-executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

- a) In large-cap companies where very few shareholdings are legally considered significant.
- b) In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies [X] Explain []

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalisation or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies [X] Explain []



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18. That companies should publish the following information on its directors on their website, and keep it up to date:
- a) Professional profile and biography.
 - b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.
 - c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.
 - d) Date of their first appointment as a director of the company's Board of Directors, and any subsequent re-elections.
 - e) Company shares and share options that they own.
- Complies [X] Complies partially [] Explain []
19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.
- Complies [] Complies partially [] Explain [] Not applicable [X]
20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.
- Complies [] Complies partially [] Explain [] Not applicable [X]



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21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.
- The dismissal of independent directors may also be proposed as a result of a public takeover bid, merger or other similar corporate transaction entailing a change in the shareholder structure of the company, provided that such changes in the structure of the Board are the result of application of the proportionate representation criterion provided in Recommendation 16.
- Complies [X] Explain []
22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.
- And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.
- Complies [X] Complies partially [] Explain []
23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.
- Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.
- This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.
- Complies [] Complies partially [] Explain [] Not applicable [X]



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24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies [] Complies partially [] Explain [] Not applicable [X]

25. That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies [X] Complies partially [] Explain []

26. That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies [X] Complies partially [] Explain []

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.

Complies [X] Complies partially [] Explain []

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies [] Complies partially [] Explain [] Not applicable [X]

29. That the company should establish adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies [X] Complies partially [] Explain []



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30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies [X] Explain [] Not applicable []

31. That the agenda for meetings clearly states those matters about which the Board of Directors are to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

When, under exceptional circumstances, the chairman wishes to bring urgent matters for decision or resolution before the Board of Directors which do not appear on the agenda, prior express agreement of a majority of the directors shall be necessary, and said consent shall be duly recorded in the minutes.

Complies [X] Complies partially [] Explain []

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies [X] Complies partially [] Explain []

33. That the chairman, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out his duties required by law and the Articles of Association, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances so dictate.

Complies [X] Complies partially [] Explain []

34. That when there is a coordinating director, the articles of incorporation or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies [] Complies partially [] Explain [] Not applicable [X]

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies [X] Explain []



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36. That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:
- a) The quality and efficiency of the Board of Directors' work.
 - b) The workings and composition of its committees.
 - c) Diversity in the composition and skills of the Board of Directors.
 - d) Performance of the chairman of the Board of Directors and of the chief executive officer of the company.
 - e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies [] Complies partially [X] Explain []

The Company carried out the evaluation internally without the assistance of any external adviser, mainly due to the implementation of a strict cost containment policy that affects the engagement of external advisers.

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.
- Complies [] Complies partially [] Explain [] Not applicable [X]
38. That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.
- Complies [] Complies partially [] Explain [] Not applicable [X]
39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.
- Complies [X] Complies partially [] Explain []



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40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.
- Complies [X] Complies partially [] Explain []
41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.
- Complies [X] Complies partially [] Explain [] Not applicable []



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42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:
1. With regard to information systems and internal control:
 - a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational, technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.
 - b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.
 - c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.
 - d) Generally ensuring that internal control policies and systems are effectively applied in practice.
 2. With regard to the external auditor:
 - a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.
 - b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.
 - c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.
 - d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.
 - e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.
- Complies [X] Complies partially [] Explain []



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43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.
- Complies [X] Complies partially [] Explain []
44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.
- Complies [X] Complies partially [] Explain [] Not applicable []
45. That the risk management and control policy identify or determine, as a minimum:
- a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.
 - b) A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.
 - c) The level of risk that the company considers to be acceptable.
 - d) Measures in place to mitigate the impact of the risks identified in the event that they should materialised.
 - e) Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.
- Complies [X] Complies partially [] Explain []
46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:
- a) Ensuring the proper functioning of the risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.
 - b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.
 - c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.
- Complies [X] Complies partially [] Explain []


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47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies Complies partially Explain

48. That large-cap companies have separate nomination and remuneration committees.

Complies Explain Not applicable

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies Complies partially Explain

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

- Proposing the basic conditions of employment for senior management to the Board of Directors.
- Verifying compliance with the company's remuneration policy.
- Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.
- Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.
- Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies Complies partially Explain

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies Complies partially Explain


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52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

- That they be composed exclusively of non-executive directors, with a majority of independent directors.
- That their chairpersons be independent directors.
- That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.
- That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.
- That their meetings be recorded and their minutes be made available to all directors.

Complies Complies partially Explain Not applicable

The Board of Directors considers that the duties attributed to the Guarantee Committee suffice.

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non-executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies Complies partially Explain



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54. The minimum functions referred to in the foregoing recommendation are the following:
- a) Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.
 - b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.
 - c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.
 - d) Supervision of the company's environmental and social practices to ensure that they are in alignment with the established strategy and policy.
 - e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.
- Complies [X] Complies partially [] Explain []
55. That environmental and social sustainability policies identify and include at least the following:
- a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct-
 - b) Means or systems for monitoring compliance with these policies, their associated risks, and management.
 - c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.
 - d) Channels of communication, participation and dialogue with stakeholders.
 - e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.
- Complies [X] Complies partially [] Explain []
56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.
- Complies [X] Explain []



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57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.
- Consideration may be given to delivering shares to non-executive directors as remuneration providing this is conditional upon their holding them until they cease to be directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.
- Complies [X] Complies partially [] Explain []
58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.
- And, in particular, that variable remuneration components:
- a) Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.
 - b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.
 - c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.
- Complies [X] Complies partially [] Explain [] Not applicable []
59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.
- That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.
- Complies [] Complies partially [X] Explain [] Not applicable []



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The annual variable remuneration of the Company's executive directors is linked to the achievement of certain annual targets, the degree of fulfilment of which is determined by the Board of Directors on a recommendation by the Nomination and Remuneration Committee.

According to the Director Remuneration Policy approved by the Annual General Meeting, payment of the Annual Variable Remuneration shall be linked to the achievement of specific business objectives.

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies [X] Complies partially [] Explain [] Not applicable []

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies [] Complies partially [] Explain [] Not applicable [X]

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies [] Complies partially [] Explain [] Not applicable [X]

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies [X] Complies partially [] Explain [] Not applicable []



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64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies [X] Complies partially [] Explain [] Not applicable []



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H. FURTHER INFORMATION OF INTEREST

1. If there is any significant aspect regarding corporate governance in the company or other companies in the group that has not been included in other sections of this report, but which it is necessary to include in order to provide a more comprehensive and reasoned picture of the structure and governance practices in the company or its group, describe them briefly below.
2. This section may also be used to provide any other information, explanation or clarification relating to previous sections of the report, so long as it is relevant and not repetitive.

Specifically, indicate whether the company is subject to any corporate governance legislation other than that of Spain and, if so, include any information required under this legislation that differs from the data required in this report.

3. The company may also indicate whether it has voluntarily subscribed to other ethical or best practice codes, whether international, sector-based, or other. In such case, name the code in question and the date on which the company subscribed to it. Specific mention must be made as to whether the company adheres to the Code of Good Tax Practices of 20 July 2010:

C.2.1. AUDIT AND COMPLIANCE COMMITTEE.

FUNCTIONS, RULES AND PROCEDURES FOR THE ORGANISATION AND FUNCTIONING OF THE AUDIT AND COMPLIANCE COMMITTEE: The functions entrusted to the Audit and Compliance Committee and the procedures and rules governing its organisation and operation are set out in Article 15 of the Regulations of the Board of Directors: "Article 15. The Audit and Compliance Committee. 1. The number of members of the Audit Committee shall not be less than three or more than seven, and shall be determined by the Board of Directors. All the members of the Audit Committee must be directors who are not executives of the Company and do not have a contractual relationship other than that by which they are appointed. The majority must be independent directors. The members of the Audit and Compliance Committee, and in particular its chairman, shall be appointed taking into their knowledge and experience in accounting, audit and risk management, both financial and non-financial risks. Without prejudice to the provisions of the law and the Company's bylaws, the Audit Committee shall have the powers and be governed by the rules of operation set out below. 2. Without prejudice to other tasks assigned to it by law, the Bylaws, the Annual General Meeting or the Board of Directors, the Audit and Compliance Committee shall have the following basic responsibilities: a) To report to the Annual General Meeting on any issues raised at it by shareholders in matters within its competence and, in particular, on the outcome of the audit, explaining how it has contributed to the integrity of the financial information and the duties performed by the Audit and Compliance's in this process; b) To lay before the Board of Directors proposals for the selection, appointment and replacement of the auditor, the terms of the engagement, the scope of the professional mandate, guaranteeing that the fees paid to the external auditor for its work does not compromise its quality or independence, and, where applicable, the external auditor's revocation or non-renewal, and to regularly receive from the external auditor information on the audit plan and its execution, in addition to preserving its independence in the exercise of its duties. In the event of resignation by the external auditor, to examine the reasons behind it; c) To establish appropriate relations with external auditors to receive information on matters that might compromise the auditors' independence and any other matters related to the financial audit process, and to receive other notifications provided for in auditing laws and technical auditing standards; d) To receive, in all cases, an annual statement from the external auditors confirming their independence from the Company or directly or indirectly related entities, in addition to detailed information on an individual basis about any additional services of any kind provided to, and the related fees received from, these entities by the auditors or by persons or entities related to them, pursuant to the law. To ensure that the external auditor holds an annual meeting with the Board of Directors in full in order to make a report regarding the engagement performed and the development of the company's accounting situation and risks; e) To make sure that the Company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof; f) To ensure that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence; g) To issue on an annual basis, prior to the issuance of the audit report on the financial statements, a reporting containing an opinion regarding whether the independence of auditors and audit firms has been compromised. This report must be contain, in all cases, a reasoned evaluation of the provisions of each additional service referenced in the previous point, considering each service individually and jointly, separate to the statutory audit and in relation to the system of independence and regulations governing auditing activities; h) To ensure fulfillment of the audit engagement, endeavouring that the auditor's opinion on the financial statements and the content of the audit report are drafted clearly and precisely; i) To supervise the effectiveness of the Company's internal controls and risk management systems, and discuss with the auditor any significant weaknesses in the internal control system that may have been detected over the course of the audit, without compromising its independence.



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To this end, and where appropriate, it may submit recommendations or proposals to the Board of Directors and the corresponding time frame for follow-up activities; j) To supervise and evaluate the processes for the preparation and the completeness of the financial and non-financial information, as well as the financial and non-financial risk control and management systems relating to the Company and the Group, including operational, technological, legal, social, environmental, political, or reputational risks, or risk related to corruption. To review the appointment and replacement of the persons responsible; k) To ensure the independence of the unit charged with the internal audit function; propose the selection, appointment, re-election and dismissal of the head of internal audit; propose the budget for this service; approve or propose its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); to receive periodic information on its activities; and verify that senior management takes into account the conclusions and recommendations of its reports; l) To review the Company's financial statements, monitoring compliance with legal requirements and the correct application of generally accepted accounting principles, and report on proposals for changes in accounting principles and policies put forward by management; m) To review issue prospectuses and periodic financial information that must be disclosed by the Board to the markets and its supervisory bodies; n) To ensure that internal control policies and systems are effectively applied in practice; o) To inform the Board of Directors in advance of any related party transactions that must be approved by the General Meeting or the Board of Directors, and oversee the internal procedure in place at the Company for those transactions whose approval has been delegated; p) To establish and supervise a mechanism that allows employees and other persons related to the Company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the Company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported; q) Inform the Board of Directors, with prior notice, about all matters foreseen in law, the Bylaws and the Regulations of the Board of Directors; in particular those regarding: 1) the financial information and the management report, which shall include, where appropriate, the mandatory non-financial statement the Company must disclose periodically, 2) the creation or acquisition of ownership interests in special purpose vehicles or entities domiciled in countries or territories considered to be tax havens, 3) proposals for amendments to the Regulations of the Board of Directors. 3. The Audit Committee shall appoint a chairman from among its members who must be an independent director. In the absence of the chairman, the oldest independent director shall chair the meeting. The chairman's term of office shall be a maximum of four years, and he or she may be re-elected after a period of one year has elapsed since leaving office. The secretary of the Board of Directors, and in his or her absence the deputy secretary of the Board of Directors, will act as secretary. Minutes shall be taken of the resolutions adopted at each meeting, which shall be reported to the Board in plenary session. 4. The Audit Committee shall meet periodically as required and at least four times a year. One meeting must necessarily be devoted to evaluating the efficiency of, and compliance with, the Company's rules and procedures of governance and preparing the information that the Board of Directors must approve and include in its annual public documentation. It will be convened by the chairman, who must call the meeting at the behest of the chairman of the Board of Directors or of two members of the Committee itself. Committee meetings shall be quorate when at least a majority of its members are present or represented. Resolutions shall be adopted by an absolute majority of the members attending the meeting. Voting in writing and without a meeting shall only be permitted when none of the members object to such procedure. 5. Any member of the management team or of the Company's personnel who is required to do so shall be obliged to attend the meetings of the Audit Committee and to cooperate with it and provide it with the information available to that member. The Committee may also request the auditor's attendance at the meetings. 6. To better discharge its duties, the Audit and Compliance Committee may seek the advice of external professionals, whose engagement shall be up to the Board of Directors. The Board may not refuse the engagement without a reasoned explanation based on the Company's interests."

MAIN ACTIONS IN 2022:

- Reporting to the Board of Directors on the budget for the year and monitoring budget compliance.
- Monitoring the Company's and Group's financial and cash position throughout the year.
- Reviewing and analysing, prior to the Board meeting, the main interim periodic (quarterly and half-yearly) economic and financial reports, duly providing a favourable report for presentation to the markets and their supervisory bodies.
- Reviewing and approving the 2021 tax report, the tax policies applied during the year, and the incidents arising and the tax management tools used during the year.
- Reviewing the steps and processes of the Group's Internal Control over Financial Reporting (ICFR) system during the year.
- Reviewing the external auditors' work.
- Reviewing the economic terms and conditions of the engagement of the audit firm of the Company's and Group's financial statements.
- Analysing the external auditor's independence and reviewing compliance with requirements regarding conflicts of interest established in Spanish Audit Law 22/2015, of 20 July, considering such independence to be demonstrated.
- Approving non-audit services provided by the external auditor to the Company or Group subsidiaries, previously reported by the General Economic and Financial Department with respect to their nature, circumstances and amounts.
- Analysing and reviewing the reports by Internal Audit in 2022 on the various projects selected and cross-cutting aspects of the various activities, their outcome, conclusions and, where applicable, recommendations to Company management.
- Reviewing and approving the Internal Audit Department's Annual Report for 2021 and the 2022 Internal Audit Plan, including the budget for the year.
- Reviewing and approving the Compliance Department's Annual Report for 2021 and of the Compliance Department's Annual Plan for 2022, including the budget for the year.
- Analysing and processing complaints reported by the Compliance Department received through the Ethics Channel in 2022.
- Following up on the investigations coordinated by the Compliance Department at the request of the Committee itself.
- Monitoring the actions taken under the framework of the anti-money-laundering and terrorist financing system implemented in the group companies required to do so because of their business or because of local laws.
- Supervising the work plan drawn up for renewing ISO 37001 certification (anti-bribery management systems) and UNE 19601 certification (criminal risk compliance management system), obtained in 2019.



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- Reviewing and approving the Risk and Internal Control Department's Annual Report for 2021 and the Risk and Internal Control Department's Annual Plan for 2022, including the budget for the year.
- Updating the Risk Map and OHLA Group's financial and non-financial risks.
- Analysing the Group's related party transactions.
- Monitoring the implementation of the corporate restructuring (Hive Down) agreed under the framework of the Group's financial refinancing with its main bank creditors on 25 June 2021.
- Performing the Committee's annual self-assessment.
- Preparing the Committee's annual activity report.

C.2.1. NOMINATION AND REMUNERATION COMMITTEE.

FUNCTIONS, RULES AND PROCEDURES FOR THE ORGANISATION AND FUNCTIONING OF THE NOMINATION AND REMUNERATION COMMITTEE: The functions, rules and procedures for the organisation and functioning of the committee are set out in Article 16 of the Regulations of the Board of Directors: "Article 16. Nomination and Remuneration Committee. 1. The Board of Directors shall designate from among its members a Nomination and Remuneration Committee. The number of members of the Nomination and Remuneration Committee shall not be less than three or more than seven, and shall be determined by the Board of Directors. All Nomination and Remuneration Committee members must be directors who are not executives of the Company and do not have a contractual relationship other than that by which they are appointed, and at least two of them shall be independent. Efforts shall be made to appoint members with the appropriate knowledge, skills and experience to discharge their responsibilities. The chairman of the Nomination and Remuneration Committee shall be appointed from among the independent directors who are members. The Nomination and Remuneration Committee shall have the powers and be governed by the rules of operation set out below. 2. Without prejudice to any other functions assigned by law, the Bylaws or the Board, the Nomination and Remuneration Committee shall have at least the following functions: a) Evaluating the competencies, knowledge and experience necessary for the Board of Directors. For this purpose, it shall define the functions and skills required for candidates to cover each vacancy and shall evaluate the time and dedication necessary to perform their duties effectively; b) Setting a target for representation for the least represented gender on the Board, and drawing up guidelines on how to achieve this objective; c) Submitting to the Board of Directors proposals for the appointment of independent directors for their nomination by co-option or for their submission to the Annual General Meeting decision, in addition to proposals for the re-election or dismissal of said directors by the Annual General Meeting; d) Informing of any proposals for appointment of all other directors for nomination by co-option or for their submission to the Annual General Meeting's decision, in addition to proposals for the re-election or dismissal of said directors by the Annual General Meeting; e) Proposing to the Board the members that must form part of each Committee; f) Reporting the proposals for appointment and removal of senior executives and the basic conditions of their contracts; g) Examining and organising the succession of the chairman of the Board of Directors and the Company's chief executive and, if necessary, submitting proposals to the Board of Directors for such succession to occur in an orderly and planned manner; h) Proposing to the Board of Directors the remuneration policy for directors and general managers or those who carry out their senior management functions reporting directly to the Board, Executive Committees or Chief Executive Officers, as well as the individual remuneration and other contractual conditions of executive directors and the criteria for the rest of the Group's senior management, ensuring that they are observed; i) Reviewing, periodically, the remuneration programmes, assessing their suitability and performance; j) Monitoring remuneration transparency; k) Reporting on transactions that give rise or may give rise to a conflict of interest and, in general, on the matters included in chapter IX of these Regulations; l) Considering suggestions made to the chairman by members of the Board, senior executives or the Company's shareholders; ll) Reporting to the plenary session of the Board on the proposal of appointment and removal of the Board of Directors' Secretary and Deputy Secretary; m) Reporting, annually, to the plenary session of the Board on the evaluation of the chairman of the Board's performance; n) Evaluating and reviewing, periodically, the Company's environmental and social performance with a view to reviewing the effectiveness of the sustainability policy, and compliance with related objectives, reporting annually to the Board on the implementation and monitoring of that policy in the Group; o) Reviewing the regulations and practices of the Company relating to corporate governance, by proposing any amendments it deems appropriate so that they are in line with the standards, recommendations and best practices in this matter; p) Reviewing, periodically, the remuneration policy applied to directors and senior executives, including share-based remuneration schemes and their implementation, as well as ensuring that individual remuneration is proportionate to amounts paid to other of the Company's directors and senior executives; q) Overseeing that any conflicts of interest do not damage the independence of external advice provided to the Committee; and r) Verifying the information on director and senior executive remuneration contained in the various corporate documents, including the Annual Report on Director Remuneration. 3. The Nomination and Remuneration Committee shall meet whenever the Board or its chairman requests that a report be issued or a proposal be adopted and, in any case, whenever it is deemed necessary for the proper performance of its functions. In any case, it shall meet to draw up the specific report on the Company's proposed remuneration policy to be submitted to the General Meeting. Independently of this, it shall meet at least three times a year. One of these meetings shall be devoted to determining the director remuneration that the Board of Directors must approve by implementing the Company's remuneration policy, and preparing the information to be included in the annual public documentation. It will be convened by the chairman, who must call the meeting at the behest of the chairman of the Board of Directors or of any member of the Committee itself. 4. The Committee shall appoint a chairman from among its members who must be an independent director. In the absence of the chairman, the oldest independent director shall chair the meeting. The secretary of the Board of Directors, and in his or her absence the deputy secretary of the Board of Directors, will act as secretary. Minutes shall be taken of the resolutions adopted at each meeting, which shall be reported to the Board in plenary session. 5. Any member of the management team or of the Company's personnel who is required to do so shall be obliged to attend the meetings of the Committee and to cooperate with it and provide it with the information available to that member. The Committee may also request the auditor's attendance at the meetings. 6. To better discharge its functions, the Nomination and Remuneration Committee may seek the advice of external professionals, to which end the provisions of Article 26 of these Regulations shall apply".

MAIN ACTIONS IN 2022:

- Reporting favourably on the ratification and appointment of proprietary directors to the Board of Directors, understanding that they meet the profile and skills required to discharge their office, evaluating and reporting favourably on their suitability.



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- Submitting a proposal to the Board of Directors on the appointment of an independent director and reported favourable on the director's suitability to the General Shareholders' Meeting.
- Reviewing the factors for distributing the maximum annual remuneration approved by the General Meeting for external directors, and reporting favourably on a new distribution scheme for 2022 and subsequent periods.
- Reporting favourably to the Board of Directors on the proposed amendment of the Director Remuneration Policy, which was subsequently approved at the Annual General Meeting held on 2 June 2022.
- Analysing and reporting to the Board of Directors the proposal for the Chief Executive Officer's variable remuneration, assessing, where applicable, achievement of objectives and criteria.
- Reporting favourably to the Board of Directors about the 2020 Annual Remuneration on Director Remuneration Report, verifying that the current Remuneration Policy was applied correctly.
- Analysing and reporting to the Board of Directors on the variable remuneration accrued and the proposed remuneration scheme of OHLA Group senior executives.
- Analysing the degree of compliance with global reporting initiative (GRI) sustainability standards and approved measures to enhance and standardise how this information is monitored and reported in all countries where the Group has operations, and reported favourable on the non-financial information to the Board of Directors for its approval and authorisation for issue of the Group's consolidated management report.
- Reporting favourably on the proposed amendments to the Board Regulations.
- Performing the Committee's annual self-assessment.
- Approving the Committee's annual activity report.

E.3 INDICATE THE MAIN RISKS THAT MAY AFFECT THE ACHIEVEMENT OF BUSINESS OBJECTIVES.

The main risks that could affect the achievement of OHLA's objectives are as follows:

- **Financial risks:** These are risks associated mainly with the Group's ability to raise the necessary financing when required and at a reasonable cost, and to maximise its available financial resources. The most important are interest rate, exchange rate, credit and liquidity risks. It also includes risks related to obligations assumed with noteholders and financial institutions.
- **Personnel risk:** Personnel risk relates to the organisation's ability to attract the right people and to detect, retain, develop and utilise internal talent in the right way and at the right time. OHLA Group is designing new retention and incentive packages and targeting digital talent to streamline processes and data analytics.
- **Price volatility and resource scarcity risks:** OHLA Group is exposed to the risk of shortages of human resources, subcontractors and suppliers, and certain products in its footprint markets. Moreover, increases in prices of certain cost components, such as raw materials (e.g. bitumen, steel), and energy prices affect the costs of the main supplies of goods and services the Group requires to carry on its operations. There might also be shortages or logistics disruptions that could cause delays in deliveries or the provision of goods and services. Governments in many countries (e.g. Spain, the Czech Republic) have started adding price-review formulae into their public contracting laws (something that is already commonplace in countries with high inflation), which help partially temper the situation. However, they cannot be applied to all contract costs or from contract inception. This means particular care must be taken with contingent items included in projects and cost estimates for long-term projects. Nevertheless, these risks, which materialised globally in 2021 and 2022, can possibly continue or heighten in the current geopolitical landscape and because of expansionary public works policies in certain geographies.
- **Project risk:** Project risk management aims to ensure fulfilment of project obligations regarding scope, deadlines, margin and safety, and, in general, all contractual obligations. Therefore, events or situations that could jeopardise projects are identified before they occur and assessed appropriately, from identifying of the opportunity and the tendering stage, so that mitigation measures can be implemented early.
- **Geopolitical and market risks:** Political unrest or changes in the legal and regulatory environment in countries where OHLA operates can have significant impacts on the Company's ability to achieve its business objectives. Therefore, OHLA Group monitors country risk closely in its home markets as well as areas into which it might expand. Nevertheless, the current geopolitical landscape gives rise to myriad uncertainties with global impact, not to mention situations that may already be occurring in geographies where OHLA operates. The likely global trend towards a new division into opposing blocs points to highly volatile interest and exchange rates, rampant inflation and potential global supply chain disruptions, along with increasing unrest and social polarisation. All this can result in a shortage, or increase in the price, of certain materials (affecting expected returns and the ability to meet delivery deadlines) and investor appetite in certain geographies.
- **Image and reputational risk:** OHLA has an unwavering commitment to abiding by the law and complying with the leading standards in codes of conduct, which has led to considerable and meaningful improvement in its image and reputation. The objective is to minimise the possibility of inappropriate actions by employees and properly manage the risk that lax management, a smear campaign or manipulation of information by the media, lobbyists, former employees or other stakeholders will hurt the Group's image irrespective of whether the allegations are consistent with any wrongdoing by the organisation.
- **Systems and cybersecurity risk:** Market and business trends, with continuous and rapid changes, require systems that enable the Group to obtain the information it needs and be able to analyse it quickly and adapt accordingly. This, in turn, requires working with agile methodologies that minimise the time needed to adapt systems or implement new functionalities.


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Meanwhile, OHLA, like any other company, is exposed to the widespread increase in the risk of cybercrimes and potential misuse of sensitive data, which would comprise the security and the operations of the Company's assets and the ordinary course of business, and cause leaks of sensitive information.

- Litigation and arbitration risk: One current industry trend is the increase in litigation. Therefore, there is a risk that more lawsuits and arbitration proceedings will arise, along with the associated costs, and that the outcome due to disputes with customers or suppliers will go against OHLA's interests. Therefore, OHLA is still committed to reinforcing its contract management prowess.

- Risk of measurement of assets and liabilities in the statement of financial position: understood as the risk of a decrease in the value of assets or an increase in the value of liabilities.

Other risks that might affect the achievement of the Company's objectives are as follows:

- Risk of climate change and natural disasters: It is fair to say that there are two types of climate change risks that impact the achievement of OHLA's objectives:
 - Physical risks, which are those arising from the increasing severity and frequency of extreme weather events or from a gradual and long-term change in the Earth's climate. These risks can affect businesses directly through damage to assets or infrastructure, or indirectly by disrupting their operations or making their activities no longer viable.
 - Transition risks, meaning those risks associated with the transition to a low-carbon economy in response to climate change, arising from changes in legislation, the market, or consumers, among others, to mitigate and address the requirements of climate change.

E.5 INDICATE WHICH RISKS HAVE MATERIALISED DURING THE YEAR.

The main risks in 2022 were:

1. Liquidity risk.

In June 2021, the Group underwent a major financial structuring, the key milestones of which were:

- The capital reduction in Obrascón Huarte Lain, S.A. through the reduction of the par value of the shares to EUR 0.25 per share, for a total amount of EUR 100,292 thousand.
- The Investment Commitments and Cash Capital Increases, which entailed the issuance of 304,576,294 new shares with a cash value of EUR 144,584 thousand.
- Amendments to the terms and conditions of the Notes, which resulted in the cancellation of the 2022 and 2023 Notes of Obrascón Huarte Lain, S.A. At the same time, via OHL Operaciones S.A.U., a subsidiary of Obrascón Huarte Lain S.A., it issued new Notes for a nominal amount of EUR 487,267 thousand, with 50% maturing on 31 March 2025 and the remaining 50% on 31 March 2026.

This considerably changed the Group's liquidity, which in addition was further strengthened by:

- Disposals of several subsidiaries in 2021 (Old War Office Project; new Hospital de Toledo, S.A. and Mantohledo S.A.U.; and Sociedad Concesionaria Aguas de Navarra, S.A. and its operator), with part of the sales price received up front and the remainder collected in 2022 under the terms of the purchase and sale agreements.
- Renewal of the guarantee facilities of the Multiproduct Syndicated Facilities Agreement (MSF) and a CESCE guarantee facility, whose maturity was extended in 2022 to 30 June 2023.
- Amounts received from Cercanías Móstoles Navalcarnero, S.A. in 2021 and January 2022 after settlement of payments by the Madrid regional government for different reasons related to the main construction projects, which went primarily to repay borrowings (see Note 4.2 of the consolidated financial statements and Note 9.7 of the separate financial statements).

As a result, the Group's liquidity position as at 31 December 2022, comprising cash and cash equivalents and current financial assets, stood at EUR 701,687 thousand (2021: EUR 842,236 thousand), broken down as follows:

- Cash and cash equivalents of EUR 469,311 thousand (2021: EUR 507,455 thousand), which included EUR 185,796 thousand related to the Group's interests in temporary business associations or joint ventures (UTEs) (2021: EUR 147,543 thousand). There is also restricted cash amounting to EUR 2,934 thousand related to other guarantees (2021: EUR 7,990 thousand).
- Current financial assets of EUR 232,376 thousand (2021: EUR 334,781 thousand), which include restricted assets pledged as security for EUR 176,237 thousand, the main item of which is a deposit for EUR 140,000 thousand as collateral for the MSF (2021: EUR 140,000 thousand) and EUR 43,885 thousand of performance bonds for certain projects being carried out in the US (2021: EUR 50,830 thousand).

The Group also has drawable credit lines and discount facilities amounting to EUR 41,245 thousand (2021: EUR 27,051 thousand), featuring the Judlau Contracting, Inc credit line with a limit of EUR 84,380 thousand and a sub-limit of EUR 42,190 thousand guarantees signed on 28 June 2022.


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On 8 March 2022, ratings agency Moody's upgraded OHLA's corporate family rating (CFR) to B3, outlook positive, from Caa1, and the notes issued by OHL Operaciones, S.A.U. from Caa2 to B3. This illustrates the improvement described above.

However, even with the Company's improved solvency, it has yet to recover the working capital financing instruments needed to run the business properly.

Against this backdrop, the Group's directors are monitoring the liquidity position, focusing especially on cash flow generation from the businesses and improvement of working capital. They estimate that profitability levels can be recovered and that liquidity can increase.

The 2023 business plan includes aspects that could give rise to uncertainties regarding its execution and, therefore, result in deviations (e.g. lower-than-expected order intake, unexpected working capital shortfalls, large amount of restricted cash). The main one is the impact of the ongoing conflict in Europe, which could jeopardise the fledgling recovery by the global economy, affected by high inflation and burgeoning commodity prices, as well as occasional liquidity stress due to the seasonality of the business, which could have a serious impact on OHLA Group's forecasts for 2023.

Specifically, to mitigate the liquidity stress of the business, Group management is working with banks to secure the release of part of its restricted cash and/or obtain temporary financing, so that it will have sufficient coverage to ensure the Group's liquidity. On this front, the Parent's directors are confident that it will overcome the liquidity pressures and continue executing the business plan, enabling the Group to continue its operations and settle its obligations, strengthening both its equity and financial position.

2. Risk of measurement of assets and liabilities in the statement of financial position.

The Group held an ownership interest of 50.0% in the Canalejas project at 31 December 2022, with a carrying amount of EUR 127,596 thousand. It also held a receivable for the subordinated debt of EUR 54,234 thousand recognised as a non-financial asset under other loans.

In 2022, it recognised a write-down to the value of the investment of EUR 34,485 thousand based on an estimate of cash the flow expected to be received in accordance with the project's economic model considering the agreements entered into with the other shareholder.

The model's assumptions were updated taking into account the Covid-19 impact due to mobility restrictions, mostly in Asia; the new macroeconomic scenario of high inflation rates; hikes in interest rates; and the negative trend of the dire Russia-Ukraine war and its impact on commodity price inflation and, more importantly, energy price inflation.

In determining the value in use of the Group's interest in the Canalejas Project, a discounted cash flow model was used for the various uses of the asset (mainly hotel and shopping centre), with the complex set to reach the growth and stabilisation stage in 2025 for the hotel and car park and 2026 for the shopping centre, and then obtaining a residual value based on the capitalisation of rents.

As for the shopping centre, there were delays in marketing in the first floor and in opening of some premises. Occupancy of gross leasable area (GLA) is expected to reach maximum levels in the first half of 2024, considering structural vacancies, with rents measured in €/m²/month in line with prime areas in Madrid where the asset is located. Nominal cash flow were discounted at a rate of 7%, in line with the levels required by equity and debt creditors.

The higher investments and costs incurred, coupled with the project's lower profitability due mostly to the delay in the marketing of the shopping centre, made it necessary to recognise this write-down.

Nevertheless, the mid-term outlook is for a decrease in the uncertainties surrounding the post-pandemic years. International luxury hotel assets in Madrid (Four Seasons, Mandarin Ritz, Santo Mauro, The Madrid Edition) are setting up along the Gran Vía-Canalejas-Alcalá axis. Joining them in 2023 are hotels such as JW Marriott, Zorilla 19, Nobu Madrid, and Brach. This competition should revitalise this axis and cement its Madrid's status as a luxury tourist destination and one of the world's leading capital cities for international luxury retail.

F.1.2 B) CODE OF CONDUCT, THE BODY APPROVING THIS, DEGREE OF DISSEMINATION AND INSTRUCTION, PRINCIPLES AND VALUES COVERED (STATING WHETHER THERE IS SPECIFIC MENTION OF RECORD KEEPING AND PREPARATION OF FINANCIAL INFORMATION), BODY CHARGED WITH ANALYSING BREACHES AND PROPOSING CORRECTIVE ACTIONS AND SANCTIONS.

CODE OF CONDUCT, APPROVING BODY AND DATE OF UPDATE:

OHLA Group has a Code of Ethics approved by the Board of Directors that expressly states its values, principles and conduct guidelines that must guide the professional behaviour of everyone in the Group.

The Code applies to all members of the Board of Directors, executive staff and all Group employees.

It will remain in force until the Board of Directors decides not to approve its update, review or repeal.



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Any alleged breach of the Code shall be investigated and could result in legal or disciplinary proceedings.

ANTI-CORRUPTION POLICY, CRIME PREVENTION POLICY AND ANTITRUST COMPLIANCE POLICY:

OHLA Group has a compliance system designed to prevent, detect and effectively combat crimes within the organisation. This system undergoes constant updating so it is adapted to organisational and legislative changes. Since 2019, it has been subject to annual external audits of its ISO 37001 Anti-corruption Management System and UNE 19601 Criminal Compliance Management System certifications. In 2022, the Group's compliance system obtained both certifications by a new certification body.

As a show of the commitment enshrined in the Code of Ethics to combat corruption and bribery anywhere in the world, the Group has an Anti-corruption Policy that applies to all OHLA people and articulates its zero tolerance stance on corruption in any form.

OHLA Group also has an Antitrust programme designed in accordance with the requirements of the guidelines issued by the Spanish National Markets and Competition Commission (Comisión Nacional de los Mercados y la Competencia or CNMC), the core principle of which is the Antitrust Compliance Policy. This policy reinforces OHLA's firm commitment to ensuring free competition in the marketplace and that all its personnel abide by constitutional principles, laws and other regulations of competition law.

PRINCIPLE ON INFORMATION TRANSPARENCY AND ACCURACY:

The Code of Ethics is the main channel for developing the Group's corporate values:

- Professional ethics, integrity, honesty, loyalty, effectiveness and responsibility vis-à-vis our stakeholders, in all actions of the Group, while strictly abiding by the law.
- Will to succeed and continuous improvement in professional performance, while striving at all times for excellence.
- Transparency in the dissemination of information, which must be adequate, accurate, verifiable and complete.
- Creation of value with a permanent quest for sustainable profitability and growth.
- Constant promotion of committed quality, innovation, safety and respect for the environment.

Based on the core principle of behaviour required of all the Group's personnel of respect for the law, a key guideline of conduct in the relationship with the market is information transparency and accuracy.

In this vein, the Code of Ethics specifies that: "OHLA undertakes to transmit complete and truthful information on Group companies that allows shareholders, analysts and other stakeholders to reach an objective opinion on the Group. Similarly, OHLA undertakes to cooperate with the supervisory or inspection bodies or entities in any way it may be required to facilitate administrative oversight. The Group's employees shall ensure that all financially significant transactions carried out on the Company's behalf are included clearly and accurately in the appropriate accounting records, so as to present fairly the transactions carried out. Accounting principles and standards must be followed strictly, preparing complete and accurate financial reports. Suitable internal procedures and controls must be implemented to ensure that financial and accounting reporting complies with the law, regulations and the requirements arising from the Group's listing on the stock markets. Any conduct aimed at avoiding tax obligations or obtaining profit at the expense of the tax authorities, the social security system or similar bodies is expressly forbidden."

AUDIT AND COMPLIANCE COMMITTEE:

Article 23 f.10) of Obrascón Huarte Lain, S.A.'s Bylaws include as a responsibility of the Audit and Compliance Committee: "Examine compliance with the Internal Rules of Conduct in Securities Markets, the Regulations of the Board of Directors, the Regulations of the General Shareholders' Meeting, the Code of Ethics of OHLA Group and, in general, the Company's rules of governance, and make the required proposals for improving them."

The Group's Code of Ethics itself states that "any doubt, criticism or suggestion aimed at improvement must be made known to the Audit and Compliance Committee, which is the competent body for ensuring compliance with the Code and to promote both its dissemination and specific training for its correct application".

CORPORATE COMPLIANCE DEPARTMENT:

Given its importance, it should be noted that the Company has had a Corporate Compliance Department since 2013, created pursuant to an agreement by the Board of Directors of Obrascón Huarte Lain, S.A. based on a recommendation by the Audit and Compliance Committee. This department falls under the Secretary of the Board of Directors and reports to the Audit and Compliance Committee.

The main functions of this department, according to its Basic Functions Handbook, are as follows:

- Identifying legal risks, especially those that arise from the criminal liability of legal persons or entail reputational risks or infringe on free market competition.
- Promoting implementation of the processes necessary to avoid legal breaches related to criminal or reputational, or antitrust risks, and minimising the cases of criminal liability at the Company, thereby actively contributing to preventing, detecting and stopping criminal or anti-competitive behaviour.



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• Promoting a clear organisational culture, shared by all Group employees at all levels, that helps avoid conduct that could give rise to any criminal liability or anti-competitive sanctions on the Company, its executives and directors.

• Overseeing the correct application of the Crime Prevention and Antitrust compliance programme.

• Establishing, in an objective and demonstrable manner, control and oversight measures aimed at avoiding this conduct by employees, at all levels, and proposing the disciplinary measures that would be taken if this conduct were to take place.

• Ensuring that there is a Set of Rules, Policies and Regulations that reasonably guarantee the reliability of the financial information, and compliance with the laws, regulations and policies that apply to the Group.

• Informing, periodically, the Secretary of the Board and the Audit Committee on execution of the Annual Action Plan with regard to its management and the actions carried out in the areas of Crime Prevention and Antitrust.

• Establishing measures to prevent criminal acts in the following areas:

- Anti-corruption: crimes of private corruption, bribery and corruption in international trade transactions.
- Antitrust: any act that infringes on free market competition, by disseminating the values and principles of the Compliance Policy and Guidelines regarding competition and, therefore, the Antitrust Compliance Programme.
- Cybercrimes: hacking crimes, disclosure of trade secrets and similar offences.
- Control over the preparation of financial information: investor fraud crimes.
- Market abuse and share price manipulation.
- Non-compliance with Spain's Personal Data Protection Law (Ley Orgánica de Protección de Datos or "LOPD") and the privacy protection regulations.
- Anti-money laundering.
- Fraud to obtain government grants and aid.
- Offences against natural resources and the environment.
- Workplace harassment.

• Enforcing the Code of Ethics and proposing modifications to adapt to amendments to the legal framework prevailing at any given time, ensuring the dissemination and awareness of the Code within the Group.

• Proposing the approval of the internal regulations implementing the Code of Ethics, which include a disciplinary system for breaches.

• Processing complaints received via the Ethics Channel.

• Promoting and overseeing activities to raise awareness about the Code of Ethics and understanding the Group's crime prevention and antitrust control system.

COMMUNICATION, DISTRIBUTION AND TRAINING PLAN ON THE CODE OF ETHICS, THE ANTI-CORRUPTION POLICY, THE CRIME PREVENTION POLICY AND THE ANTITRUST COMPLIANCE POLICY:

Everyone at OHLA Group must know and understand the content of the Code of Ethics. To promote knowledge of the Code, the Group carries out a variety of communication, training and dissemination initiatives.

The main initiatives include:

- Making the Code of Ethics available on the corporate Intranet and OHLA Group's website (path: <https://www.ohla-group.com/en/ethics-and-integrity-2/ethics-and-integrity-policies/>) in Spanish and English.
- Including an additional clause in work contracts requiring knowledge of, understanding and compliance with the Code of Ethics, the Anti-corruption Policy, the Crime Prevention Policy and the Antitrust Compliance Policy.
- Designing specific training and communication actions for all Group personnel.
- Disclosing the Code to relevant third parties: commercial agreements between OHLA Group and third parties include clauses mentioning the existence of OHLA Group's Code of Ethics, Anti-Corruption Policy, Crime Prevention Policy and Antitrust Compliance Policy and the obligation to comply with them in the provision of services to OHLA Group.

Training on the Code of Ethics, Anti-Corruption Policy, Crime Prevention Policy and Antitrust Compliance Policy is compulsory. Therefore, specific training was provided in 2022 through the OHLA School on:

- Code of Ethics and Anti-corruption Policy (CEAP): a total of 1,030 employees received training.
- Crime Prevention System (CPS): a total of 193 employees received training.
- Antitrust: a total of 79 employees received training.

The Corporate Resources Department is responsible for distributing and raising awareness about the Code of Ethics, the Anti-Corruption Policy, the Crime Prevention Policy and the Antitrust Compliance Policy, while the Group's Internal Audit Department is tasked with oversight.

Following a multi-year rotation plan, the Audit Committee receives a report from OHLA Group's Internal Audit Department on degree of dissemination and training on the Code of Ethics, the Anti-corruption Policy, the Crime Prevention Policy and the Antitrust Compliance Policy.



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F.2. ASSESSMENT OF RISKS IN FINANCIAL REPORTING.

F.2.1. The main characteristics of the risk identification process, including risks of error and fraud, as regards:

- Whether the process exists and is documented.
- Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often.
- The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles.
- Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, reputational, environmental, etc.) to the extent that they affect the financial statements.
- The governing body within the company that supervises the process.

The strategic objectives regarding risk management and control are geared towards:

- Delivering the Group's strategic and operating objectives.
- Protecting the Group's reputation, safeguarding its legal certainty and ensuring its sustainability.
- Protecting the security of shareholders' equity.
- Mitigating the occurrence of irregularities in relation to the Code of Ethics and fraud in general.
- Protecting the interests of other stakeholders in the organisation's performance.
- Enhancing OHLA Group's level of innovation, competitiveness and trust.

To achieve these objectives, the following guiding principles for controlling and managing risks and opportunities are in place:

- Act in accordance with the law at all times, and with the values and standards set out in the Code of Ethics and the Group's regulatory framework.
- Act in accordance with the level of the risk tolerance defined by the Group.
- Embed risk and opportunity control and management into the Group's business processes and its strategic and operational decision-making.
- Manage the information generated regarding risks in a manner that is transparent, proportionate and appropriate, and communicate this information on a timely basis.
- Establish and maintain a risk-aware culture.
- Incorporate risk control and management best practices and recommendations.

Risk management is the responsibility of all OHLA Group employees. Each employee must understand the risks relating to their area of responsibility and manage them within the action framework defined in the Risk Control and Management Policy. They must also know the established tolerance limits.

Each business or functional unit is responsible for controlling and managing the risks that affect the performance of its respective operations and for reporting any such risks as soon as they are detected or proven.

Documentation of the processes that may materially affect financial reporting is subject to ongoing monitoring and improvement.

An important part of this monitoring and improvement process is updating the scope of the Internal Control over Financial Reporting System (ICFR system) to determine, within the Group, the relevant companies, and also to identify the significant operating or support processes for such companies and their associated risks. All of this is based on the materiality and risk factors inherent to each division.

This scope is determined based on qualitative and quantitative materiality criteria to identify relevant areas and critical processes with a significant impact on financial reporting, relevant items of the financial statements and of financial information in general, and the most significant transactions, as well as material companies, considering the existing degree of centralisation/decentralisation.

Based on the scope determined at any given time and on the processes involved in generating financial information, risks that may affect the information are identified, covering all financial reporting objectives (existence and occurrence; completeness; valuation; rights and obligations; and submission and reporting) and taking into account the various risk categories described previously to the extent that they affect financial reporting.

The scope of the ICFR system is reviewed at least annually before the financial reporting schedule of subsidiaries is determined, and whenever a new company with a significant impact is included or excluded from the Group's scope of consolidation. In this regard, the Group has a scope of consolidation identification process, whereby the Group's Corporate Economic and Administrative Division updates the scope considering notifications of changes received based on the defined procedure. In 2022, three new companies were included within the scope of the ICFR system.

The Group's General Economic and Financial Department is responsible for maintaining the scope and financial information risk identification process, and is also charged with informing external and internal audit of any changes in the scope.

F.5.1. THE ACTIVITIES OF THE AUDIT COMMITTEE IN OVERSEEING ICFR AS WELL AS WHETHER THERE IS AN INTERNAL AUDIT FUNCTION ONE OF THE RESPONSIBILITIES OF WHICH IS TO PROVIDE SUPPORT TO THE COMMITTEE IN ITS TASK OF SUPERVISING THE INTERNAL CONTROL SYSTEM, INCLUDING, ICFR. ADDITIONALLY, DESCRIBE THE SCOPE OF ICFR ASSESSMENT MADE



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DURING THE YEAR AND THE PROCEDURE THROUGH WHICH THE PERSON RESPONSIBLE PREPARES THE ASSESSMENT REPORTS ON ITS RESULTS, WHETHER THE COMPANY HAS AN ACTION PLAN DESCRIBING POSSIBLE CORRECTIVE MEASURES, AND WHETHER ITS IMPACT ON FINANCIAL REPORTING IS CONSIDERED.

INTERNAL AUDIT DEPARTMENT:

The Board of Directors instigated the creation of the Group's Internal Audit Department. The aim was to have an independent and objective assurance, internal control and consultation service that supported the organisation in effectively discharging its responsibilities, executing its strategy and achieving its objectives.

The Internal Audit Department is part of OHLA Group's organisation, but not an executive body. It operates in accordance with the policies established by the Board of Directors through its Audit and Compliance Committee.

The Internal Audit Department reports to the Audit and Compliance Committee and its basic functions, as outlined in the Internal Audit Charter, are as follows:

- Reviewing the accuracy, reliability, quality and completeness of the records and financial, operational and sustainability reporting. This entailed checking the reliability and effectiveness of the internal control and risk management systems and related processes, and, in particular, reviewing the IFRC system and the adequacy of the controls in place.
- Providing information to the Board of Directors, through the Audit Committee, to facilitate its potential assessment regarding the adequate and efficient use of the Group's resources.
- Overseeing that risk management is aligned with OHLA Group's policies and Code of Ethics.
- Verifying the existence and status of assets and checking that the measures to protect their integrity are suitable.
- Verifying that rules, procedures and processes are in place to govern the main activities appropriately and allow for the correct measurement of their economy and efficiency.
- Assessing the degree of compliance with the rules, instructions and procedures established within the Group. This includes verifying compliance with relevant legislation and, specifically, the correct operation of compliance systems in place within the organisation, e.g. the crime prevention system, the anti-corruption system and the antitrust programme.
- Proposing the implementation, amendments, reviews or adaptations of processes and internal regulations that are necessary to improve operations.
- Reviewing OHLA Group's newly issued internal regulations or their amendments before their definitive approval.
- Maintaining coordinated relationships with the work performed by the external auditor as a complementary, and not a subsidiary or substitute, activity.
- Issuing recommendations to help correct anomalies or shortcomings detected in the course of the work and monitoring their implementation.
- Preparing and presenting the proposed Annual Internal Audit Plan and the internal audit activity report to the Audit and Compliance Committee.
- Performing any specific task entrusted to it by the Audit Committee.
- Keeping an up-to-date inventory of fraud risks and the associated controls and testing the effectiveness of those controls on a rotating annual review basis.
- Conducting and coordinating investigations into potential irregularities reported through the Ethics Channel or uncovered during audits.
- Attending as a guest to various internal Group committees' meetings to learn about the activities performed, monitoring recommendations and contributing value.

All these functions are discharged exclusively by the members of the Internal Audit Department and not combined with other duties.

RISK AND INTERNAL CONTROL DEPARTMENT:

The Group has a Risk and Internal Control Department, which reports to the Audit and Compliance Committee, to promote risk and internal control management. Its main functions are as follows:

- Coordinating, guiding and supporting the strategic, operational, organisational and regulatory actions related to risk management across the entire Group.
- Assisting the Board of Directors and defining the Group's risk appetite in its various categories and articulate it in the appropriate rules and procedures.
- Laying down the methodologies and tools for preparing the Group's annual risk map and, through its preparation and updating, leading the process for identifying and assessing the risks to which OHLA is exposed in carrying out its operations.
- Establishing the procedures, methodologies and tools to enable the first line to act at any given time in accordance with the level of risk appetite determined, offering the necessary support and overseeing their operation. This implies:
 - Drawing up, implementing and updating, in conjunction with the various areas, the risk management procedures considered appropriate within the Group for the operational management of its risks based on the best market standards.
 - Performing ad hoc oversight of the analyses carried out by the various areas of the level of risk exposure associated with transactions identified as significant or exception, then preparing the appropriate reports on OHLA's risk position to be reported to the Chief Executive Officer, the Audit and Compliance Committee and/or the Board of Directors of OHLA.
 - Preparing action proposals that reduce the level of, or exposure to, certain types of risks and minimise their impact.
 - Providing the necessary tools and methodologies for controlling and managing project and operational risks, and carrying out training and awareness initiatives within the Group about risk management policies.
 - Attending guarantee, procurement and investment committee meetings to ensure that the risk tolerance levels approved by the Group's Board of Directors are not breached.



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- Proposing, disseminating, distributing and keeping up to date OHLA Group's 'red lines'.
- Making available the necessary tools and methodology for conducting third-party due diligence (TPDD) to assess the risks the Group facing in its relationships with third parties (e.g. customers, partners and suppliers/subcontractors).
- Classifying regularly the country risk used by the Group as a reference for carrying out its operations and preparing related reports.
- Preparing, documenting and maintaining the Internal Control System, compliance with which by OHLA's various business areas ensures mitigation of the risks inherent to operating and financial and non-financial reporting processes, and ensuring its continuous improvement.
- Periodically reporting to the Secretary of the Board and the Audit and Compliance Committee on execution of the Annual Action Plan with regard to its management and on the main risks identified and the monitoring of the mitigation measures put in place.

ACTIVITIES OF THE AUDIT AND COMPLIANCE COMMITTEE IN 2022:

The Audit and Compliance Committee's main function is to serve as support to the Board of Directors in overseeing and supervising the functioning of the Group. Its main duties are to: (i) Oversee, periodically, the financial information preparation and presentation process; (ii) Oversee the effectiveness of internal control, internal audit services and the risk management systems; and (iii) Guarantee the external auditor's independence and ascertain its opinion on the significant weaknesses of the internal control system.

The Audit and Compliance Committee reviews all public financial information submitted by the Group to the CNMV before its approval by the Board of Directors and after publication and gathers all the explanations it deems fit from the Group's General Economic and Financial Department or from any other responsible party.

At its meetings, it reviews all the reports issued by the Internal Audit Department on the Group's subsidiaries regarding projects executed directly or with non-controlling interests, on investigations of potential irregularities and fraud, and on compliance with internal regulations and any other issue covered by the Annual Internal Audit Plan or requested by the Committee. It also receives and reviews reports issued by the Risk and Internal Control Department on the main weaknesses identified and the proposed recommendations.

The content of the Internal Audit Department's Annual Plan, which is approved annually by the Audit and Compliance Committee, is defined based on OHLA Group's general and specific objectives and the risks that may threaten achievement of those objectives, prioritising matters that require particular attention in each functional area. Therefore, it includes a selection from each area of processes or activities that:

- Are a priority in the Group's strategy and risk management.
- Are associated with the possible existence of contingencies or serious breaches for the Group.
- Have previously given rise to a particular problem or indicate a potential anomaly.
- Form part of significant changes in the year or are newly implemented.
- Have not been audited within a reasonable period of time.
- Are of interest to the Group's Board of Directors or management.

In planning its activities, Internal Audit pays special attention to the Risk Map, considering the possible impact of those risks on the processes.

In 2022, audits were performed in the various divisions covering the following processes:

- Construction work and industrial projects and services
- Obtainment of indicators and alerts on specific parameters
- On-site purchases
- Claims and litigation with customers and suppliers
- Procedures and policies in Pacadar
- Pacadar's statement of financial position
- Achievements of variable remuneration targets
- Customer service arrangements
- Internal Control over Financial Reporting (ICFR) system
- Anti-corruption Management System
- Antitrust System
- Crime Prevention System
- Anti-Money Laundering System
- Use of DBEs in the US
- Review of internal rules and regulations

Although organisation-wide work was also performed in several additional geographical areas, the review of construction/services/ projects was performed in the following countries: USA, Czech Republic, Chile, Spain, Colombia, Peru and Sweden.

As for oversight the ICFR system in accordance with the multi-year rotation plan, in 2022 the implementation and effectiveness of controls was audited through the review of a sample of controls at companies representing the majority of the Group's revenue. No deficiencies were detected as a result of the work by Internal Audit. Internal Audit, which has a specialised fraud prevention and investigation unit, also performed actions in this area on an ongoing basis throughout the year.

In 2022, work continued to verify compliance with human rights matters and support for the significant environmental parameters used by the Group in sustainability-related reports.



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For all the weaknesses described in the reports prepared, the appropriate corrective measures were taken. Significant recommendations are regularly monitored at Management Committee meetings.

The actions taken are included in the Annual Internal Audit Report submitted to the Audit and Compliance Committee.

Internal Audit also oversees the implementation of any new internal policy or regulation, as well as any amendment to existing regulations or policies, ensuring consistency and compliance with policies established by management and the Board of Directors.

The Audit and Compliance Committee promotes improvement of the risk management system, which is one of OHLA's top priorities. Therefore, in 2022, the Corporate Internal Risk and Control Department made inroads in several lines of action, including:

- Reviewing and drafting standards and procedures to reinforce control over the life cycle of projects, by standardising their management, and of risks in the Company's operating process, by unifying criteria, approaches and tools among all areas involved.
- Laying the foundations for easier and more effective monitoring of ongoing projects.
- Preparing the centralised information repository environment to enhance business intelligence and allow adequate data analytics to identify underlying risks and detect trends that could result in an early warning system to enhance control and management of the Group's risks.
- Updating the risk map.
- Permanently updating the country risk model.

In 2023, OHLA will continue to assess the risks and opportunities it faces, proactively taking the necessary steps to mitigate their impact and/or probability of occurrence and implementing an early warning system to enhance the control and management of the Group's risks. It will be committed to data analytics to assist the Company's strategic decision-making based on historical data and future forecasts.

ADHERENCE TO THE CODE OF GOOD TAX PRACTICES.

The Company hereby states that by resolution of the Board of Directors on 12 May 2015, OHL Group adopted the Spanish Code of Good Tax Practices with the Spanish Ministry of Economy and Finance, and endorses those principles.

This Annual Corporate Governance Report was approved by the Board of Directors of the company in its meeting held on:

[28/03/2022]

Indicate whether any director voted against or abstained from approving this report.

[] Yes
[✓] No

Auditor's Report on the "Information relating to the system of Internal Control over Financial Reporting (ICFR)" of OBRASCÓN HUARTE LAIN, S.A. for 2022

(Free translation from the original in Spanish)



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AUDITOR'S REPORT ON THE "INFORMATION RELATING TO THE SYSTEM OF INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)"

To the directors of Obrascón Huarte Lain, S.A.

At the request of the Board of Directors of Obrascón Huarte Lain, S.A. (the "Entity") and in accordance with our proposal dated 23 January 2023, we have applied certain procedures to the accompanying "ICFR-related information" of Obrascón Huarte Lain, S.A. for 2022, which summarises the Entity's internal control procedures in respect of its annual financial reporting.

The Directors are responsible for adopting the appropriate measures in order to reasonably guarantee the implementation, maintenance and supervision of an adequate internal control system, and for making improvements to that system, and preparing and establishing the content of the accompanying ICFR-related information.

It should be noted that irrespective of the quality of the design and effectiveness of the internal control system adopted by the Entity in relation to its annual financial reporting, it can only provide reasonable, rather than absolute assurance with respect to the objectives pursued, due to the inherent limitations to any internal control system.

In the course of our financial statement audit work and in keeping with Spain's Technical Auditing Standards, the sole purpose of our assessment of the Entity's internal control system was to establish the scope, nature, and timing of the Entity's financial statement audit procedures. Accordingly, our internal control assessment, performed in connection with the financial statement audit, was not sufficiently broad in scope to enable us to issue a specific opinion on the effectiveness of the internal control over the regulated annual financial reporting.

For the purpose of issuing this report, we exclusively applied the specific procedures described below and indicated in the Guidelines on the Auditors' report relating to information on the Internal Control over Financial Reporting in Listed Companies, published by the Spanish National Securities Market Commission (CNMV) on its website, which establishes the work to be performed, the minimum scope thereof and the content of this report. Given that the scope of the abovementioned procedures performed was limited and substantially less than that of an audit or a review of the internal control system, we do not express an opinion on the effectiveness thereof, or its design or operating effectiveness, in relation to the Entity's annual financial reporting for 2022 described in the accompanying ICFR-related information. As a result, had we applied additional procedures to those established by the Guidelines mentioned above or had we performed an audit or a review of the internal control over regulated annual financial reporting, other matters might have been come to our attention that would have been reported to you.



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Furthermore, since this special engagement neither constitutes a financial statement audit nor is it subject to prevailing audit regulations in Spain, we do not express an audit opinion in the terms provided for in those regulations.

The procedures performed were as follows:

1. Reading and understanding the ICFR-related information prepared by the Entity – disclosures included in the Management Report – and assessing whether such information addresses all the reporting requirements following the minimum content detailed in section F relating to the description of the ICFR system in the Annual Corporate Governance Report template established in CNMV Circular 5/2013 of 12 June 2013, and subsequent amendments, the most recent of which is CNMV Circular 3/2021, of 28 September (the "CNMV Circulars").
2. Making inquiries of personnel responsible for preparing the information detailed in point 1 above to: (i) obtain an understanding of the process following in its preparation; (ii) obtain information that allows us to assess whether the terminology used is adapted to the reference framework definitions; and (iii) obtain information on whether the control procedures described are in place and in use by the Entity.
3. Reviewing the explanatory documentation supporting the information detailed in point 1 above, including primarily documents directly made available to those responsible for describing the ICFR system. This documentation includes reports prepared by the Internal Audit Department, senior management, and other internal and external experts in their role supporting the Audit and Compliance Committee.
4. Comparing the information detailed in point 1 above with our knowledge of the Entity's ICFR system obtained through the procedures applied during our audit of the annual financial statements.
5. Reading the minutes of the meetings of the Board of Directors, the Audit and Compliance Committee, and other Entity committees to evaluate the consistency between the ICFR system matters addressed and the information detailed in point 1 above.
6. Obtaining a representation letter in connection with the work performed, duly signed by those responsible for preparing and authorising for issue the information detailed in point 1 above.



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As a result of the procedures applied to the ICFR-related information, no inconsistencies or incidents have come to our attention which might affect it.

This report was prepared exclusively within the framework of the requirements stipulated in article 540 of the consolidated text of the Spanish Corporate Enterprises Act (*texto refundido la Ley de Sociedades de Capital*) and CNMV Circulars on ICFR system description in Annual Corporate Governance Reports.

ERNST & YOUNG, S.L.

(Signed on the original Spanish version)

José Enrique Quijada Casillas

27 April 2023

Annual report on director remuneration



ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

ISSUER IDENTIFICATION DETAILS

Year end-date: [31/12/2022]
 TAX ID (CIF): [A-48010573]

Company name:
 [OBRASCON HUARTE LAIN, S.A.]

Registered office:
 [PASEO DE LA CASTELLANA, 259 D, TORRE ESPACIO MADRID]



ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR

A.1.1 Explain the current director remuneration policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the General Shareholders' Meeting, provided that these references are clear, specific and concrete.

Such specific determinations for the current year as the board may have made in accordance with the contracts signed with the executive directors and with the remuneration policy approved by the General Shareholders' Meeting must be described, as regards directors' remuneration both in their capacity as such and for executive functions carried out.

In any case, the following aspects must be reported, as a minimum:

- Description of the procedures and company bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.
- Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.
- Information on whether any external advisors took part in this process and, if so, their identity
- Procedures set forth in the current remuneration policy for directors in order to apply temporary exceptions to the policy, conditions under which those exceptions can be used and components that may be subject to exceptions according to the policy.

The remuneration policy applicable to directors of Obrascón Huarte Lain, S.A. ("OHLA" or the "Company") in 2023 is the policy approved by shareholders at the General Shareholders' Meeting held on 2 June 2022, with 93.1226% of share capital present voting in favour (the "Remuneration Policy", the "Policy" or the "2022-25 Policy").

The Policy is aligned with the requirements of Law 5/2021, of 12 April, amending the revised text of the Spanish Corporate Enterprises Act (Ley de Sociedades de Capital), approved by Legislative Royal Decree 1/2010, of 2 July (the "Corporate Enterprises Act"), and other financial regulations, as regards the encouragement of long-term shareholder engagement in listed companies ("Law 5/2021") and good corporate governance practices.

For the purposes of this report and as approved at the General Shareholders' Meeting, the Policy is applicable until 31 December 2025, unless a new remuneration policy is approved before then.

The general principles guiding OHLA's Remuneration Policy are as follows:

- Transparency:** the Company is committed to transparency in director remuneration, recognising the establishment of a Policy that is clear and known, available to all stakeholders.
- Prudent and effective risk management:** the remuneration system is compatible with appropriate and effective risk management, in line with the Company's approved risk management policy. The amount of remuneration is determined based on a principle of prudence and is sufficiently high to compensate directors for their dedication, qualifications and responsibility without compromising their duty of loyalty.
- Alignment with corporate governance recommendations:** the Policy respects the corporate governance principles and recommendations undertaken by the Company and those outlined in its Code of Ethics.
- Independence and absence of variable components:** remuneration should be structured in a way that does not compromise the independent judgement of directors in discharging their general directorship duties, so it comprises exclusively a fixed amount for attending board meetings and membership of the Board of Directors (the "Board" or the "Board of Directors") and Board committees and does not include any variable components.
- Fairness:** it takes in account market trends and is devised in accordance with the Company's strategic focus, and is effective in attracting, motivating and retaining the best people.
- Link to the corporate strategy, interests and long-term stability:** it contributes to the Company's corporate strategy and long-term stability, by being aligned with the objectives of shareholders and creating value sustainably over time.
- Balance between fixed and variable remuneration:** the remuneration of directors who perform executive functions has an appropriate and efficient balance between fixed and variable components based on the responsibilities, dedication and achievement of targets by the directors.
- Link between remuneration and results ("pay for performance"):** the remuneration of directors who perform executive functions is designed with a medium- and long-term view so as to encourage directors' performance in strategic terms by linking it to achievement of the objectives of the Company and the Group (the "Group" or "OHLA Group").


**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

Based on the above, OHLA's Remuneration Policy includes the principles and guidelines described above, which are consistent with the Company's corporate governance policy. Moreover, it complies with the Corporate Enterprises Act to the extent that it is geared towards generating value for OHLA and aligning interests of shareholders with prudent risk management and full respect for the good corporate governance recommendations assumed.

CONTINUES IN SECTION D OF THIS REPORT.

A.1.2 Relative importance of variable remuneration items vis-à-vis fixed remuneration (remuneration mix) and the criteria and objectives taken into consideration in their determination and to ensure an appropriate balance between the fixed and variable components of the remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, which will include, as the case may be, mention of the measures taken to ensure that the long-term results of the company are taken into account in the remuneration policy, the measures adopted in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the company and measures in place to avoid conflicts of interest.

Furthermore, indicate whether the company has established any period for the accrual or vesting of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or delivery of accrued and vested financial instruments, or whether any clause has been agreed reducing the deferred remuneration not yet vested or obliging the director to return remuneration received, when such remuneration has been based on figures that have since been clearly shown to be inaccurate.

RELATIVE IMPORTANCE OF VARIABLE REMUNERATION ITEMS VIS-À-VIS FIXED REMUNERATION (remuneration mix). As provided for in the Remuneration Policy, the remuneration of External Directors (or Non-executive Directors) does not include any variable components. Therefore, only Executive Directors are eligible to participate in variable remuneration schemes. This complies with Recommendation 57 of the Good Governance Code of Listed Companies ("GGCLC") of the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores or "CNMV"), as revised in June 2020, which states that variable remuneration should be confined to executive directors.

Specifically, the Chief Executive Officer's remuneration scheme has a variable component aimed at aligning remuneration with OHLA's and its shareholders' objectives and encouraging performance in strategic terms.

The Company's aim is to design remuneration packages that are aligned with market trends so as to attract, motivate and retain the best people, while linking remuneration to the Company's and the Group's results and targets.

In accordance with the Policy and the terms of his or her contract, the variable remuneration scheme of the Chief Executive Officer may include three variable components: (i) annual variable remuneration, (ii) multi-year variable remuneration, and (iii) extraordinary variable remuneration. This scheme has an appropriate and efficient balance between fixed and variable components based on responsibilities, dedication and achievement of strategic targets. However, the relative importance of the Chief Executive Officer's variable remuneration could, depending on the level of achievement of performance targets for the accrual of variable remuneration, become relatively more important than the fixed remuneration components.

The Chief Executive Officer's variable remuneration is linked to the achievement of a combination of specific, predetermined and quantifiable economic-financial, industrial and operational targets of the Company, the related division or business unit, which must be aligned with the interests of shareholders and the Company's strategic plan. The Chief Executive Officer's individual performance may also be evaluated and a weighting assigned to other corporate governance and corporate social responsibility targets, which may be quantitative or qualitative.

Specifically, in determining the relative importance of variable components vis-à-vis fixed components ("remuneration mix"), the following are taken into account:

- Fixed cash remuneration for 2023 of EUR 1,200,000.
- Annual variable remuneration of EUR 1,200,000 for a level of achievement of 100% of the predetermined targets. This amount may be increased to a maximum of 140% of the fixed remuneration for performance which is exceptional and above target. In this case, the maximum amount would be EUR 1,680,000.

According to the Remuneration Policy, OHLA's current Chief Executive Officer could earn the total remuneration shown below. The possible outcomes and assumptions are based on:

Chief Executive Officer
Fixed remuneration* EUR 1,200,000
Annual variable remuneration 100% target: fixed remuneration
Maximum: 140% fixed remuneration

* Represents the gross annual amount for 2023 (excluding potential increases in accordance with the Remuneration Policy). No fixed remuneration in kind is included for these purposes.


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Therefore, regarding the "Remuneration Mix", the Chief Executive Officer's annual "target" variable remuneration is equal to half of his total annual remuneration (i.e. sum of annual fixed remuneration and short-term variable remuneration, excluding amounts of remuneration in kind) and the "maximum annual" variable remuneration 58% of the Chief Executive Officer's total annual remuneration.

The Chief Executive Officer may also receive multi-year variable remuneration, if approved by shareholders at the General Meeting. The related resolution at the Meeting must specify the maximum number of shares that the Chief Executive Officer may receive for participation in that remuneration scheme. The scheme may include a deferral period for delivery of the shares, so that the shares are received in instalments over time.

At the General Meeting held on 28 May 2019, shareholders approved a multi-year variable share-based remuneration plan that included the possibility of granting the Chief Executive Officer variable remuneration linked to his minimum contract term in the Company, and to the achievement of the targets set by the Board of Directors.

However, at its meeting held in November 2019, OHLA's Board of Directors agreed to suspend the multi-year variable share-based remuneration plan. As at the date of preparation of this Report, the suspension was still in effect. Therefore, as at the date of preparation of this report, the Chief Executive Officer did not participate in any multi-year variable remuneration system.

The Policy also states that the Chief Executive Officer may be eligible for extraordinary variable remuneration if, in the opinion of the Board of Directors, he or she has played a decisive role in transactions that are significant or transformational for OHLA Group and the results of which have a major and positive impact on the Company and its shareholders. According to the Remuneration Policy, it is up to the Board of Directors, based on a recommendation by the NRC, to establish the terms and conditions of any such remuneration.

ACTIONS TAKEN BY THE COMPANY IN RELATION TO THE REMUNERATION SYSTEM TO REDUCE EXPOSURE TO EXCESSIVE RISKS AND ALIGN IT WITH THE LONG-TERM OBJECTIVES, VALUES AND INTERESTS OF THE COMPANY, ACCRUAL PERIOD AND DEFERRAL OF PAYMENT. The Remuneration Policy's remuneration principles comply with the Corporate Enterprises Act and are aligned with the principles and recommendations regarding director remuneration included in the GGCLC regarding the Company's size and importance, economic situation, comparability, profitability and sustainability, and the avoidance of excessive risk-taking and not rewarding poor performance.

In this respect, OHLA applies the following practices:

- Engage external advice where necessary.
- Review market trends periodically.
- Establish clawback arrangements for variable remuneration.
- Link payment of a significant portion of remuneration to the Company's economic-financial performance.

Measures to reduce exposure to excessive risk-taking and reinforce alignment with OHLA's long-term strategy, interests, objectives and values, and to provide sustainability to the Company's results are as follows:

- The NRC regularly reviews the Remuneration Policy, overseeing its compliance.
- The annual variable remuneration is paid after the authorisation for issue of the relevant financial statements and after having determined the level of achievement of financial targets. In this respect, the portion of annual variable remuneration linked to the results of the Company or one or more of its divisions should bear in mind any qualifications stated in the external auditor's report that reduce their amount.
- There is no entitlement to guaranteed variable remuneration, since there is a minimum threshold for achievement of targets below which this remuneration is not paid.
- There is a cap on annual variable remuneration.
- The amount of annual variable remuneration is contingent on the level of achievement of targets determined annually based on a recommendation by the NRC and approved by OHLA's Board of Directors.
- Included is a related clawback arrangement, which enables OHLA to demand reimbursement of the variable components of remuneration when payment was not in accordance with the performance conditions or when payment was made on the basis of data that have subsequently been clearly shown to have been inaccurate.
- If exceptional events occur, due to circumstances within or outside the Company, the NRC may submit a proposal to the Board of Directors to adjust the variable remuneration.
- The NRC is currently composed of five (5) members, two (2) of whom are also members of the Audit and Compliance Committee. The inter-related membership of directors of both committees ensures that risks related to remuneration are taken into consideration in the committees' discussions and the proposals submitted to the Board of Directors for determining and evaluating the annual incentives.

MEASURES IN PLACE TO AVOID CONFLICTS OF INTEREST.

Article 31 of the Board Regulations establish, among others, as basic obligations arising from the director's duty of loyalty the adoption of the necessary measures to avoid situations in which their interests, either as independent professionals or as employees, may be in conflict with the corporate interests of, and their duties to, the Company.

Specifically, Article 32 of the Board Regulations lists the acts that directors must refrain from carrying out, in compliance with the duty to avoid situations of conflict of interest. These provisions also apply if the beneficiary of the acts or of the prohibited activities is a person related to the director. In any case, directors must notify the Board of Directors of any direct or indirect conflict of interest that they or persons related to them might have with the interests of the Company. Conflicts of interest in which directors might be involved must be disclosed in the notes to the financial statements.



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A.1.3 Amount and nature of fixed components that are due to be accrued during the year by directors in their capacity as such.

The General Shareholders' Meeting is responsible for determining the annual remuneration that may be paid by the Company to all of directors in their capacity as such. The Board of Directors is responsible for distributing the amount among the various directors as, when and in the proportion it sees fit, and may reduce the amount if and when it considers this to be advisable.

At OHLA's General Shareholders' Meeting held on 2 June 2022, approval was given, through the Policy, for Maximum Annual Remuneration of EUR 1,550,000.

The breakdown of the Maximum Annual Remuneration for 2023 is based on the criteria approved by the Board of Directors at its meeting held on 15 June 2020 and is as follows:

- For membership of the Board of Directors: EUR 110,000 per year.
- For membership of a Board committee: EUR 20,000 per year.
- For chairmanship of the Audit and Compliance Committee: EUR 35,000 per year.
- For chairmanship of the NRC: EUR 25,000 per year.
- For chairmanship of the Guarantee Committee: EUR 25,000 per year.
- For holding the post of Independent Coordinating Director: EUR 15,000 per year.

External Directors are also entitled to the remuneration in kind set out in sub-section A.1.5. of this report as fixed components of their remuneration.

Lastly, External Directors residing outside the region where the Company's registered office is located shall receive travel allowances for expenses incurred in discharging their duties.

According to the Company's Bylaws, the remuneration received by External Directors is compatible with, and independent of, the remuneration received by Executive Directors, during the term of the Policy, the Maximum Annual Remuneration will only be distributed among External Directors who do not perform executive functions in the Company.

A.1.4 Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.

Executive Directors receive fixed annual cash remuneration for performing executive functions within the Company. The amount of the Executive Director's fixed remuneration is determined by the Board of Directors on a recommendation by the NRC, based on the level of responsibility and dedication the post demands, the Executive Director's experience and career trajectory at OHLA, its alignment with the remuneration of the management team and its competitiveness in comparison to equivalent functions in peer or comparable companies. It may be revised regularly by the Board of Directors.

The Chief Executive Officer's fixed annual cash remuneration remains unchanged during the period covered by the Policy, unless the Board of Directors, on a recommendation by the NRC, resolves to update the amount in accordance with the specific responsibility and characteristics of the duties performed and the results of market studies and research conducted by external advisors. This remuneration for 2023 amounts to EUR 1,200,000.

The Chief Executive Officer is also entitled to the benefits stipulated in sub-section A.1.5 below.

A.1.5 Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director.

The Remuneration Policy provides for certain remuneration in kind as follows:

- For all directors:
 - Third-party liability insurance:

In accordance with the Bylaws, the Company may take out insurance policies for all directors covering third-party liability from the discharge of their duties under standard market terms and conditions bearing in mind the Company's own circumstances.

- For all Executive Directors:
 - Health insurance:

The Chief Executive Officer and family members are beneficiaries of a health insurance policy. The terms depend on the policy taken out at any given time, with OHLA bearing the entire cost.

- Contributions to life and accident insurance:

The Chief Executive Officer is beneficiary of life and accident insurance as part of a mixed group insurance policy taken out from an insurance company. The cost of the policy is borne by the Company.



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A.1.6 Amount and nature of variable components, differentiating between those established in the short and long terms. Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration for the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, and to its risk profile, and the methodology, necessary period and techniques envisaged to be able to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.

Indicate the range, in monetary terms, of the different variable components according to the degree of fulfilment of the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.

The Chief Executive Officer is the only director whose remuneration scheme includes a variable component.

Annual variable remuneration:

As explained in sub-section A.1.2 above, as at the date of preparation of this report, the Chief Executive Officer was part of an annual variable remuneration scheme linked to the achievement of specific, predetermined and quantifiable targets aligned with the interests of OHLA shareholders and the Company's strategic plan. This does not make him ineligible to participate in other variable remuneration systems included in the Policy.

The Chief Executive Officer's annual variable remuneration represents a percentage of his fixed annual remuneration, calculated based on the achievement of a combination of predetermined and quantifiable quantitative and qualitative targets. This remuneration may be paid in cash or shares.

The Board of Directors, on a recommendation by the NRC, sets the targets each year and evaluates the level of achievement after the end of the year.

The parameters used by OHLA to calculate the annual variable remuneration for 2023 included certain specific, previously determined and quantifiable economic-financial, industrial and operating targets for the Company, the division or the business unit under the responsibility of the Chief Executive Officer. Individual performance may also be evaluated and a weighting assigned to other corporate governance and corporate social responsibility targets, which may be quantitative or qualitative.

The terms and conditions of the Chief Executive Officer's variable remuneration scheme are reviewed annually by the NRC, taking into account the Company's strategy and business situation. This review is subsequently submitted for approval by the Board of Directors.

The quantitative targets set for the Chief Executive Officer for 2023 are linked to order intake, cash generation, debt and EBITDA, with a relative weight of 70%, and certain personal targets, with a relative weight of 30%.

The level of achievement of the targets will be determined according to the weightings that at any given time are established by the Board of Directors on a recommendation by the NRC.

Payment of the annual variable remuneration deferred for one year. Therefore, annual variable remuneration for 2023 will be paid, if applicable, in 2024.

If exceptional events occur, due either to circumstances within or outside the Company, the NRC may submit a proposal to the Board of Directors to adjust the variable remuneration.

The portion of annual variable remuneration whose payment is linked to results of the Company or one or more of its divisions should bear in mind any qualifications stated in the external auditor's report that reduce their amount.

Lastly, the annual variable remuneration scheme includes a clawback arrangement, which enables OHLA to demand reimbursement of the variable components of remuneration when payment was not in accordance with the performance conditions or when payment was made on the basis of data subsequently shown to have been inaccurate.


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The Board of Directors, based on a report by the NRC, shall determine whether or not such circumstances have occurred and any variable remuneration that must be returned.

Multi-year variable remuneration:
According to the Policy, the Chief Executive Officer may be included in any multi-year variable remuneration systems approved by the Board of Directors and linked to his or her continued employment and the achievement of certain strategic objectives.

The Chief Executive Officer's inclusion in this type of scheme will require, for remuneration that entails the delivery of shares or share options or is linked to the share price, approval by the General Shareholders' Meeting, as provided for in Article 219 of the Corporate Enterprises Act and in the Company's Bylaws.

As at the date of preparation of this report, the Chief Executive Officer did not participate in any multi-year variable remuneration system as provided for in sub-section A.1.2.

Extraordinary variable remuneration:
Executives Directors may receive extraordinary variable remuneration if, in the opinion of the Board of Directors, they have played a decisive role in transactions that are significant or transformational for OHLA Group and the results of which have a major and positive impact on the Company and its shareholders. It is up to the Board of Directors, based on a recommendation by the NRC, to establish the terms and conditions of any such remuneration.

The clawback arrangement for annual variable remuneration described shall not apply to the extraordinary variable remuneration under the terms of the Policy.

A.1.7 Main characteristics of long-term savings systems. Among other information, indicate the contingencies covered by the scheme, whether it is a defined contribution or a defined benefit scheme, the annual contribution that has to be made to defined contribution schemes, the benefits to which directors are entitled in the case of defined benefit schemes, the vesting conditions of the economic rights of directors and their compatibility with any other type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director.

Indicate whether the accrual or vesting of any of the long-term savings plans is linked to the attainment of certain objectives or parameters relating to the director's short- or long-term performance.

As at the date of preparation of this report, the Company did not have any long-term savings plans for directors.

A.1.8 Any type of payment or severance pay for early termination or dismissal of the director, or deriving from the termination of the contractual relation, in the terms provided, between the company and the director, whether voluntary resignation by the director or dismissal of the director by the company, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, permanence or loyalty, which entitle the director to any type of remuneration.

The Remuneration Policy does not provide for any indemnifications for External Directors for termination of their duties as director.

According to the Chief Executive Officer's contract, the Company or the Chief Executive Officer may unilaterally terminate the Chief Executive Officer's contract by giving at least three (3) months' notice in writing to the other party. In the event of full or partial breach of the notice period, the party that has taken the decision to terminate the contract shall pay the other party an amount equal to EUR 100,000 for each month of notice not given, or the proportional part thereof in the event of incomplete months. The Chief Executive Officer shall be entitled to additional severance pay for an amount equal to two (2) years of fixed remuneration at the date of termination of his contract, if the termination is decided by the Company without just cause, or breach by the Chief Executive Officer of his obligations and duties in the discharge of his functions, including those provided for specifically in his contract.

FACTS OR AGREEMENT ON EXCLUSIVITY, POST-CONTRACTUAL NON-COMPETITION AND MINIMUM CONTRACT TERMS OR LOYALTY THAT ENTITLE THE DIRECTOR TO ANY TYPE OF REMUNERATION.

The Chief Executive Officer's contract includes such facts, as explained in sub-section A.1.9 of this report.


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A.1.9 Indicate the conditions that the contracts of executive directors performing senior management functions should contain. Among other things, information must be provided on the duration, limits on amounts of indemnification, minimum contract term clauses, notice periods and payment in lieu of these notice periods, and any other clauses relating to signing bonuses, as well as compensation or golden parachute clauses for early termination of the contractual relationship between the company and the executive director. Include, among others, the pacts or agreement on non-competition, exclusivity, minimum contract terms and loyalty, and post-contractual non-competition, unless these have been explained in the previous section.

CONDITIONS THAT THE CONTRACTS OF EXECUTIVE DIRECTORS PERFORMING SENIOR MANAGEMENT FUNCTIONS SHOULD CONTAIN.
According to the Corporate Enterprises Act and the Company's internal rules and regulations, the Board of Directors, on a recommendation by the NRC, shall approve the basic terms of Executive Directors' contracts (including any remuneration or severance pay in the event of dismissal) for performing executive duties.

The main terms and, especially, remuneration, rights and economic compensation of each Executive Director, are (i) specified in their respective contracts, (ii) within the remuneration components specified in OHLA's Bylaws, and (iii) in accordance with the Remuneration Policy in force.

The basic terms and conditions of the Chief Executive Officer's contract, which are standard for this type of contract, are as follows:

- **Duration:** the duration of the Chief Executive Officer's contract is tied to his tenure as director.
- **Exclusivity:** the Chief Executive Officer shall provide services on a full-time basis to OHLA and may not provide services to any third parties, whether or not they are competitors of OHLA, during the term of the contract. In this regard, without previous and express authorisation by the Board of Directors, the Chief Executive Officer shall refrain from engaging, directly or indirectly, in any professional activity outside the scope of the OHLA Group, for third parties or for his own account, even if such activity does not compete with those of any Group company.
- **Confidentiality:** the Chief Executive Officer undertakes not to disclose, and to prevent unauthorised third parties from learning about, any of the business plans, procedures, methods, information, commercial or industrial data, know-how and technical documents belonging to the Group relating to its operations that, by their nature, are considered confidential either because they are in his possession or because he has had access to them by reason of his post. To this end, the Chief Executive Officer shall exercise this diligence both while rendering his services and after his relationship with the Company ends.
- **Notice period:** there is a three-month notice period under the terms explained in sub-section A.1.8 above.
- **Severance pay:** the contract provides for entitlement to the severance pay provided for in sub-section A.1.8 above.
- **Post-contractual non-competition:** a post-contractual non-competition agreement may be triggered upon cessation of the post of Chief Executive Officer for a period of up to one (1) year.

The Chief Executive Officer's contract provides for the possibility that the Board of Directors may impose on the Chief Executive Officer the obligation of comply with a post-contractual non-competition obligation when stepping down from or leaving office, for a stipulated period of one (1) year as of that date. If the Board of Directors decides to activate this post-contractual non-competition obligation, the Chief Executive Officer will be entitled to receive, upon termination of the contract, an amount of EUR 2,880,000 (equal to one (1) year of total maximum remuneration provided for in his contract for performance above the targets established in the variable remuneration system).

If the Chief Executive Officer breaches the post-contractual non-competition obligation, the contract requires him to reimburse the Company for amounts received under the post-contractual non-competition arrangement and to indemnify the Company an amount equal to twenty-five (25) per cent of the remuneration received, without prejudice to the right to claim any damages that may arise directly or indirectly from the breach of this clause.

In any event, the Board of Directors shall review the terms and conditions of Company's Executive Director contracts periodically and make the changes it deems necessary, if any, within the framework of the Company's Remuneration Policy and its internal rules and regulations.

A.1.10. The nature and estimated amount of any other supplementary remuneration that will be accrued by directors in the current year in consideration for services rendered other than those inherent in their position.

There is no provision for OHLA directors to accrue any other supplementary remuneration.

A.1.11 Other items of remuneration such as any deriving from the company's granting the director advances, loans or guarantees or any other remuneration.

There is no provision for granting advances, loans, guarantees or any other remuneration, although the Chief Executive Officer's contract includes the possibility of requesting advances on his variable remuneration.



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A.1.12 The nature and estimated amount of any other planned supplementary remuneration to be accrued by directors in the current year that is not included in the foregoing sections, whether paid by the company or by another group company.

[There is no provision by any Group company to remunerate any members of the Board of Directors.]

A.2. Explain any significant change in the remuneration policy applicable in the current year resulting from:

- a) A new policy or an amendment to a policy already approved by the General Meeting.
- b) Significant changes in the specific determinations established by the board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.
- c) Proposals that the Board of Directors has agreed to submit to the general shareholders' meeting to which this annual report will be submitted and for which it is proposed that they be applicable to the current year.

[No significant changes are expected to be made to the Remuneration Policy for the current year.]

A.3. Identify the direct link to the document containing the company's current remuneration policy, which must be available on the company's website.

[https://media.ohla-group.com/wp-content/uploads/2022/06/14124837/Politica-de-Remuneraciones-de-Consejeros_-2022.pdf]

A.4. Explain, taking into account the data provided in Section B.4, how account has been taken of the voting of shareholders at the General Shareholders' Meeting to which the annual report on remuneration for the previous year was submitted on a consultative basis.

[Of votes cast at the General Shareholders' Meeting held on 2 June 2022 on the resolution regarding the annual report on director remuneration for the previous year, under the terms provided for in section B.4 of this report, 93.8141% of share capital represented were in favour.]

[In the Board of Directors' opinion, the remuneration practices in that report have the approval of a large number of shareholders and are in line with practices of the companies in the industry in which the Company operates. Therefore, it decided to uphold the same practices.]

B. OVERALL SUMMARY OF HOW REMUNERATION POLICY WAS APPLIED DURING THE YEAR LAST ENDED

B.1.1 Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the remuneration committee, the decisions taken by the Board of Directors and

the identity and role of any external advisors whose services may have been used in the process of applying the remuneration policy in the year last ended.



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In 2022, the following director remuneration policies (the "Remuneration Policies" or the "Policies") were applicable:

- The previous remuneration policy approved at the General Shareholders' Meeting held on 15 June 2020 and amended at the General Shareholders' Meeting held on 29 June 2021 (the "2020-22 Policy"), which was applicable from 1 January 2022 to 1 June 2022.
- The Remuneration Policy approved at the General Shareholders' Meeting held on 2 June 2022, with effect from the date of approval (i.e., the 2022-25 Policy).

Specifically, the process followed to apply the Policies applicable in 2022 and determine the individual remuneration contained in Section C of this report was as follows:

- External Directors: the individual remuneration of Executive Directors is detailed in section B.5 of this report.
- Executive Directors: as provided for in the Chief Executive Officer's contract and the Remuneration Policies, the Chief Executive Officer accrued the remuneration detailed in section B.6 of this report in 2022.

The main actions, business transacted and decisions taken by the NRC and the Board of Directors in exercise of the authority described in section A.1.1 were as follows:

- The NRC submitted a proposal for the 2022 annual variable remuneration of the Chief Executive Officer based on targets, the weighting of metrics, and the scale applicable to the achievement of each. All were approved by the Board of Directors at its meeting held on 31 March 2022, based on a favourable report by the NRC.
- The NRC agreed to report favourably to the Director on the proposals for the 2021 annual variable remuneration of the senior management team.
- The NRC assessed, and issued a favourable report on, the 2021 Annual Report on Director Remuneration, which was subsequently approved by the Board of Directors.

The NRC held five (5) meetings in 2022, at which it adopted those decisions, along with others. In addition, in 2022, the Company engaged Garrigues to provide external advice on matters involving remuneration.

B.1.2 Explain any deviation from the procedure established for the application of the remuneration policy that has occurred during the year.

[There was no deviation from the procedure established for the application of the Remuneration Policies in 2022.]

B.1.3 Indicate whether any temporary exception has been applied to the remuneration policy and, if so, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity believes that these exceptions have been necessary to serve the long-term interests and sustainability of the company as a whole or ensure its viability. Similarly, quantify the impact that the application of these exceptions has had on the remuneration of each director over the year.

[No temporary exceptions were applied to the Remuneration Policies in force in 2022.]

B.2 Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks, aligning it with the long-term objectives, values and interests of the company, including a reference to the measures adopted to ensure that the long-term results of the company have been taken into consideration in the remuneration accrued. Ensure that an appropriate balance has been attained between the fixed and variable components of the remuneration, the measures adopted in relation to those categories of personnel whose professional activities have a material effect on the company's risk profile and the measures in place to avoid any possible conflicts of interest.

[As explained in section A.1.1. of this Report, OHLA applies the following practices to reduce exposure to excessive risk-taking and reinforce alignment with OHLA's long-term strategy, interests, objectives and values, and to provide sustainability to the Company's results:]



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- The NCR regularly reviews the Remuneration Policy, overseeing its compliance.
- The annual variable remuneration is paid after the authorisation for issue of the relevant financial statements and after having determined the level of achievement of financial targets. In this respect, the portion of annual variable remuneration linked to the results of the Company or one or more of its divisions should bear in mind any qualifications stated in the external auditor's report that reduce their amount.
- There is no entitlement to guaranteed variable remuneration, since there is a minimum threshold for achievement of targets below which this remuneration is not paid.
- There is a cap on annual variable remuneration.
- The amount of annual variable remuneration is contingent on the level of achievement of targets determined annually based on a recommendation by the NRC and approved by OHLA's Board of Directors.
- Included is a related clawback arrangement, which enables OHLA to demand reimbursement of the variable components of remuneration when payment was not in accordance with the performance conditions or when payment was made on the basis of data that have subsequently been clearly shown to have been inaccurate.
- If exceptional events occur, due to circumstances within or outside the Company, the NRC may submit a proposal to the Board of Directors to adjust the variable remuneration.
- The NRC is currently composed of five (5) members, two (2) of whom are also members of the Audit and Compliance Committee. The inter-related membership of directors of both committees ensures that risks related to remuneration are taken into consideration in the committees' discussions and the proposals submitted to the Board of Directors for determining and evaluating the annual incentives.

Meanwhile, measures taken to ensure that the long-term results of OHLA are taken into account are:

- Designing a Remuneration Policy that is coherent and aligned with the Company's strategy and gears towards the achievement of long-term results, such that the remuneration of the Company's Executive Directors is commensurate with the dedication, effort and responsibility assumed:

- o the components of the Chief Executive Officer's remuneration include: (i) fixed remuneration (cash and in kind), (ii) annual variable remuneration and (iii) multi-year variable remuneration (currently suspended)). The Chief Executive Officer is also entitled to receive extraordinary variable remuneration in certain situations.
- o Annual variable remuneration is tied to certain performance indicators, including achievement of specific, predetermined and quantifiable economic-financial, industrial and operating targets for the Company, division or related business unit under the responsibility of the Chief Executive Officer, where applicable. These targets are aligned with the interests of OHLA shareholders and the Company's strategic plan.
- o According to the Company's Bylaws, directors may be remunerated through the delivery of shares, share options or remuneration linked to the share price provided that application of any of these remuneration schemes is first approved at the General Shareholders' Meeting.
- o Appropriate balance between the fixed and variable components of the remuneration. The Chief Executive Officer currently has system of annual variable remuneration where the "target" variable remuneration is 100 per cent of the Fixed Remuneration for achievement of 100 per cent of the objectives.

Regarding the necessary measures to avoid situations of conflict of interest by directors, the 2022-25 Policy makes reference to the Regulations of the Board of Directors, which set out certain obligations arising from directors' duty of loyalty related to avoiding situations of conflict of interest. The Board Regulations also include, among the NRC's responsibilities, ensuring that potential conflicts of interest do not compromise the independence of external advice provided to the NRC.

B.3 Explain how the remuneration accrued and consolidated over the financial the year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term and sustainable performance.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, if applicable, how variations in the company's performance have influenced changes in directors' remuneration, including any accrued remuneration payment of which has been deferred, and how such remuneration contributes to the short- and long-term results of the company.

In compliance with OHLA's Remuneration Policies applicable in 2022, the remuneration accrued by directors in 2022 was as follows:

External Directors:
The amounts stipulated in the 2022-25 Remuneration Policy and described in section B.5 of this report for membership and/or chairmanship of the Board of Directors and Board committees.

The total amount accrued to External Directors in 2022 was EUR 1,295,000 and the amount of travel allowances accrued by External Directors incurred in the performance of their duties was EUR 47,821.2. These amounts are below the Maximum Annual Remuneration provided for in both the 2020-22 Policy (i.e., EUR 1,440,000) and the 2022-25 Policy (i.e., EUR 1,550,000).



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Under the 2022-25 Policy, the increase in the Maximum Annual Remuneration may be used to offset to excess fixed remuneration paid to External Directors in 2021.

Chief Executive Officer:

- A fixed component of EUR 1,200,000.
- A cash amount for annual variable remuneration, detailed in section B.7, which will be paid in 2023.
- The life and accident insurance premium, the health insurance premium and other benefits paid by OHLA as described in section B.14 of this report.

Variable remuneration systems include measures that take into account the Company's results, such as:

- It includes scales of achievement defined for each target based on the Company results. Any deviation in the Company's performance will affect the level of achievement of targets and directly affect the amount of variable remuneration, if any, to which the Chief Executive Officer is entitled. Section A.1.2 provides more details on the thresholds for achievement of targets established by the Company for the variable remuneration systems.
- There is no guaranteed variable remuneration, since there is a minimum threshold for achievement of targets below which this remuneration is not paid.
- Variable remuneration shall only accrue when the Board of Directors, on a recommendation by the NRC, has evaluated the level of achievement of the financial targets and after the authorisation for issue of the financial statements.
- The Chief Executive Officer's variable remuneration is subject to an arrangement which, if triggered, would enable the NRC to demand reimbursement of the variable components of remuneration when payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.
- If exceptional events occur, due to circumstances within or outside the Company, the NRC may submit a proposal to the Board of Directors to apply certain adjustments to the variable remuneration.
- The portion of variable remuneration linked to results of the Company or one or more of its divisions should bear in mind any qualifications stated in the external auditor's report that reduce their amount.

B.4. Report on the result of the consultative vote at the General Shareholders' Meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:

	Number	% of total
Votes cast	217,911,636	36.86

	Number	% of votes cast
Votes against	13,479,596	6.19
Votes in favour	204,431,791	93.81
Blank ballots		0.00
Abstentions	249	0.00

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**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

B.5. Explain how the fixed components accrued and vested during the year by the directors in their capacity as such were determined, their relative proportion with regard to each director and how they changed with respect to the previous year.

The amount of individual remuneration accrued by External Directors in 2022, including remuneration for membership and/or chairmanship of the Board of Directors and Board committees, was distributed in accordance with following criteria agreed by the Board of Directors at its meeting held on 15 June 2020 and set out in the 2022-25 Policy currently in force:

- For membership of the Board of Directors: EUR 110,000.
- For membership of a committee: EUR 20,000.
- For chairmanship of the Audit Committee: EUR 35,000.
- For chairmanship of the NRC: EUR 25,000.
- For chairmanship of the Guarantee Committee: EUR 25,000.
- For the Independent Coordinating Director: EUR 15,000.

In accordance with the above, the total amount accrued by all External Directors in 2022 in their capacity as such amounted to EUR 1,295 thousand, including EUR 48 thousand of travel allowances for expenses incurred by External Directors residing outside the region where the Company's registered office is located.

The proportion of remuneration of each External Director in their capacity as such to their total remuneration in 2022 is as follows:

Director Fixed annual remuneration / / (EUR) / Proportion vis-à-vis total remuneration (%)

LUIS FERNANDO MARTÍN AMODIO HERRERA // 153 / 11.39
JULIO MAURICIO MARTÍN AMODIO HERRERA // 150 / 11.17
JUAN VILLAR-MIR DE FUENTES // 130 / 9.68
JOSÉ ANTONIO FERNÁNDEZ GALLAR // 0 / 0
CARMEN DE ANDRÉS CONDE // 155 / 11.55
CÉSAR CAÑEDO-ARGÜELLES TORREJÓN // 130 / 9.68
FRANCISCO JOSE GARCÍA MARTÍN // 185 / 13.77
JUAN ANTONIO SANTAMERA SÁNCHEZ // 130 / 9.68
LUIS FERNANDO AMODIO GIOMBINI // 135 / 10.05
REYES CALDERÓN CUADRADO // 175 / 13.03

Total // 1,343 / 100

Total remuneration paid in 2022 amounted to EUR 1,343 thousand, marking a decrease of EUR 203 thousand from the EUR 1,546 thousand paid in 2021.

The difference between remuneration of External Directors in 2022 and 2021 is due primarily to the change in the Remuneration Policy, which resulted in a change in the amounts of remuneration.

B.6. Explain how the salaries accrued and vested by each of the executive directors over the past financial year for the performance of management duties were determined, and how they changed with respect to the previous year.

The Chief Executive Officer's fixed annual remuneration was EUR 1,200 thousand in cash.

In 2022, the Chief Executive Officer was entitled to certain corporate benefits: payment of health and life insurance premiums. For these items, an amount of EUR 21 thousand was attributed to the Chief Executive Officer in 2022.

As in 2021, OHLA did not make any contributions to a pension scheme on behalf of the Chief Executive Officer in 2022.

This did not imply an increase in Fixed Remuneration relative to 2021.

Moreover, in accordance the Corporate Bylaws, the Company took out an insurance policy for the Chief Executive Officer covering third-party liability from the discharge of his or her duties under standard market terms and conditions bearing in mind the Company's own circumstances.


**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

B.7. Explain the nature and the main characteristics of the variable components of the remuneration systems accrued and vested in the year last ended.

In particular:

- a) Identify each of the remuneration plans that determined the different types of variable remuneration accrued by each of the directors in the year last ended, including information on their scope, date of approval, date of implementation, any vesting conditions that apply, periods of accrual and validity, criteria used to evaluate performance and how this affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time needed to be able to adequately measure all the conditions and criteria stipulated, explaining the criteria and factors applied in regard to the time required and the methods of verifying that the performance or any other kind of conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.
- b) In the case of share options and other financial instruments, the general characteristics of each plan must include information on the conditions both for acquiring unconditional ownership (vesting) of these options or financial instruments and for exercising them, including the exercise price and period.
- c) Each director that is a beneficiary of remuneration systems or plans that include variable remuneration, and his or her category (executive director, external proprietary director, external independent director or other external director).
- d) Information is to be provided on any periods for accrual, vesting or deferment of payment of vested amounts applied and/or the periods for retention/unavailability of shares or other financial instruments, if any.

Explain the short-term variable components of the remuneration systems:

As stipulated in the Remuneration Policies applicable in 2022, only the Chief Executive Officer may be included in the Company's variable remuneration schemes.

The Chief Executive Officer's variable remuneration includes the following variable components:

- (i) Annual variable remuneration.
- (ii) Multi-year variable remuneration.

The Board of Directors, on a recommendation by the NRC, according to remunerate the Chief Executive Director an amount of EUR 882 thousand for annual variable remuneration, as provided for in his contract, for 73.53% achievement of the targets established by the Board of Directors for 2022, with a weighting of 60% for quantitative targets and 40% for qualitative targets which, in turn, had the following weightings:

- Order intake target, 15% weighting.
- EBITDA target, 20% weighting.
- Cash generation target, 25% weighting.

Explain the long-term variable components of the remuneration systems:

As explained in the previous section, the Chief Executive Officer may be included in any multi-year variable remuneration systems approved by the Company's Board of Directors.

At the General Meeting held on 28 May 2019, shareholders approved a multi-year variable share-based remuneration plan that included the possibility of granting the Chief Executive Officer variable remuneration linked to his minimum contract term in the Company, and to the achievement of the targets set by the Board of Directors.

However, at its meeting held in November 2019, OHLA's Board of Directors agreed to suspend the system. Therefore, in 2022, the Chief Executive Officer did not receive any remuneration or earn any rights in respect of this system.


**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

B.8. Indicate whether certain variable components have been reduced or clawed back when, in the former case, payment of non-vested amounts has been deferred or, in the latter case, they have vested and been paid, on the basis of data that have subsequently been clearly shown to be inaccurate. Describe the amounts reduced or clawed back through the application of the "malus" (reduction) or clawback clauses, why they were implemented and the years to which they refer.

Although the Chief Executive Officer's variable remuneration is subject to clawback arrangements, there was no demand for the return of variable components in 2022 since no variable remuneration was accrued or paid based on data that had subsequently been clearly shown to be inaccurate and no payment had been made that was not in accordance with certain performance conditions.

B.9. Explain the main characteristics of the long-term savings schemes where the amount or equivalent annual cost appears in the tables in Section C, including retirement and any other survivor benefit, whether financed in whole or in part by the company or through internal or external contributions, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the contingencies covered, the conditions on which the economic rights vest in favour of the directors and their compatibility with any type of indemnification for early termination or cessation of the contractual relationship between the company and the director.

The Company did not make any contribution to long-term saving schemes in 2022.

B.10. Explain, where applicable, the indemnification or any other type of payment deriving from the early cessation, whether at the company's or the director's initiative, or from the termination of the contract in the terms provided therein, accrued and/or received by directors during the year last ended.

No indemnification or severance pay or any other type of payment deriving from early cessation or termination of contracts was paid during the year last ended.

B.11. Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions, such as executive directors, and, if so, explain them. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.

There were no changes in the Chief Executive Officer's contract in 2022.

B.12. Explain any supplementary remuneration accrued by directors in consideration of the provision of services other than those inherent in their position.

No supplementary remuneration was accrued by directors in consideration of the provision of services other than those inherent in their position.

B.13. Explain any remuneration deriving from advances, loans or guarantees granted, indicating the interest rate, their key characteristics and any amounts returned, as well as the obligations assumed on their behalf by way of guarantee.

No remuneration accrued deriving from advances, loans or guarantees.

B.14. Itemise the remuneration in kind accrued by the directors during the year, briefly explaining the nature of the various salary components.

The Chief Executive Officer is beneficiary of life and accident insurance as part of a mixed group insurance policy taken out from an insurance company. The annual premium in 2022 was EUR 11,000. This cost is borne by the Company and the current coverage of the sum insured is EUR 2,400,000. During 2022, the Company was reimbursed EUR 3,000 on its with-profits life insurance policy for little or no claims.

In addition, health insurance premiums paid on behalf of the Chief Executive Officer in 2022 amounted to EUR 7,000. Moreover, in accordance the Corporate Bylaws, the Company took out an insurance policy for the Chief Executive Officer covering third-party liability from the discharge of his duties as part of a policy taken to cover the liabilities of the Group's directors and managers, under standard market terms and conditions bearing in mind the Company's own circumstances.


**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

B.15. Explain the remuneration accrued by any director by virtue of payments made by the listed company to a third company in which the director provides services when these payments seek to remunerate the director's services to the company.

No remuneration was paid to any member of the Board of Director for providing services to a third company.

B.16. Explain and detail the amounts accrued in the year in relation to any other remuneration concept other than that set forth above, whatever its nature or the group entity that pays it, including all benefits in any form, such as when it is considered a related-party transaction or, especially, when it significantly affects the true image of the total remuneration accrued by the director. Explain the amount granted or pending payment, the nature of the consideration received and the reasons for those that would have been considered, if applicable, that do not constitute remuneration to the director or in consideration for the performance of their executive functions and whether or not has been considered appropriate to be included among the amounts accrued under the "Other concepts" heading in Section C.

No other remuneration components than those described in this report were paid to members of the Board of Directors in the year ended 31 December 2022.


**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**
C. ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Period of accrual in 2022
LUIS FERNANDO MARTIN AMODIO	Chairperson Proprietary	From 01/01/2022 to 31/12/2022
JULIO MAURICIO MARTIN AMODIO	Deputy chairperson Proprietary	From 01/01/2022 to 31/12/2022
JUAN VILLAR-MIR DE FUENTES	Deputy chairperson Proprietary	From 01/01/2022 to 31/12/2022
JOSE ANTONIO FERNANDEZ GALLAR	Chief Executive Officer	From 01/01/2022 to 31/12/2022
CARMEN DE ANDRES CONDE	Independent Director	From 01/01/2022 to 31/12/2022
CESAR CAÑEDO-ARGUELLES TORREJON	Independent Director	From 01/01/2022 to 31/12/2022
FRANCISCO JOSE GARCIA MARTIN	Independent Director	From 01/01/2022 to 31/12/2022
JUAN ANTONIO SANTAMERA SANCHEZ	Independent Director	From 01/01/2022 to 31/12/2022
LUIS FERNANDO AMODIO GIOMBINI	Proprietary Director	From 01/01/2022 to 31/12/2022
REYES CALDERON CUADRADO	Independent Director	From 01/01/2022 to 31/12/2022


**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

C.1 Complete the following tables regarding the individual remuneration of each director (including remuneration received for performing executive duties) accrued during the year.

a) Remuneration from the reporting company:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total in 2022	Total in 2021
LUIS FERNANDO MARTIN AMODIO		130						23	153	
JULIO MAURICIO MARTIN AMODIO		130						20	150	209
JUAN VILLAR-MIR DE FUENTES		130							130	130
JOSE ANTONIO FERNANDEZ GALLAR	1,200				882			21	2,103	2,613
CARMEN DE ANDRES CONDE		155							155	167
CESAR CAÑEDO-ARGUELLES TORREJON		130							130	130
FRANCISCO JOSE GARCIA MARTIN		185							185	77
JUAN ANTONIO SANTAMERA SANCHEZ		130							130	130
LUIS FERNANDO AMODIO GIOMBINI		130						5	135	54
REYES CALDERON CUADRADO		175							175	175

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ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments.

Name	Name of plan	Financial instruments at start of 2022		Financial instruments granted during 2022		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of 2022	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (EUR thousand)	No. of instruments	No. of instruments	No. of equivalent shares
LUIS FERNANDO MARTIN AMODIO	Plan							0.00				
JULIO MAURICIO MARTIN AMODIO	Plan							0.00				
JUAN VILLARMIR DE FUENTES	Plan							0.00				
JOSE ANTONIO FERNANDEZ GALLAR	Plan							0.00				
CARMEN DE ANDRES CONDE	Plan							0.00				
CESAR CAÑEDO-ARGUELLES TORREJON	Plan							0.00				
FRANCISCO JOSE GARCIA MARTIN	Plan							0.00				
JUAN ANTONIO SANTAMERA SANCHEZ	Plan							0.00				
LUIS FERNANDO AMODIO GIOMBINI	Plan							0.00				
REYES CALDERON CUADRADO	Plan							0.00				

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**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

iii) Long-term savings schemes.

Name	Remuneration from vesting of rights to savings schemes
LUIS FERNANDO MARTIN AMODIO	
JULIO MAURICIO MARTIN AMODIO	
JUAN VILLAR-MIR DE FUENTES	
JOSE ANTONIO FERNANDEZ GALLAR	
CARMEN DE ANDRES CONDE	
CESAR CAÑEDO-ARGUELLES TORREJON	
FRANCISCO JOSE GARCIA MARTIN	
JUAN ANTONIO SANTAMERA SANCHEZ	
LUIS FERNANDO AMODIO GIOMBINI	
REYES CALDERON CUADRADO	



ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Savings schemes with vested economic rights		Savings schemes with non-vested economic rights	
	2022	2021	2022	2021	2022	2021	2022	2021
LUIS FERNANDO MARTIN AMODIO								
JULIO MAURICIO MARTIN AMODIO								
JUAN VILLAR-MIR DE FUENTES								
JOSE ANTONIO FERNANDEZ GALLAR								
CARMEN DE ANDRES CONDE								
CESAR CAÑEDO-ARGUELLES TORREJON								
FRANCISCO JOSE GARCIA MARTIN								
JUAN ANTONIO SANTAMERA SANCHEZ								
LUIS FERNANDO AMODIO GIOMBINI								



ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Savings schemes with vested economic rights		Savings schemes with non-vested economic rights	
	2022	2021	2022	2021	2022	2021	2022	2021
REYES CALDERON CUADRADO								

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**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

iv) Details of other items

Name	Item	Amount of remuneration
LUIS FERNANDO MARTIN AMODIO	Travel and accommodation allowances for expenses incurred in the discharge of duties	23
JULIO MAURICIO MARTIN AMODIO	Travel and accommodation allowances for expenses incurred in the discharge of duties	20
JUAN VILLAR-MIR DE FUENTES	Item	
JOSE ANTONIO FERNANDEZ GALLAR	Life and health insurance	21
CARMEN DE ANDRES CONDE	Item	
CESAR CAÑEDO-ARGUELLES TORREJON	Item	
FRANCISCO JOSE GARCIA MARTIN	Item	
JUAN ANTONIO SANTAMERA SANCHEZ	Item	
LUIS FERNANDO AMODIO GIOMBINI	Travel and accommodation allowances for expenses incurred in the discharge of duties	5
REYES CALDERON CUADRADO	Item	

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ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

b) Remuneration of directors of the listed company for seats on the boards of other subsidiary companies:

i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total in 2022	Total in 2021
LUIS FERNANDO MARTIN AMODIO										
JULIO MAURICIO MARTIN AMODIO										
JUAN VILLAR-MIR DE FUENTES										
JOSE ANTONIO FERNANDEZ GALLAR										
CARMEN DE ANDRES CONDE										
CESAR CAÑEDO-ARGUELLES TORREJON										
FRANCISCO JOSE GARCIA MARTIN										
JUAN ANTONIO SANTAMERA SANCHEZ										
LUIS FERNANDO AMODIO GIOMBINI										
REYES CALDERON CUADRADO										

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ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

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ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments.

Name	Name of plan	Financial instruments at start of 2022		Financial instruments granted during 2022		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of 2022	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
LUIS FERNANDO MARTIN AMODIO	Plan							0.00				
JULIO MAURICIO MARTIN AMODIO	Plan							0.00				
JUAN VILLAR-MIR DE FUENTES	Plan							0.00				
JOSE ANTONIO FERNANDEZ GALLAR	Plan							0.00				
CARMEN DE ANDRES CONDE	Plan							0.00				
CESAR CAÑEDO-ARGUELLES TORREJON	Plan							0.00				



ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Name	Name of plan	Financial instruments at start of 2022		Financial instruments granted during 2022		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of 2022	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
FRANCISCO JOSE GARCIA MARTIN	Plan							0.00				
JUAN ANTONIO SANTAMERA SANCHEZ	Plan							0.00				
LUIS FERNANDO AMODIO GIOMBINI	Plan							0.00				
REYES CALDERON CUADRADO	Plan							0.00				

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ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

iii) Long-term saving schemes

Name	Remuneration from vesting of rights to savings schemes
LUIS FERNANDO MARTIN AMODIO	
JULIO MAURICIO MARTIN AMODIO	
JUAN VILLAR-MIR DE FUENTES	
JOSE ANTONIO FERNANDEZ GALLAR	
CARMEN DE ANDRES CONDE	
CESAR CAÑEDO-ARGUELLES TORREJON	
FRANCISCO JOSE GARCIA MARTIN	
JUAN ANTONIO SANTAMERA SANCHEZ	
LUIS FERNANDO AMODIO GIOMBINI	
REYES CALDERON CUADRADO	

Name	Contribution for the year by the company (thousands of euros)		Amount of accrued funds (thousands of euros)					
	Savings schemes with vested economic rights	Savings schemes with non-vested economic rights	Savings schemes with vested economic rights				Savings schemes with non-vested economic rights	
			2022	2021	2022	2021	2022	2021
LUIS FERNANDO MARTIN AMODIO								
JULIO MAURICIO MARTIN AMODIO								
JUAN VILLAR-MIR DE FUENTES								



ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Name	Contribution for the year by the company (thousands of euros)		Amount of accrued funds (thousands of euros)					
	Savings schemes with vested economic rights	Savings schemes with non-vested economic rights	Savings schemes with vested economic rights				Savings schemes with non-vested economic rights	
			2022	2021	2022	2021	2022	2021
JOSE ANTONIO FERNANDEZ GALLAR								
CARMEN DE ANDRES CONDE								
CESAR CAÑEDO-ARGUELLES TORREJON								
FRANCISCO JOSE GARCIA MARTIN								
JUAN ANTONIO SANTAMERA SANCHEZ								
LUIS FERNANDO AMODIO GIOMBINI								
REYES CALDERON CUADRADO								

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iv) Details of other items

Name	Item	Amount of remuneration
LUIS FERNANDO MARTIN AMODIO	Item	
JULIO MAURICIO MARTIN AMODIO	Item	
JUAN VILLAR-MIR DE FUENTES	Item	
JOSE ANTONIO FERNANDEZ GALLAR	Item	
CARMEN DE ANDRES CONDE	Item	
CESAR CAÑEDO-ARGUELLES TORREJON	Item	



ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

Name	Item	Amount of remuneration
FRANCISCO JOSE GARCIA MARTIN	Item	
JUAN ANTONIO SANTAMERA SANCHEZ	Item	
LUIS FERNANDO AMODIO GIOMBINI	Item	
REYES CALDERON CUADRADO	Item	

Observations

C) Summary of remuneration (thousands of euros):
 This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

Name	Remuneration accruing in the Company					Remuneration accruing in group companies					Total in 2022, company + group
	Total cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of saving systems	Other items of remuneration	Total in 2022, company	Total cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of saving systems	Other items of remuneration	Total in 2022, group	
LUIS FERNANDO MARTIN AMODIO	153				153						153
JULIO MAURICIO MARTIN AMODIO	150				150						150


**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

Name	Remuneration accruing in the Company					Remuneration accruing in group companies					Total in 2022, company + group
	Total cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of saving systems	Other items of remuneration	Total in 2022 company	Total cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of saving systems	Other items of remuneration	Total in 2022, group	
JUAN VILLAR-MIR DE FUENTES	130				130						130
JOSE ANTONIO FERNANDEZ GALLAR	2,103				2,103						2,103
CARMEN DE ANDRES CONDE	155				155						155
CESAR CAÑEDO-ARGUELLES TORREJON	130				130						130
FRANCISCO JOSE GARCIA MARTIN	185				185						185
JUAN ANTONIO SANTAMERA SANCHEZ	130				130						130
LUIS FERNANDO AMODIO GIOMBINI	135				135						135
REYES CALDERON CUADRADO	175				175						175
TOTAL	3,446				3,446						3,446


**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**
Observations

C.2 Indicate the evolution in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results of the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries that are not directors of the listed company.

	Total amounts accrued and % annual variation								
	2022	% variation 2022/2021	2021	% variation 2021/2020	2020	% variation 2020/2019	2019	% variation 2019/2018	2018
Executive directors									
JOSE ANTONIO FERNANDEZ GALLAR	2,103	-19.52	2,613	16.97	2,234	-15.25	2,636	99.85	1,319
External directors									
LUIS FERNANDO MARTIN AMODIO	153	-32.30	226	145.65	92	-	0	-	0
JULIO MAURICIO MARTIN AMODIO	150	-28.23	209	198.57	70	-	0	-	0
JUAN VILLAR-MIR DE FUENTES	130	0.00	130	4.00	125	-3.85	130	0.00	130
CARMEN DE ANDRES CONDE	155	-7.19	167	12.84	148	-1.33	150	100.00	75
CESAR CAÑEDO-ARGUELLES TORREJON	130	0.00	130	4.00	125	-3.85	130	100.00	65


**ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES**

	Total amounts accrued and % annual variation								
	2022	% variation 2022/2021	2021	% variation 2021/2020	2020	% variation 2020/2019	2019	% variation 2019/2018	2018
FRANCISCO JOSE GARCIA MARTIN	185	140.26	77	-	0	-	0	-	0
JUAN ANTONIO SANTAMERA SANCHEZ	130	0.00	130	4.00	125	-3.85	130	0.00	130
LUIS FERNANDO AMODIO GIOMBINI	135	150.00	54	-	0	-	0	-	0
REYES CALDERON CUADRADO	175	0.00	175	15.13	152	8.57	140	-40.43	235
Consolidated results of the company									
	-96,840	-	42,384	-	-127,121	-19.32	-106,534	89.01	- 969,548
Average employee remuneration									
	26	-3.70	27	-3.57	28	-3.45	29	26.09	23

Observations



ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES

D. OTHER INFORMATION OF INTEREST

If there are any significant issues relating to directors' remuneration that it has not been possible to include in the foregoing sections of this report, but which it is necessary to include in order to provide more comprehensive and reasoned information on the remuneration structure and practices of the company with regard to its directors, list them briefly.

A1
SPECIFIC DETERMINATIONS FOR THE CURRENT YEAR AS REGARDS DIRECTORS' REMUNERATION BOTH IN THEIR CAPACITY AS SUCH AND FOR EXECUTION FUNCTIONS CARRIED OUT.

In accordance with OHLA's Bylaws (the "Bylaws") and the Regulations of the Board of Directors of OHLA (the "Regulations of the Board") in force, the Remuneration Policy makes a distinction between (i) remuneration for the performance of general director duties, i.e., those inherent to the position of director, excluding any remuneration that may correspond to the performance of executive duties (i.e. proprietary, independent and other external directors, the "External Directors"), (ii) remuneration for directors who perform executive duties (the "Executive Directors") and (iii) remuneration for membership of a Board committees ("Committees" or "Board Committees").

As for such specific determinations, remuneration of External Directors for performing executive duties, the Nomination and Remuneration Committee ("NRC") and the Board of Directors intend to apply the following remuneration scheme for OHLA directors in 2023 and following years, in line with the general principles explained previously:

- For External Directors in their capacity as such:
According to Article 28 of the OHLA Regulations of the Board of Directors, both the Board of Directors and the NRC shall take such measures as within their power to ensure that the remuneration of External Directors is sufficient to compensate them for, and encourage, their dedication, but no so high as to compromise their independent judgement. Specifically, the remuneration system for External Directors is as follows:
(i) External Directors shall be paid a fixed annual amount for membership on the Board of Directors and, where applicable, additional fixed remuneration for membership of or chairing Board Committees, including the payment of expenses incurred by External Directors who are not residents in the region where the Company's registered office is located.
Lastly, the independent coordinating director (the "Coordinating Director"), if one is appointed, shall receive an additional cash amount to compensate him or her for the extra dedication required for the position.
(ii) According to the Policy and Article 24 (c) of the Bylaws, External Directors may be remunerated through the delivery of shares, share options or remuneration linked to the share price provided that application of any of these remuneration schemes is first approved at the General Shareholders' Meeting.
No remuneration of this kind has been approved for External Directors by shareholders at a General Meeting.
(iii) In accordance with the Bylaws, the Company may take out insurance policies for all directors covering third-party liability from the discharge of their duties under standard market terms and conditions bearing in mind the Company's own circumstances. Under the Remuneration Policy, according to Article 24 of OHLA's Bylaws, the maximum remuneration payable by the Company to External Directors (the "Maximum Annual Remuneration") approved at the General Shareholders' Meeting via the Remuneration Policy currently in force is EUR 1,550,000. This amount shall remain in effect until the Board of Directors submits a proposal for a change to the General Shareholders' Meeting and such proposal is approved.
In any event, this remuneration shall only be distributed among OHLA External Directors, irrespective of the remuneration of members of the Board of Directors who perform executive duties.

- For Executive Directors:
As at the date of preparation of this report (the "Report"), José Antonio Fernández Gallar (the "Chief Executive Officer") was the Company's sole Executive Director, appointed to this position on 28 June 2018 under the following terms and conditions of his contract.
Remuneration of the Company's Chief Executive Officer includes the following remuneration items: (i) fixed remuneration in cash, (ii) fixed remuneration in kind, (iii) annual and multi-year variable remuneration, (iv) extraordinary remuneration and (v) severance and post-contractual non-competition arrangements. The Chief Executive Officer shall not be entitled to receive remuneration applicable to the other directors or fees for attending the meetings of the Board of Directors. Therefore, his remuneration shall be limited to the aforementioned items.
According to the Policy and Article 24 of the Bylaws, Executive Directors may be remunerated through the delivery of shares, share options or remuneration linked to the share price provided that application of any of these remuneration schemes is first approved at the General Shareholders' Meeting.

The Executive Director's contract shall state the remuneration items finally included in his remuneration scheme and they shall be those outlined in the Remuneration Policy.



ANNUAL REPORT ON DIRECTOR REMUNERATION
OF LISTED COMPANIES

The Executive Director's remuneration is regulated in detail in his contract approved by the Board of Directors in accordance with Articles 249 and 529 octodecies of the Corporate Enterprises Act on his appointment. His contract is in compliance with the Remuneration Policy, which states there must be a maximum annual remuneration, which shall be increased by the variable remuneration in shares that, where applicable, the Company's Executive Directors may be entitled to receive for participation in multi-year variable remuneration schemes subject to approval at the Company's General Shareholders' Meeting, and any severance to which he may be entitled in certain cases of termination, under the terms set out in his contract.

DESCRIPTION OF THE PROCEDURES AND COMPANY BODIES INVOLVED IN DETERMINING, APPROVING AND APPLYING THE REMUNERATION POLICY AND ITS TERMS AND CONDITIONS.
The Company's main bodies involved in determining, reviewing and applying the Remuneration Policy are as follows:

- General Shareholders' Meeting
According to Article 24 of the Company's Bylaws and Article 25 of the Regulations of the General Shareholders' Meeting, the Remuneration Policy shall be approved by the General Shareholders' Meeting and applied for a maximum period of three (3) years, with approval included as a separate item on the meeting agenda. However, proposals for new director remuneration policies must be submitted to the General Shareholders' Meeting prior to the end of the final year of application of the previous policy. The General Shareholders' Meeting may decide that the new policy shall be applicable from the date of approval and for the ensuing three years.
Approval of the Remuneration Policy, unless given via an ad hoc resolution at the General Shareholders' Meeting, shall serve as means of establishing the annual maximum remuneration of directors for performing their general duties (Maximum Annual Remuneration) and for performing executive duties.
Approval of director remuneration must also be given by the General Shareholders' Meeting when it includes the delivery of shares, share options or remuneration linked to the share price.
- Board of Directors
According to Article 24 of the Company's Bylaws, Article 25 of the Regulations of the General Shareholders' Meeting and Articles 5, 27 and 28 of the Regulations of the Board of Directors, the Board shall:
(i) propose the Remuneration Policy to the General Shareholders' Meeting;
(ii) take decisions regarding director remuneration, within the framework of the Bylaws and, where applicable, the Remuneration Policy approved by the General Shareholders' Meeting;
(iii) distribute the amount of remuneration it sees fit to directors in their capacity as such, individually, within the annual maximum remuneration approved by the General Shareholders' Meeting, based on a report by the NRC;
(iv) take, together with the NRC, all measures to ensure that remuneration of external directors is sufficient to compensate them for, and encourage, their dedication, but no so high as to compromise their independent judgement;
(v) approve, where executive functions are attributed to a member of the Board of Directors, the contract between the director and the Company. This contract, which must be in compliance with the Remuneration Policy and the Bylaws, shall detail all items for which the director may receive remuneration for performing executive duties;
(vi) determine the individual remuneration of each director for performing executive duties within the framework of the Remuneration Policy and as provided for in their contract, based on a report from the NRC;
(vii) prepare and publish an annual report on director remuneration, which shall be submitted to a consultative vote at the General Shareholders' Meeting as a separate item on the agenda.
- Nomination and Remuneration Committee
According to Article 16 of the Board Regulations, the NRC's duties shall include: (i) proposing to the Board of Directors the remuneration policy for directors and general managers or those who carry out their senior management functions reporting directly to the Board, Executive Committees or Chief Executive Officers, as well as the individual remuneration and other contractual conditions of executive directors and the criteria for the rest of the Group's senior management, ensuring that they are observed;
(ii) reviewing, periodically, the remuneration programmes, assessing their appropriateness and performance;
(iii) monitoring remuneration transparency;
(iv) reviewing, periodically, the remuneration policy applied to directors and senior executives, including share-based remuneration schemes and their implementation, as well as ensuring that individual remuneration is proportionate to amounts paid to other of the Company's directors and senior executives;
(v) verifying the information on director and senior executive remuneration contained in the various corporate documents, including the Annual Report on Director Remuneration.
The NRC shall comprise no fewer than three and no more than seven External Directors, of whom at least two shall be independent, appointed based on their knowledge, skills and experience for discharging their responsibilities

As at the date of preparation of this Report, the NRC was composed of the following:

Director Position Type
Reyes Calderón Cuadrado Chairman Independent
Francisco José García Martín Member Independent
Luis Fernando Martín Amodio Herrera Member Proprietary
Juan Antonio Santamera Sánchez Member Independent
Juan Villar-Mir de Puentes Member Proprietary

The secretary of the Board of Directors, and in his or her absence the deputy secretary of the Board of Directors, will act as secretary of the NRC.



ANNUAL REPORT ON DIRECTOR REMUNERATION OF LISTED COMPANIES

OHLA's RNC shall meet at least three times a year. It shall also meet whenever the Board or its chairperson requests that a report be issued or a proposal be adopted and, in any case, whenever it is deemed necessary for the proper performance of its functions.
In 2023, and up to the date of preparation of this Report, the RNC had held two meetings.

COMPARABLE COMPANIES TAKEN INTO ACCOUNT TO ESTABLISH THE COMPANY'S REMUNERATION POLICY
The Board of Directors shall ensure that the remuneration of its members is competitive in comparison with remuneration for performing similar functions in peer or comparable companies, based in all cases on the general principles underlying the Remuneration Policy.
The general principles underpinning OHLA's Remuneration Policy take into account market trends and is devised in accordance with the Company's strategic focus, and is effective in attracting, motivating and retaining the best people so as to be aligned with the remuneration offered by comparable companies.

INFORMATION ON WHETHER ANY EXTERNAL ADVISORS TOOK PART IN THIS PROCESS AND, IF SO, THEIR IDENTITY.
In preparing the Remuneration Policy submitted for approval at the 2022 General Shareholders' Meeting, OHLA received specialist advice from Garrigues, which also provided advice to the Company on the preparation of this Report.

PROCEDURES SET FORTH IN THE CURRENT REMUNERATION POLICY FOR DIRECTORS IN ORDER TO APPLY TEMPORARY EXCEPTIONS TO THE POLICY, CONDITIONS UNDER WHICH THOSE EXCEPTIONS CAN BE USED AND COMPONENTS THAT MAY BE SUBJECT TO EXCEPTIONS ACCORDING TO THE POLICY
There were no deviations from the procedure for applying the Remuneration Policy and no temporary exceptions to the policy were applied or limits exceeded.

This annual remuneration report has been approved by the Board of Directors of the company on:

28/03/2023

Indicate whether any director voted against or abstained from approving this report.

Yes
 No

STATEMENT OF RESPONSIBILITY AND AUTHORISATION FOR ISSUE OF THE CONSOLIDATED FINANCIAL STATEMENTS AND MANAGEMENT REPORT

The directors hereby state that, to the best of their knowledge, the consolidated financial statements and management report for the year ended 31 December 2022 have been prepared in accordance with the applicable accounting principles and give a true and fair view of the equity, financial position and results of Obrascón Huarte Lain, S.A. and Subsidiaries.

The Board of Directors, at its meeting held on 28 March 2023, authorised for issue these consolidated financial statements and management report with a view to their assurance by the auditors and subsequent approval at the General Shareholders' Meeting.

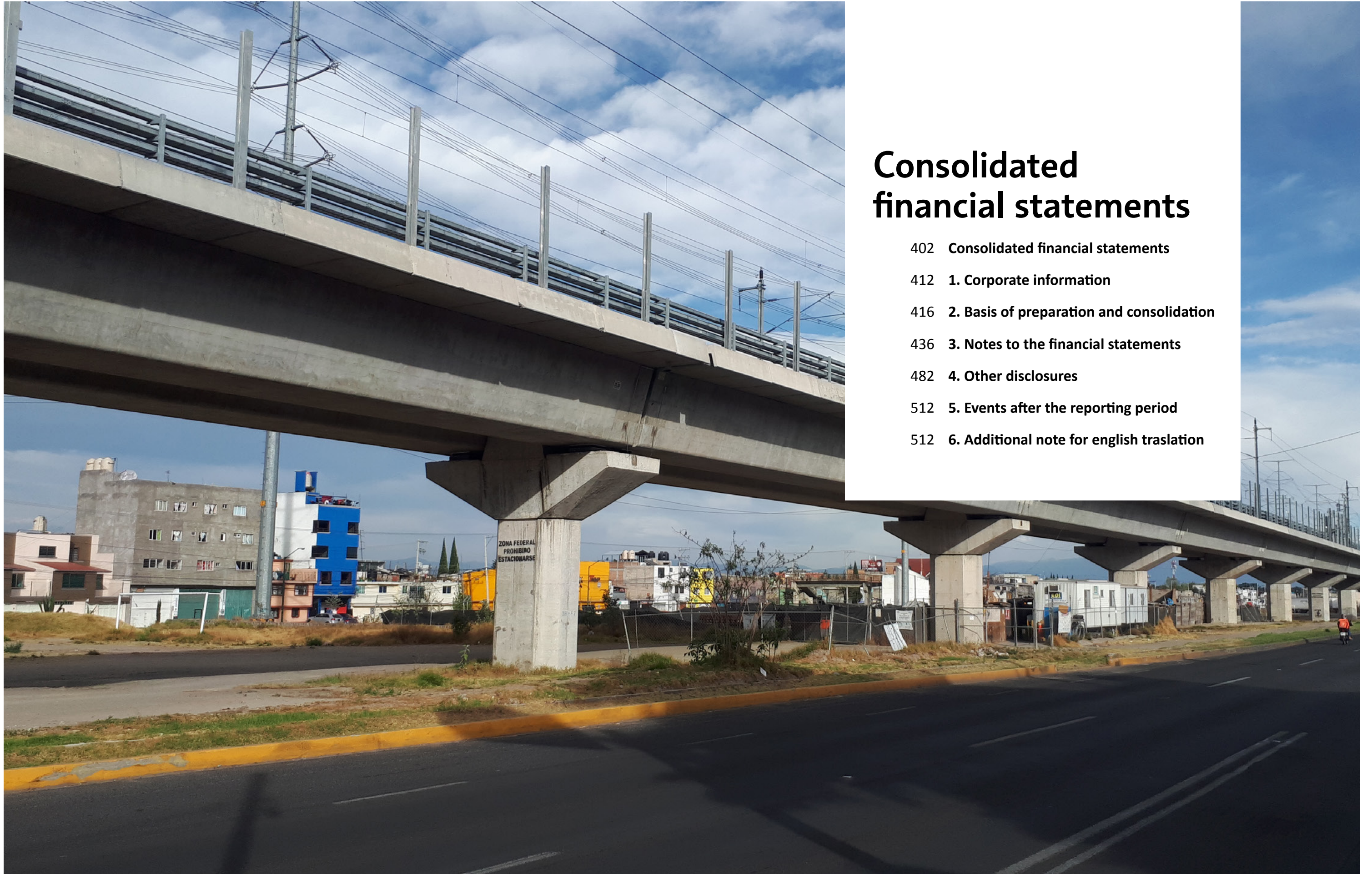
These consolidated financial statements (comprising the consolidated statement of financial position, statement of profit or loss, statement of changes in equity, statement of cash flows, notes to the consolidated financial statements and appendices thereto) and the consolidated management report are signed by the directors.

Luis Fernando Martín Amodio Herrera	Julio Mauricio Martín Amodio Herrera	Juan Villar-Mir de Fuentes
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José Antonio Fernández Gallar	Carmen de Andrés Conde	César Cañedo-Arguelles Torrejón
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Francisco José García Martín	Juan Antonio Santamera Sánchez	Luis Fernando Amodio Giombini
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Reyes Calderón Cuadrado



Consolidated financial statements

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Mexico-Toluca Intercity Train. Mexico.

Consolidated financial statements

Consolidated statement of financial position as at 31 December 2022 and 2021

ASSETS	NOTE	31/12/22	31/12/21
NON-CURRENT ASSETS			
Intangible assets	3.1		
Intangible assets		505,125	485,288
Accumulated amortisation		(365,631)	(328,298)
		139,494	156,990
Concession infrastructure	3.2		
Intangible asset model		563	678
Financial asset model		10,096	-
		10,659	678
Property, plant and equipment	3.3		
Land and buildings		150,668	127,292
Machinery		423,840	395,442
Other installations, equipment and furniture		112,728	118,046
Property, plant and equipment under construction and advances		12,741	9,996
Other property, plant and equipment		92,046	75,152
Accumulated depreciation and provisions		(530,058)	(503,029)
		261,965	222,899
Investment properties	3.4		
		4,222	4,322
Goodwill	3.5		
		36,998	36,998
Non-current financial assets	3.6		
Investment securities		62,514	61,340
Other receivables		110,079	142,039
Deposits and guarantees given		16,967	9,569
Provisions		(53,183)	(67,896)
		136,377	145,052
Investments accounted for using the equity method	3.7		
		149,960	167,221
Deferred tax assets	3.21		
		90,259	108,789
TOTAL NON-CURRENT ASSETS		829,934	842,949

EUR thousand

ASSETS	NOTE	31/12/22	31/12/21
CURRENT ASSETS			
Non-current assets held for sale and discontinued operations	3.8		
		28,814	32,515
Inventories			
Embodiment items, fungibles and replacement parts for machinery		39,470	31,904
Auxiliary shop projects and site installations		32,971	36,559
Advances to suppliers and subcontractors		38,779	35,197
Provisions		(4,131)	(3,502)
		107,089	100,158
Trade and other receivables	3.9		
Trade receivables		1,265,077	1,026,578
Receivables from associates		144,222	112,219
Employee receivables		1,437	1,160
Receivables from public authorities	3.21	92,157	85,743
Other receivables		59,191	78,001
Provisions		(108,582)	(113,259)
		1,453,502	1,190,442
Current financial assets	3.6		
Investment securities		48,397	50,989
Other receivables		15,071	150,532
Deposits and guarantees given		182,270	146,622
Provisions		(13,362)	(13,362)
		232,376	334,781
Current income tax assets		10,064	6,050
Other current assets		63,224	48,025
Cash and cash equivalents	3.10		
		469,311	507,455
Total current assets		2,364,380	2,219,426
TOTAL ASSETS		3,194,314	3,062,375

EUR thousand

Note: The accompanying Notes 1 to 5 and the appendices thereto are an integral part of the consolidated statement of financial position as at 31 December 2022.

EQUITY AND LIABILITIES	NOTE	31/12/22	31/12/21
EQUITY			
Share capital	3.11.	147,781	147,781
Share premium	3.12.	1,328,128	1,328,128
Treasury shares	3.13.	(341)	(504)
Reserves	3.14.	(633,687)	(665,640)
Reserves in consolidated companies	3.14.	(185,878)	(161,575)
Valuation adjustments	3.15.	(764)	(29,859)
Consolidated profit/(loss) for the year attributable to equity holders of the parent		(96,840)	5,945
Total equity attributable to equity holders of the parent		558,399	624,276
Non-controlling interests	3.16		
		(1,144)	(3,927)
TOTAL EQUITY		557,255	620,349
NON-CURRENT LIABILITIES			
Issue of notes and other marketable securities	3.17		
Issue of corporate notes		428,400	444,642
		428,400	444,642
Bank borrowings	3.17		
Mortgage and other loans		3,692	43,355
Loans from concession operators		-	-
		3,692	43,355
Other financial liabilities	3.18		
		45,414	24,937
Deferred tax liabilities	3.21		
		67,128	75,260
Provisions	3.19		
		70,848	64,024
Deferred income		40	261
Other non-current liabilities	3.20		
		32,803	23,364
TOTAL NON-CURRENT LIABILITIES		648,325	675,843

EUR thousand

EQUITY AND LIABILITIES	NOTE	31/12/22	31/12/21
CURRENT LIABILITIES			
Liabilities associated with non-current assets held for sale and discontinued operations	3.8		
		42	9
Issue of notes and other marketable securities	3.17		
Issue of corporate notes		8,707	9,458
		8,707	9,458
Bank borrowings	3.17		
Mortgage and other loans		26,778	26,052
Unmatured accrued interest payable		-	2
Unmatured accrued interest payable of concession operators		-	-
		26,778	26,054
Other financial liabilities	3.18		
		19,233	15,943
Trade and other payables	3.9		
Advances received from customers		540,855	424,525
Trade payables		925,020	816,349
Notes payable		60,403	53,760
		1,526,278	1,294,634
Provisions	3.19		
		178,864	197,255
Current income tax liabilities		9,337	8,187
Other current liabilities	3.20		
Loans and borrowings with associates		59,464	82,252
Salaries payable		36,748	34,504
Receivables from public authorities	3.21	74,447	63,906
Other non-trade payables		47,370	32,340
Guarantees and deposits received		1,225	1,429
Other current liabilities		241	212
		219,495	214,643
Total current liabilities		1,988,734	1,766,183
TOTAL EQUITY AND LIABILITIES		3,194,314	3,062,375

EUR thousand

Note: The accompanying Notes 1 to 5 and the appendices thereto are an integral part of the consolidated statement of financial position as at 31 December 2022.

Consolidated statement of profit or loss for the years ended 31 December 2022 and 2021

	NOTA	2022	2021
Revenue	3.22.	3,259,672	2,778,604
Other operating income	3.22.	98,533	125,665
Total revenue		3,358,205	2,904,269
Cost of sales	3.22.	(1,700,575)	(1,513,204)
Staff costs	3.22.	(897,045)	(814,608)
Other operating expenses	3.22.	(646,487)	(485,217)
Amortisation and depreciation		(82,567)	(77,449)
Change in provisions		14,275	10,753
Operating profit / (loss)		45,806	24,544
Finance income	3.22.	14,156	116,923
Finance costs	3.22.	(73,752)	(90,525)
Net exchange differences	3.22.	(20,924)	2,594
Net gain/(loss) on remeasurement of financial instruments at fair value	3.22.	188	(10,768)
Share of profit/(loss) of companies accounted for using the equity method	3.22.	(4,546)	(2,703)
Impairment and gains/(losses) on disposal of financial instruments	3.22.	(21,767)	2,319
Profit / (loss) before tax		(60,839)	42,384
Income tax expense	3.21	(32,658)	(36,243)
Profit / (loss) for the year from continuing operations		(93,497)	6,141
Consolidated profit / (loss) for the year		(93,497)	6,141
Profit/(loss) from continuing operations attributable to non-controlling interests	3.16.	(3,343)	(196)
Consolidated profit / (loss) for the year attributable to equity holders of the parent		(96,840)	5,945
Earnings/(loss) per share:			
Basic	1.5.	(0,16)	0,01
Diluted	1.5.	(0,16)	0,01

EUR thousand

Note: The accompanying Notes 1 to 5 and the appendices thereto are an integral part of the consolidated statement of profit or loss for the year ended 31 December 2022.

Consolidated statement of changes in recognised income and expense for the years ended 31 December 2022 and 2021

	2022	2021
Consolidated profit/(loss) for the year	(93,497)	6,141
Income and expense recognised directly in equity	26,047	13,333
Cash flow hedges	-	4,141
Translation differences	26,047	8,153
Companies accounted for using the equity method	-	2,188
Tax effect	-	(1,149)
Amounts transferred to profit or loss	2,585	12,921
Cash flow hedges	-	7,986
Companies accounted for using the equity method	-	7,154
Tax effect	-	(2,219)
Total comprehensive income	(64,865)	32,395
Attributable to equity holders of the parent	(67,745)	29,450
Attributable to non-controlling interests	2,880	2,945

EUR thousand

Note: The accompanying notes 1 to 5 and appendices thereto are an integral part of the consolidated statement of recognised income and expense for the year ended 31 December 2022.

Consolidated statement of changes in equity for the years ended 31 December 2022 and 2021

	EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT						NON-CONTROLLING INTERESTS	TOTAL EQUITY
	SHARE CAPITAL	SHARE PREMIUM AND RESERVES	TREASURY SHARES	CONSOLIDATED PROFIT/ (LOSS) FOR THE YEAR ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	VALUATION ADJUSTMENTS	TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Closing balance at 31 December 2020	171,929	496,629	(406)	(151,221)	(53,364)	463,567	(3,295)	460,272
Total recognised income/(expense)	-	-	-	5,945	23,505	29,450	2,945	32,395
Transactions with equity holders or owners	(24,148)	154,826	(98)	-	-	130,580	-	130,580
Treasury share transactions	(24,148)	154,700	-	-	-	130,552	-	130,552
Other changes in equity	-	126	(98)	-	-	28	-	28
Transfers between equity items	-	(150,542)	-	151,221	-	679	(3,577)	(2,898)
Other changes	-	(151,221)	-	151,221	-	-	-	-
Closing balance at 31 December 2021	-	679	-	-	-	679	(3,577)	(2,898)
Total recognised income/(expense)	147,781	500,913	(504)	5,945	(29,859)	624,276	(3,927)	620,349
Transactions with equity holders or owners	-	-	-	(96,840)	29,095	(67,745)	2,880	(64,865)
Capital increases/(reductions)	-	(342)	163	-	-	(179)	-	(179)
Treasury share transactions	-	(342)	163	-	-	(179)	-	(179)
Other changes in equity	-	7,992	-	(5,945)	-	2,047	(97)	1,950
Transfers between equity items	-	5,945	-	(5,945)	-	-	-	-
Other changes	-	2,047	-	-	-	2,047	(97)	1,950
Closing balance at 31 December 2022	147,781	508,563	(341)	(96,840)	(764)	558,399	(1,144)	557,255

EUR thousand

Note: The accompanying notes 1 to 5 and appendices thereto are an integral part of the consolidated statement of changes in equity for the year ended 31 December 2022.

Consolidated statement of cash flows for the years ended 31 December 2022 and 2021

	2022	2021
A) Net cash flows from/(used in) operating activities	11,468	(633)
Profit/(loss) before tax	(60,839)	42,384
Adjustments for:	174,937	48,856
Amortisation and depreciation	82,567	77,449
Other adjustments to profit/(loss)	82,567	77,449
Working capital changes	(72,596)	(98,017)
Other cash flows from/(used in) operating activities	(30,034)	6,144
Dividends received	4,739	1,702
Income tax recovered/(paid)	(25,110)	(9,002)
Other amounts received from/(paid for) operating activities	(9,663)	13,444
B) Net cash flows from/(used in) investing activities	123,266	85,623
Payments for investments	(81,133)	(63,163)
Group companies, associates and business units	(24,735)	(25,827)
Property, plant and equipment, intangible assets and investment properties	(38,149)	(29,645)
Other financial assets	(18,249)	(7,691)
Proceeds from sale of investments	193,060	132,755
Group companies, associates and business units	34,167	127,623
Property, plant and equipment, intangible assets and investment properties	7,189	5,132
Other financial assets	151,704	
Cash flows from investing activities	11,339	16,031
Interest received	11,339	16,031
C) Net cash flows from/(used in) financing activities	(185,499)	(63,871)
Proceeds from (and payments for) equity instruments	(179)	71,426
Issue	-	71,398
Acquisition	(17,215)	(8,327)
Disposal	17,036	8,355
Proceeds from (and payments for) financial liability instruments	(84,045)	(36,505)
Issue	15,489	5,817
Redemption and repayment	(99,534)	(42,322)
Other cash flows from/(used in) financing activities	(101,275)	(98,792)
Interest paid	(46,080)	(75,922)
Other amounts received from/(paid for) financing activities	(55,195)	(22,870)

	2022	2021
D) Effect of foreign exchange differences on cash and cash equivalents	12,621	15,322
E) Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	(38,144)	36,441
F) Cash and cash equivalents at 1 January	507,455	471,014
G) Cash and cash equivalents at 31 December (E+F)	469,311	507,455
Components of cash and cash equivalents at 31 December		
Cash in hand and at banks	449,712	497,201
Other financial assets	19,599	10,254
TOTAL CASH AND CASH EQUIVALENTS AT 31 DECEMBER	469,311	507,455

CASH FLOWS FROM DISCONTINUED OPERATIONS

A) Operating activities	-	-
B) Investing activities	-	-
C) Financing activities	-	-
D) Net cash flows from discontinued operations (A+B+C)	-	-

EUR thousand

Note: The accompanying Notes 1 to 5 and the appendices thereto are an integral part of the consolidated statement of cash flows for the year ended 31 December 2022.

1. Corporate information

1.1 Name and registered address

Obrascón Huarte Lain, S.A., formerly Sociedad General de Obras y Construcciones Obrascón, S.A., is a Spanish public limited company (sociedad anónima) incorporated on 15 May 1911, with registered address at Paseo de la Castellana, 259 D, Madrid, Spain. Obrascón Huarte Lain, S.A. (the “Parent”) and its subsidiaries (collectively “OHLA Group” or the “Group”) form a group, with registered address at Paseo de la Castellana 259 D, Madrid, Spain.

OHL Group operates primarily in Spain, the US, Latin America and elsewhere in Europe.

1.2 Business sectors

The companies comprising Obrascón Huarte Lain Group conduct business mainly in the following sectors:

Construction

All manner of civil engineering and building construction works for public and private customers in Spain and abroad.

Industrial

Industrial engineering, particularly complete industrial plants and systems, including the design, construction, maintenance and operation thereof, and any other activity related to oil and gas, renewable energy, mining and cement, solids engineering and fire-fighting systems.

Services

Cleaning, maintenance and urban, and waste management services in buildings, homes, offices, urban green areas and road networks, and social and health services.

Other

The Group engages in other minor activities, which at the reporting date are not disclosed separately since they do not represent a significant portion of total revenue. These included Developments, relating to the development and operation of premium or luxury mixed-use hotels, and Concessions, entailing the construction, execution, operation and conservation of all types of infrastructure and works. It also includes all Corporate activities (expenses and adjustments).

1.3 Profit/(loss) for year, trend in equity attributable to the parent and changes in cash flows

Profit/(loss) for the year

Consolidated loss attributable to equity holders of the parent for the year ended 31 December 2022 amounted to EUR 96,840 thousand.

	31/12/2022	31/12/2021
Revenue	3,259,672	2,778,604
EBITDA(*)	114,098	91,240
EBIT	45,806	24,544
Financial profit/(loss) and other profit/(loss)	(106,645)	17,840
Profit/(loss) before tax	(60,839)	42,384
Income tax expense	(32,658)	(36,243)
Profit/(loss) for the year from continuing operations	(93,497)	6,141
Non-controlling interests	(3,343)	(196)
Profit/(loss) for the year attributable to equity holders of the parent	(96,840)	5,945

EUR thousand

(*) EBITDA is calculated as operating profit/(loss) plus amortisation and depreciation, and changes in provisions.

Trend in equity attributable to equity holders of the parent

Set out below are the changes in equity attributable to equity holders of the parent in 2022 and 2021:

	EUR THOUSAND
Balance at 31 December 2020	463,567
Profit/(loss) for 2021 attributable to equity holders of the parent	5,945
Cash flow hedge reserves	15,125
Translation differences	8,380
Other changes (*)	131,259
Balance at 31 December 2021	624,276
Profit/(loss) for 2022 attributable to equity holders of the parent	(96,840)
Translation differences	29,095
Other changes	1,868
Balance at 31 December 2022	558,399

(*) Includes capital increases

Changes in cash flows

The following table presents changes in cash flows in 2022 compared to the previous year by operating, investing and financing activities:

CASH FLOWS	YEAR ENDED 31/12/2022	YEAR ENDED 31/12/2021	DIFFERENCE
Operating activities	11,468	(633)	12,101
Investing activities	123,266	85,623	37,644
Financing activities	(185,499)	(63,871)	(121,628)
Effect of foreign exchange differences on cash and cash equivalents	12,621	15,322	(2,701)
Net increase/(decrease) in cash and cash equivalents	(38,144)	36,441	(74,585)
Cash and cash equivalents at 1 January	507,455	471,014	36,441
Cash and cash equivalents at 31 December	469,311	507,455	(38,144)

EUR thousand

1.4 Proposed distribution of loss and dividends

The distribution of loss for the year proposed by the directors of the Parent, Obrascón Huarte Lain, S.A. to be submitted for approval by shareholders at the General Meeting is as follows:

2022 loss	(66,079)
Distribution: To prior years' losses	(66,079)

EUR thousand

1.5 Earnings per share (EPS)

Basic earnings per share

Basic earnings per share (EPS) amounts are calculated by dividing the consolidated profit/(loss) for the year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the year, excluding the average number of treasury shares held in the year.

Diluted EPS

Diluted EPS is calculated similarly to basic EPS, except the weighted average number of shares outstanding is increased by share options, warrants and convertible debt.

There were no differences between the basic earnings per share and diluted earnings per share at 31 December 2022 and 2021.

	AS AT 31/12/2022	AS AT 31/12/2021
Weighted average number of shares outstanding	590,471,633	463,607,040
Consolidated profit/(loss) for the year attributable to equity holders of the parent	(96,840)	5,945
Basic earnings/(loss) per share = Diluted earnings/(loss) per share	(0.16)	0.01

EUR thousand

2. Basis of preparation and consolidation

2.1 Basis of preparation

OHLA Group's consolidated financial statements for the year ended 31 December 2022 were:

- Authorised for issue by the Parent's directors at the meeting of the Board of Directors held on 28 March 2023.
- Prepared in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union.
- Prepared applying all mandatory accounting policies and measurement bases with a significant impact on the consolidated financial statements. The significant accounting policies and measurement bases applied in the preparation of the Group's consolidated 2022 financial statements are summarised in Note 2.6.
- Prepared so that they give a true and fair view of the Group's consolidated equity and consolidated financial position as at 31 December 2022, and the results of its operations, the consolidated recognised income and expense, the changes in consolidated equity and the consolidated cash flows in 2022.

- Prepared on the basis of the accounting records kept by the Parent and by the other Group companies.

However, since the accounting policies and measurement bases used in preparing the Group's 2022 consolidated financial statements differ in some cases from those used by certain Group entities (local GAAP), the required uniformity adjustments to the policies and methods used and reclassifications were made on consolidation to make them compliant with International Financial Reporting Standards (IFRSs).

The Group's 2021 consolidated financial statements were approved by the Parent's shareholders at the Annual General Meeting held on 2 June 2022.

The Group's consolidated financial statements and the financial statements of the Parent and Group companies for 2022 have not yet been approved by the shareholders at their respective General Meetings. However, the Parent's Board of Directors considers that they will be approved without any changes.

2.2 International Financial Reporting Standard (IFRSs)

2.2.1 Standards and interpretations approved by the European Union and applied for the first time in the current reporting period

The accounting standards used to prepare the accompanying consolidated financial statements are the same as those used to prepare the consolidated financial statements for the year ended 31 December 2021, as none of the standards, interpretations or amendments that are effective for the first time in the current period have had any impact on the Group's accounting policies.

2.2.2 Standards and interpretations issued by the IASB, but not yet effective in the current period

The Group intends to apply the new standards, interpretations and amendments issued by the International Accounting Standards Board (IASB) whose application is not mandatory in the European Union when they become effective, to the extent applicable to the Group. Although the Group is still in the process of analysing their impact, based on the analysis performed to date, it estimates that their first-time application will not have a significant impact on its consolidated financial statements.

2.3 Functional currency

These consolidated financial statements are presented in euros (EUR), as this is the currency of the primary economic area in which the Group operates. However, a significant part of the Group's business is carried out in geographies with a functional currency that is not the euro. Foreign operations are accounted for in accordance with the policies established in Note 2.6.11.

2.4 Responsibility for the information and use of estimates

The information in these consolidated financial statements is the responsibility of the directors of the Parent.

The preparation of the 2022 consolidated financial statements required senior management of the Parent and consolidated companies to make estimates, which are subsequently ratified by their directors, that affect the reported amounts of certain assets, liabilities, revenues and expenses. These estimates relate basically to:

- Assessment of possible impairment losses on certain assets (see Notes 2.6.6, 2.6.7, 3.1, 3.2, 3.3, 3.4 and 3.5).
- The useful life of intangible assets and property, plant, and equipment (see Notes 2.6.1 and 2.6.3).
- The recognition of construction contract revenue and contract costs (see Notes 2.6.15, 3.9 and 3.22).
- The amount of certain provisions (see Notes 2.6.14 and 3.19).
- The fair value of assets acquired in business combinations and goodwill (see Note 3.5).
- The fair value of certain unquoted assets.
- The assessment of potential contingencies for employment, tax and legal risks (see Notes 3.20, 3.21 and 4.6.2.2).
- Financial risk management (see Note 4.2.).

Although these estimates were made on the basis of the best information available at the reporting date regarding the facts analysed, future events could make it necessary to revise these estimates after 31 December 2022. Any changes in accounting estimates would be applied prospectively in accordance with IAS 8, with the effects of the change in accounting estimates recognised in the consolidated statement of profit or loss of the periods affected.

In this respect, the impact of the global environment (e.g. war between Russia and Ukraine, high inflation, materials supply chain disruptions) on the economy and its performance in the coming months should be considered. In light of this situation, the estimates and judgements made by Group management are subject to a higher degree of uncertainty. Nevertheless, no significant impact had been observed as at the date of authorisation for issue of these consolidated financial statements, since the Group does not have any operations in Russia.

As required by IAS 1, the information relating to 2021 is presented for comparative purposes with the information for 2022 and, accordingly, does not constitute the Company's complete 2021 consolidated financial statements.

2.5 Basis of consolidation

Subsidiaries

The Group considers as subsidiaries entities over which the Parent has control; i.e. when the Parent is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In accordance with IFRS 10 Consolidated Financial Statements, the Parent controls an investee if and only if it has all the following:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of its returns.

The financial statements of subsidiaries are fully consolidated with those of the Parent. Any non-controlling interests are recognised under "Non-controlling interests" in the consolidated statement of financial position and the consolidated statement of profit or loss.

The profit or loss on intragroup transactions is eliminated and deferred until it is realised vis-à-vis non-Group third parties, except for profit or loss relating to construction work performed for concession operators which, in accordance with IFRIC 12, is identified as profit or loss on transactions with non-Group companies and, accordingly, recognised by reference to the stage of completion.

Joint operations

A joint operation is a contractual arrangement whereby two or more entities that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

The financial statements of the joint operations are proportionately consolidated (see Note 3.7.2).

The assets and liabilities assigned to joint operations are presented in the consolidated statement of financial position classified based on their nature. Similarly, the Group's share of the revenues and expenses of joint operations is recognised in the consolidated statement of profit or loss based on the nature of the related items.

Joint ventures

A joint venture is a joint arrangement whereby two or more entities that have joint control of the arrangement do not have rights to the assets or obligations for the liabilities but have rights to the net assets of the arrangement.

Interests in joint ventures are accounted for in the consolidated financial statements using the equity method.

Associates

Associates are entities over which the Parent does not have control or joint control with other parties, but has significant influence.

Interests in associates are accounted for in the consolidated financial statements using the equity method.

Scope of consolidation

Appendix I lists the most significant companies included in the scope of consolidation as at 31 December 2022.

Appendices II and III list the activities, registered offices and equity, and the net cost of the investments in the most significant companies included in the consolidated Group.

Changes in the scope of consolidation

The main changes in the scope of consolidation in 2022 are described in Appendix IV.

INCLUSIONS	NO. OF COMPANIES
Full consolidation	7
Equity method	4
Total inclusions	11

EXCLUSIONS	NO. OF COMPANIES
Full consolidation	1
Total exclusions	1

Among inclusions:

- In January 2022, Sociedad Concesionaria Hospitales Red Biobío, S.A. was incorporated in Chile. It is wholly owned by Group companies and was set up to perform a construction and maintenance contract for four hospitals in the BioBio region.

- In the same month, OHL Operaciones, S.A. incorporated OHLA Energy, S.L. Its objects include the promotion, development, construction and operation of industrial and engineering projects, in which it holds 100% interests.

- On 4 March 2022, OHLA-OHMG JV Limited was set up in Ireland to carry out a school design and construction project in Ireland. It is 60%-owned by OHL Ireland Construction and Engineering Limited, S.A. and 40%-owned by OHMG (Holding) Ltd. It will be fully consolidated.

- On 24 March 2022, Concesionaria Ruta Bogotá Norte, S.A.S. was set up in Colombia to execute the Northern Access Phase II project. It is 50%-owned by OHL, S.A. and 50%-owned by Termotécnica Coindustrial SAS. As a joint venture, it is accounted for using the equity method.

- On 3 June 2022, concession operator Parking Niño Jesús-Retiro, S.A. was incorporated. It is 30%-owned by OHL, S.A. and 70%-owned by TIIC 2 Concesiones, S.L. and will be accounted for using the equity method.

- On 6 June 2022, Rebuilding Agente Rehabilitador, S.L. was incorporated in Spain, engaged mainly in sustainable building renovation. It is a 50/50 joint venture between OHL Operaciones, S.A. and Endesa X Servicios, S.L. As a joint venture, it is accounted for using the equity method.

- On 13 July 2022, OHLA Gestión Activos, S.L. was incorporated in Spain. It is wholly owned by OHL Desarrollos, S.A. and its objects include primarily the construction, development and operation of residential real estate projects.

- On 21 September 2022, Denia Senior Living, S.L. was incorporated in Spain. It is wholly owned by OHL Desarrollos, S.A. and was set up to build, develop and operate real estate projects targeting independent senior citizens.

- On 24 November 2022, La Manga Senior Living, S.L. was incorporated in Spain. It is wholly owned by OHL Desarrollos, S.A. and its objects include primarily the construction, development and operation of real estate projects targeting independent senior citizens.

There were no significant exclusions from the Group in 2022.

Business combinations

In February 2021, the Group acquired control of the Pacadar subgroup via the dation in payment of debt of 100% of Pacadar, S.A. shares, attributing to it an enterprise value of EUR 94,328 thousand (EUR 53,769 thousand for the value of the shares and EUR 40,559 thousand for total facilities granted).

In accordance with IFRS 3, on acquisition the Group assessed the fair value of the identifiable assets and liabilities transferred for the purchase price allocation (PPA), which it then used to recognise the following accounting adjustments: a revaluation of property, plant and equipment of EUR 41,362 thousand and recognition of an intangible asset of EUR 13,939 thousand for the fair value of the project pipeline, along with recognition of a deferred tax liability of EUR 13,825 thousand for the tax effect of those two adjustments. The difference between the fair value of the net assets acquired and acquisition cost was recognised as goodwill, for an amount of EUR 30,242 thousand (see Note 3.5).

As at 31 December 2022, the accounting was considered definitive, with the one-year period provided for in the standard for adjusting the price having elapsed.

2.6 Accounting policies

The accounting policies, and measurement bases, used by the Group in preparing the 2022 consolidated financial statements are disclosed below.

2.6.1 Intangible asset model

Intangible assets are recognised initially at the purchase price or cost of production.

They are subsequently carried at purchase price or cost of production less any accumulated amortisation and accumulated impairment losses.

This item includes costs arising from the installation and acquisition of computer software, which is amortised on a straight-line basis over a maximum period of five years.

Also included is development expenditure, which is capitalised if it meets the requirements of identifiability, if the cost can be measured reliably and it is highly probable that the asset will generate economic benefits. This expenditure is amortised on a straight-line basis over the useful life of the asset.

Expenditure on research is recognised as an expense when it is incurred.

In accordance with IFRS 3, all assets of a business combination, including intangible assets, whether or not the acquiree has recognised them in its statement of financial position, are measured at fair value, provided that they meet certain identifiability and separability criteria. In this regard, this line item includes the amount of the acquirees' backlog and customer portfolio measured at their acquisition-date fair values by reference to the projected contract margins after taxes, projected contract costs and the contractual period. The amount of the backlog is amortised over the remaining contractual period and the amount of the customer portfolio over the estimated average useful life.

At the end of each reporting period the goodwill allocated to the customer portfolio of US companies is tested for impairment using cash flow projections, discounted in 2022 and 2021 at a rate of 9%.

2.6.2 Concession infrastructure

Concession infrastructure includes investments by Group companies that are infrastructure concession operators. These investments are accounted for in accordance with IFRIC 12 *Service Concession Arrangements*.

IFRIC 12 relates to the recognition of arrangements with private sector operators that involve providing infrastructure assets and services to the public sector. According to this interpretation, infrastructure items in concession arrangements must not be recognised as property, plant and equipment of the operator, but the assets must be classified as intangible assets or financial assets.

2.6.2.1 Concession infrastructure classified as an intangible asset

An intangible asset is recognised when the operator provides construction or upgrade services and receives a right to operate the infrastructure for a specified period of time after the construction has been completed. During this period, the operator's future cash flows are not specified, as they are contingent on the extent to which the asset is used and therefore may vary. In these cases, the concession operator assumes the demand risk.

The intangible asset is measured at the fair value of the service provided, which is equal to total payments made for construction, including studies and projects, expropriations, project execution, management and administration expenses, installations and building, and other similar costs, and the share of other indirectly attributable costs to the extent that they related to the construction period.

Payments made to the grantor as fees for acquiring the right to operate the concession are also capitalised.

Borrowing costs unrelated to the infrastructure are recognised in profit and loss, while those incurred during the construction phase and until the entry into service of the concession are capitalised.

The concession infrastructure recognised as an intangible asset is amortised on the basis of the pattern of consumption of the concession assets over a period no greater than the term of the concession.

Upgrades that extend the useful life or the economic capacity of the asset are capitalised as an increase in the carrying amount of the asset in projects and treated subsequently the same as the initial investment. However, if, based on the terms of the arrangement, the costs will not be offset by an increase in revenue, a provision is recognised for an amount equal to the present value of the expected cash outflows, along with an increase in the carrying amount of the asset.

Futures investments that the Group is contractually obliged to make related to dismantling, closing and the environmental restoration of certain plants are treated as initial investments. The Group recognises an asset and an initial provision for an amount equal to the present value of the future investment.

Contractual obligations regarding replacement and major repairs to maintain infrastructure at a specified service capacity must be recognised and measured in accordance with IAS 37. A provision must be recognised systematically over the period during which the obligations accrue and based on the use of the infrastructure. The full amount of the provision must be recognised in the period in which the replacement must be made. This provision is included under "Non-current provisions" under liabilities in the consolidated statement of financial position and discounting is used.

Government grants awarded to finance infrastructure are recognised under other non-current financial liabilities until the conditions attaching to them have been fulfilled. At that time, they are accounted for as a reduction in the cost of the infrastructure.

2.6.2.2 Concession infrastructure classified as a financial asset

This item includes investments made under concession arrangements in which there is an unconditional contractual right to receive cash or another financial asset, either because the grantor guarantees to pay the operator specified or determinable amounts, or the shortfall, if any, between the amounts received from users of the public service and the specified or determinable amounts. Therefore, these are concession arrangements in which the grantor assumes the demand risk.

The amount due from the grantor is recognised as a financial asset - receivable - in the consolidated statement of financial position at the value of the construction, operation and/or maintenance services provided and the interest implicit in this type of arrangement.

The financial asset is recognised initially at the fair value of the infrastructure and subsequently measured at amortised cost, calculated based on the best estimates of the cash flows to be received over the term of the concession. Accrued interest, calculated using the effective interest rate method, on the expected cash inflows and outflows of the concession is recognised as revenue since it is considered that these cash flows relate to the operator's ordinary activities.

The value of the financial asset increases each period, mainly for the construction, upgrade and maintenance services, and the interest on the consideration for the construction services provided, with the increase recognised in sales. Net amounts received from the grantor reduce the value of the financial asset, with the amount recognised in cash.

All actions taken in relation to the concession infrastructure, such as maintenance, replacements and major repairs, and those required to hand back the infrastructure to the grantor give rise to the recognition of revenue from the rendering of services in the consolidated statement of profit or loss and an increase in the value of the financial asset. Costs for the operator to carry out these actions are recognised in profit or loss as incurred.

2.6.3 Property, plant and equipment

Property, plant and equipment are stated at cost (revalued, where appropriate, in accordance with applicable legislation prior to the date of transition to IFRSs, including Royal Decree-Law 7/1996), net of accumulated depreciation and accumulated impairment losses, if any.

Costs incurred to enlarge, upgrade or improve property, plant and equipment which increase productivity, capacity or extend the useful life of the asset are capitalised as an increase in the asset.

Expenses for repairs that do not extend the useful life of the assets, as well as maintenance expenses, are recognised in profit or loss in the year incurred.

The Group capitalises interest during the construction phase of its property, plant and equipment as described in Note 2.6.17.

Self-constructed property, plant and equipment are recognised at the accumulated cost, calculated by adding external costs and internal costs determined on the basis of the materials consumed in-house and manufacturing overheads, calculated using similar absorption rates to those used for the measurement of inventories.

Depreciation is calculated, using the straight-line method, on the basis of the acquisition cost of the assets less their residual value. The land on which the buildings and other structures stand are considered to have an indefinite useful life and, therefore, is not depreciated.

The period property, plant and equipment depreciation charge is recognised in the consolidated statement of profit or loss at rates based on the following years of estimated useful life of the various assets.

	YEARS OF USEFUL LIFE
Buildings	25-50
Machinery	6-16
Other installations, equipment and furniture	10
Other property, plant and equipment	3-5

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets of a similar nature.

At the end of each reporting period, the consolidated companies assess whether there is any internal or external indication that the carrying amount of an item of property, plant and equipment exceeds its recoverable amount, i.e., the higher of the net amount which could be obtained if the asset was sold and the present value of the future cash flows. If any such indication exists, the carrying amount of the asset is reduced to its recoverable amount and the depreciation charge in the consolidated statement of profit or loss is adjusted in future periods to allocate the asset's revised carrying amount and new useful life.

Similarly, when there are indications that the value of the asset has recovered, the consolidated companies recognise the reversal of the impairment loss recognised in prior periods and adjust the depreciation charge in future consolidated statements of profit or loss. The reversal is limited to the original cost of the asset.

2.6.4 Investment properties

"Investment properties" in the accompanying consolidated statement of financial position reflects the net values of the land, buildings and other structures held to earn rentals or for capital appreciation.

Land is measured at cost increased by site clearance and preparation costs. Construction projects are measured at the cost of the related progress billings plus contract costs, such as site management, levies, architects' fees, etc. Investment properties are depreciated on a straight-line basis over their useful lives, which are the same as those used for similar items of property, plant and equipment.

Borrowing costs attributable to these investments are capitalised during the construction phase until the properties are ready for sale as an increase to the cost of the investment. Interest income obtained from the short-term investment of cash surpluses is deducted from the cost of the investment.

Revenue and gains or losses are recognised when the assets are sold and the sale to the buyer has been executed in a public deed; i.e. when the inherent rights and obligations are transferred. Rental income is recognised in profit or loss on an accrual basis.

In leases, expenses are recognised on an accrual basis and all maintenance, management and depreciation costs relating to the leased assets are recognised in profit or loss.

At the end of each reporting period, the Group assesses whether the carrying amount of an investment property exceeds its fair value. If so, it reduces the carrying amount of the asset to its fair value and recognises the impairment loss in profit or loss.

2.6.5 Goodwill

The excess of the cost of acquiring an interest in a company over its underlying carrying amount is allocated to certain assets and liabilities on consolidation.

This allocation is performed as follows:

1. Where it is attributable to specific assets and liabilities of the company acquired, by increasing the value of the assets acquired or reducing the value of the liabilities assumed.
2. Where it is attributable to specific intangible assets, by recognising it explicitly in the consolidated statement of financial position.
3. Any remaining amount is recognised as goodwill on the asset side of the consolidated statement of financial position.

Goodwill is tested for impairment at the end of each reporting period. Where there is any indication of impairment, the carrying amount is reduced to recoverable amount and the impairment loss is recognised in profit or loss.

An impairment loss recognised for goodwill may not be reversed in a subsequent period.

2.6.6 Impairment of non-current assets

At the end of each reporting period, the consolidated companies assess whether there is any internal or external indication that the carrying amount of an asset exceeds its recoverable amount, i.e., the higher of the net amount which could be obtained if the asset was sold and the present value of the future cash flows. If any such indication exists, the carrying amount of the asset is reduced to its recoverable amount and the depreciation charge in the consolidated statement of profit or loss is adjusted in future periods to allocate the asset's revised carrying amount and new useful life.

For these purposes, indications of impairment include operating losses or negative cash flows during the period, if they are combined with a history or forecast of losses, a decline in value and depreciation/amortisation recognised in profit or loss that, as a percentage

of revenue, are substantially higher than those from previous years, effects of obsolescence, a reduction in demand for the services provided, competition and other economic and legal factors.

In any case, where carrying amount exceeds recoverable amount, calculated as the present value of cash flows, impairment is recognised.

Similarly, when there are indications that the value of the asset has recovered, the consolidated companies recognise the reversal of the impairment loss recognised in prior periods and adjust the depreciation charge in future consolidated statements of profit or loss. The reversal is limited to the original cost of the asset.

The following criteria are applied for each non-current asset:

Concession infrastructure

The present value of the expected future cash flows is estimated using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, both during the use of the asset and from the possible disposal of the asset at the end of its useful life.

The key variables considered are the estimate of revenue to be received over the concession term and the estimate of the operating and maintenance expenses.

Investment properties

At the end of each reporting period, an assessment is made to determine whether the carrying amount of an investment property exceeds its fair value. If so, the carrying amount of the asset is reduced to its fair value and an impairment loss is recognised in profit or loss.

In determining fair value, external valuers are engaged to perform appraisals and recent market transactions are taken into account.

An impairment loss is recognised if carrying amount exceeds recoverable amount. When an impairment loss subsequently reverses, income is recorded up to the amount of the previously recognised impairment loss.

Goodwill

Assumptions underlying the cash flow projections used to calculate goodwill are as follows:

- The maintenance over time of a short-term backlog measured in months of sales.
- Cash flow projections covering a three-year period.
- A 2% annual growth rate beyond that period.

In any case, where carrying amount exceeds recoverable amount, calculated as the present value of cash flows, impairment is recognised. The assessment did not uncover any indications of impairment.

2.6.7 Financial assets

Financial assets are assets representing collection rights for the Group arising from investments or loans. These rights are classified as current or non-current depending on whether they are due to be settled within less than or more than 12 months, respectively.

In 2018, the Group adopted IFRS 9 *Financial Instruments*, which sets out the requirements for the recognition and measurement of financial assets and financial liabilities.

The main change affects the classification and measurement of financial assets, whereby the measurement method is determined on the basis of both the contractual cash flow characteristics of the financial asset and the entity's business model for managing the financial asset. The three categories are: amortised cost; fair value through other comprehensive income (equity); and fair value through profit or loss. As explained above, the Group's financial assets are mainly assets held to maturity that give rise to cash flows that are solely payments of principal and interest. Therefore, based on these characteristics, the financial assets are measured at amortised cost.

Derecognition of financial assets

The Group derecognises financial assets when the contractual rights to the cash flows from the financial asset expire or have been transferred, provided that substantially all the risks and rewards of ownership have been transferred, such as in binding agreements for sales of assets, transfers of trade receivables in factoring transactions in which the Company retains no credit or interest rate risk, sales of financial assets with an agreement to repurchase them at fair value and securitisations of financial assets whereby the transferee neither retains any subordinated financing nor extends any type of guarantee or incurs any other type of risk.

Impairment of financial assets

The Group adjusts the carrying amount of financial assets with a charge to profit or loss when there is objective evidence that the asset is impaired.

To determine impairment losses on financial assets, the Group assesses the potential loss of individual as well as groups of assets with similar risk exposure.

Also, pursuant to IFRS 9 the Group recognises a loss allowance for expected credit losses, which it reviews at the end of each reporting period. To calculate this loss allowance, the Group uses a methodology whereby it applies certain percentages reflecting the expected credit losses based on the credit profile of the counterparty to the balances of all the financial assets. These percentages reflect the probability of default occurring on payment obligations and the percentage of the loss that is ultimately uncollectible when the default occurs. If a significant increase in credit risk since initial recognition is identified, the expected loss is calculated taking into account the possibility of default over the life of the asset (i.e. lifetime expected credit losses).

The Group applies the simplified approach for trade and other receivables, including contract assets. To calculate expected credit losses, it obtains an average customer rating by activity and geographical region. Taking that rating, the Group obtains the percentages to apply to the balances based on whether the customer is public or private and on its line of business

(only in the case of private customers). In other cases, it performs a specific analysis of the counterparty's rating, using valuations performed by independent experts where necessary.

If the customer enters into insolvency, claim or non-payment proceedings, a default is deemed to have occurred and an allowance is recognised to reduce the related balance receivable to zero. For this purpose, the Group has established periods by customer type for determining default and, consequently, recognising the related allowance.

2.6.8 Transfers of financial assets and derecognition of financial assets and liabilities

The accounting treatment of transfers of financial assets depends on how the risks and rewards associated with the transferred assets are contractually transferred to third parties.

A financial asset is derecognised (removed from the consolidated statement of financial position) only when it is realised or substantially all the risks and rewards of the asset and control of the asset have been transferred.

A financial liability is only removed from the consolidated statement of financial position when the obligation under the liability is extinguished.

2.6.9 Non-current assets and liabilities classified as held for sale

According to IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*, non-current assets and liabilities are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The asset must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and liabilities, and its sale must be highly probable. A sale is considered to be highly probable when there is a commitment to a plan to sell the asset and an active programme to locate a buyer and complete the plan has been initiated. The sale must also be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified held for sale are not depreciated and are measured at the lower of their carrying amount and fair value less costs to sell.

2.6.10 Inventories

This consolidated statement of financial position line item includes the assets that consolidated entities:

- Hold for sale in the ordinary course of business.
- Have in the process of production, construction or development for such sale.
- Expect to consume in the production process or in the rendering of services.

All inventories are valued at the lower of cost and net realisable value.

Net realisable value is the estimated selling price less estimated costs of completion and the estimated costs necessary to make the sale.

Finished goods and work in progress are measured at production cost, which includes the cost of materials, direct labour and production costs and the interest incurred during the construction period.

2.6.11 Foreign currencies

The items included in the consolidated financial statements of each of the Group companies are presented in their respective functional currencies.

The consolidated financial statements are presented in euros, which is the Parent's functional and presentation currency.

In Group companies' separate financial statements, foreign currency balances and transactions are translated as follows:

- Transactions in other currencies carried out during the period are translated at the currency spot rates at the dates of the transactions.
- Monetary assets and liabilities denominated in foreign currencies (cash and items that do not lose value when converted to cash) are translated at the functional currency spot rates of exchange at the reporting dates.
- Non-monetary assets and liabilities denominated in foreign currencies are translated at their historical exchange rates.

Gains or losses arising on translation are recognised in profit or loss.

On consolidation, the balances of the financial statements of consolidated entities whose functional currency is not the euro are translated to euros as follows:

- The assets and liabilities at the rate of exchange prevailing at the reporting date.
- Income and expenses at the average exchange rates for the period.
- Equity at historical exchange rates.

The exchange differences arising on consolidation of companies with a functional currency other than the euro are classified in the consolidated statement of financial position as exchange differences under "Equity- Valuation adjustments".

The Group does not hold any investments in a currency that is identified as a currency of a hyperinflationary economy.

2.6.12 Bank borrowings, and issues of bonds and other marketable securities

Bank borrowings and issues of bonds and other marketable securities are recognised at the amount received, net of direct issue costs, plus accrued interest not yet paid at the end of the reporting period. Borrowing costs are recognised on an accrual basis in the consolidated statement of profit or loss by modifying the nominal rate, taking into account issue discounts, fees and expenses. This method is equivalent to using the effective interest rate, which is the rate that exactly matches the net value of receipts to the present value of future cash payments.

Loans and borrowings due to be settled within 12 months of the reporting date are classified as current and those due to be settled within more than 12 months are classified as non-current.

2.6.13 Derivative financial instruments and hedges

The Group enters into a variety of derivative financial instruments to mitigate the economic effects of changes in foreign exchange rates and interest rates to which the Group is exposed, including forward currency contracts, interest rate swaps and interest rate options.

Forward currency contracts and interest rate swaps are future exchange commitments whereby the Group and banks agree to exchange interest payments or currencies in the future. With interest rate derivatives, the commitment is to pay a fixed interest rate in exchange for receiving a floating interest rate. With foreign currency derivatives, the commitment is to pay or receive a specified amount of euros in exchange for a specified amount of another currency. With equity swaps tied to the Group's share price, the commitment is to pay or receive the result of the change in the share price with respect to a reference price and to pay a floating interest rate. With interest rate options entered into, the Group acquires the right to receive interest if the interest rate exceeds the reference level specified initially with the banks in exchange for paying a specified amount to these banks at the inception of the transaction.

The Group does not enter into a derivative with the intention of settling it early or trading with it. The Group does not enter into derivatives for speculative purposes, but rather to mitigate the potential economic effects on its foreign trade and financing activities caused by changes in exchange rates and interest rates.

Derivatives are recognised at fair value under "Other financial assets" or "Other financial liabilities" in the consolidated statement of financial position.

Fair value is the net amount that the Group would have to pay or receive if the derivative were settled at the measurement date. It is equal to the difference between the present value of the future receipts or payments agreed between the Group and banks under the terms of the derivative entered into.

IFRS 13 *Fair Value Measurement* has changed the definition of fair value and confirms that the entity's

own credit risk must be included in fair value. Since 1 January 2013, this adjustment to the measurement of derivatives is recognised in profit or loss, unless the derivatives qualify as effective hedges, in which case they are recognised in reserves.

The recognition of the fair value of derivatives as other financial assets or financial liabilities gives rise to a change in equity if the derivative qualifies for hedge accounting. The change in equity is recognised directly in "**Valuation adjustments**" in the consolidated statement of financial position and indirectly in "**Net gain/(loss) on remeasurement of financial instruments at fair value**" or "**Share of profit/(loss) of companies accounted for using the equity method**", as appropriate, in the consolidated statement of profit or loss.

The fair value of a derivative changes during its term. Changes in fair value arise: as a result of the passage of time; as a result of changes in interest rate curves; as a result of changes in exchange rates, in the case of foreign currency derivatives; as a result of changes in the share price, in the case of equity-based derivatives; and as a result of changes in the volatility of interest rates, in the case of interest rate options.

Derivatives may or may not qualify for hedge accounting.

For a derivative to qualify as a hedge, it must meet the following requirements:

- The underlying in relation to which the derivative is entered into to mitigate the economic effects that might arise from the underlying in response to changes in exchange rates and interest rates must be identified initially.
- When the derivative is entered into, the reason for entering into it must be appropriately documented and the hedged risk must be identified.
- It must be demonstrated that the hedge is effective from inception to its settlement, i.e. that it meets the objective initially defined. In order to assess this, the effectiveness of the hedge is tested.

When the derivative does not qualify for hedge accounting or the Group voluntarily decides not to apply hedge accounting, changes in fair value are recognised in the consolidated statement of profit or loss.

For derivatives that qualify for hedge accounting, the relevant standards stipulate whether to recognise changes in fair value directly in equity or indirectly through profit or loss in accordance with the type of risk hedged.

Cash flow hedges

A derivative entered into to hedge against exposure to variability in the expected future cash flows in a foreign currency transaction due to changes in exchange rates can be considered to be a cash flow hedge. The same is true of a derivative entered into to hedge against exposure to variability in the expected future cash flows in floating-rate borrowings due to changes in interest rates.

The effective portion of the gain or loss on a hedging instrument whose purpose is to act as a cash flow hedge of an underlying is recognised under "**Equity - Valuation adjustments**", while any ineffective portion is recognised in the consolidated statement of profit or loss. Changes in the time value of the options are recognised directly in the consolidated statement of profit or loss.

The cumulative balance of "Equity - Valuation adjustments" is transferred to profit or loss when, and to the extent that, the losses or gains on the hedged risk of the underlying are also recognised in profit or loss.

Hedges of a net investment in a foreign operation

When a derivative or other hedging instrument is used to hedge against changes in exchange rates that affect the carrying amount of net investments in foreign operations, it can be considered to be a "hedge of a net investment in a foreign operation".

The gains or losses on this type of derivative or hedging instrument are recognised in the consolidated statement of profit or loss in the same way as for cash flow hedges. The only difference is that the accumulated amounts under "**Equity - Valuation adjustments**" are not reclassified to profit or loss until the investment is sold.

Fair value hedges

Fair value hedges arise when a derivative is entered into to convert a fixed-rate borrowing to a floating-rate borrowing for the purpose of linking a portion of the financing to changes in interest rates and, therefore, market performance.

Fair value hedges also arise when a derivative is entered into to hedge variability in the future equivalent euro value of firm commitments to receive or pay amounts in foreign currency due to changes in exchange rates.

When the purpose of the hedging derivative is to act as a fair value hedge, any gains or losses on the derivative and the underlying are recognised in profit or loss.

2.6.14 Provisions

The Group's consolidated financial statements include all the material provisions with respect to which it is considered that it is probable that the obligation will have to be settled.

Contingent liabilities are not recognised in the consolidated financial statements, but are disclosed, as required by IAS 37 (see Note 4.6.2.2).

Provisions are classified under current or non-current liabilities based on the estimated period of time over which the related obligations will have to be settled.

The most significant provisions are:

Provisions for taxes

These provisions reflect the estimated tax liability of uncertain amount or timing, since payment depends on whether or not certain conditions are met.

Provisions for litigation and third-party liability

These provisions are recognised to cover potential adverse economic outcomes from legal proceedings and claims against the Group arising in the ordinary course of business (see Note 4.6.2.).

Provisions for the completion of construction projects

These provisions are intended to cover expenses arising from the completion of a project until final settlement. The estimated costs in this connection accrue over the construction period based of production volumes.

Provisions for management and other fees

These provisions relate to the amount accrued in connection with project management and inspection fees, laboratory, layout and other fees payable at the reporting date. The amounts of these fees are established in the related project specifications and in current legislation. The estimated costs in this connection accrue over the construction period based of production volumes.

Other trade provisions

“Other trade provisions”, which corresponds primarily to the Group’s construction companies, includes deferrals of expenses and other construction costs. These amounts considered individually are of scant significance and correspond to numerous contracts.

Provisions for major maintenance work, removal or refurbishment of non-current assets

In accordance with IFRIC 12, provisions are recognised for the estimated expenditure required to carry out maintenance work over a period of more than one year (mainly at concession operators) with a charge to the consolidated statement of profit or loss for each of the periods remaining until completion of the work.

Provisions for future losses

These provisions are recognised immediately when it is evident that total contract costs will exceed total contract revenues.

2.6.15 Revenue recognition

To recognise revenue consistently across the various business areas, the Group has a general revenue recognition policy that is in line with IFRS 15 Revenue from Contracts with Customers. This policy contains the following principles:

i) Core principle

The first step for recognising revenue requires identifying the nature of the contract and its performance obligations. The Group generally satisfies its performance obligations in the Construction, Industrial and Services activities over time, whereby the customer simultaneously receives and consumes the benefits as the service is provided.

The Group has clear criteria for recognising revenue over time that it applies consistently to the Construction and Industrial activities for similar performance obligations. The Group measures the value of the goods and services for which control is transferred to the customer over time using the input method, or “stage of completion in proportion to contract costs incurred”. In accordance with this method, the Group recognises revenue based on the proportion that costs incurred bear to the estimated total costs. This method requires measuring the proportion that costs incurred as at the measurement date bear to total budgeted costs and, therefore, recognising revenue and margins in proportion to the total expected revenue and margins.

For maintenance or cleaning services of the Services Division, the revenue recognition method used by the Group is based on the time elapsed output method. Under this method, revenue is recognised on a straight-line basis over the term of the contract, while costs are recognised on an accrual basis.

ii) Recognition of revenue from contract modifications, claims and disputes

A contract modification is a change in the scope of the contract, other than a change envisaged in the original contract, that may result in a change in the revenue associated with that contract. In most cases, modifications to the original contract require the customer to give technical and financial approval to enable the Group to bill and collect the amounts relating to that additional work. The Group does not recognise revenue relating to contract modifications until the customer approves these modifications; however, in cases where the additional work has been approved but the corresponding change in price has not yet been determined, the Group only recognises an amount to the extent that it is highly probable that a significant reversal in the amount of revenue will not occur. The costs of producing these units are recognised as incurred, irrespective of whether or not the modification has been approved.

A claim is a request for indemnity to a customer. The Group applies the method used for contract modifications to claims.

A dispute is the result of a discrepancy resulting from a claim made to the customer under the framework of a contract, the resolution of which is dependent on the mechanism established in the contract for the resolution of the dispute (whether conducted directly with the customer or through a court or arbitration proceeding). Revenue relating to disputes is not recognised, since the dispute demonstrates the absence of the customer’s approval of the work completed.

iii) Statement of financial position balances related to revenue recognition

Amounts to be billed for work performed/ amounts billed in advance for construction work

Unlike the method used to recognise contract revenue, the amounts billed to the customer are based on achievement of the various milestones established in the contract and on acknowledgement thereof by the customer through the certificate of completion. Accordingly, the amounts recognised as revenue for a given year do not necessarily coincide with the

amounts billed to, or certified by, the customer. For contracts in which the transfer of goods or services to the customer is more than the amount certified, the difference is recognised in assets under “Amounts to be billed for work performed” under “Trade receivables”, whereas in contracts in which the transfer of goods or services is less than the amount certified by the customer, the difference is recognised in liabilities in “Amounts billed in advance for construction work” under “Trade and other payables” in the consolidated statement of financial position.

Costs to obtain and fulfil contracts

The Group recognises as assets the costs of obtaining a contract (bid costs) and the costs incurred in fulfilling a contract or setup costs (mobilisation costs) that are directly related to the principal contract, provided they will be recovered through performance of the contract.

Costs of obtaining a contract are capitalised only when they are directly related to a contract and it is probable that they will be recovered in the future and the contract has been awarded or the Group has been selected as the preferred bidder. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained are recognised as an expense unless those costs are explicitly chargeable to the customer (regardless of whether the contract is obtained). The asset is amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Costs to fulfil a contract (setup or mobilisation costs) are capitalised if they are expected to be recovered and do not include costs that would normally be incurred by the Group had the contract not been obtained. They are recognised in profit or loss on the basis of the proportion of actual output to estimated output under each contract. Otherwise, these costs are recognised directly in profit or loss.

iv) Provisions relating to contracts with customers

The main provisions relating to contracts with customers are provisions for the completion of construction projects and provisions for budgeted losses.

Provisions for the completion of construction projects: these cover the costs expected to be incurred on completion of a contract. These provisions relate to a present obligation stipulated in the contract the performance of which is probably going to result in an outflow of resources from the company and the amount of which can be estimated reliably. Provisions are recognised on the basis of the best possible estimates of the total expenditure required to settle the obligations. They can be determined as a percentage of the total expected contract revenue if historical information on similar contracts is available.

Provisions for budgeted losses: these provisions are recognised immediately when it is evident that total contract costs will exceed total contract revenues and they are included in the estimate of the total budget for the contract.

v) Financing component

For performance obligations for which the period between when the entity transfers a promised good or service to the customer and when the customer pays for that good or service is less than one year, the Group applies the practical expedient permitted by the standard and does not adjust the promised amount of consideration for the effects of a significant financing component.

In cases where there is a contractual or legal right to charge late-payment interest owing to a delay in collection with respect to the contractually established periods, such interest is recognised only when it is highly probable that it will actually be received.

2.6.16 Leases and right of use

In accordance with IFRS 16, which became effective on 1 January 2019, leases of property, plant and equipment with a lease term of over one year and a significant value are recognised as right-of-use assets, along with the related lease liability on the date on which the leased asset is available for use by the Group.

Right-of-use assets and the related lease liability represent the right to use the underlying asset and the obligation to make lease payments, respectively.

Right-of-use assets are measured at cost, which comprises:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives; and
- any initial direct costs.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the asset’s useful life or the lease term.

The lease liability associated with the right-of-use asset includes the net present value of the lease payments.

Lease payments are discounted using the lessee’s incremental borrowing rate, which is the rate of interest that the individual lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The Group is exposed to potential future increases in the lease payments that depend on an index or a rate, which are not included in the lease liability until they take effect. The lease liability is then remeasured and the amount is recognised as an adjustment to the right-of-use asset.

The lease payments are apportioned between principal and interest expense. Interest expense is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability for each period.

The lease term is determined as the non-cancellable period. If the Group has a unilateral option to extend or terminate the lease and it is reasonably certain that it will exercise this option, it will consider the periods covered by the extension or early termination.

The lease term is reassessed if an option is actually exercised (or not), or the Group becomes required to exercise it (or not to). Reasonable certainty is reassessed only upon the occurrence of a significant event or a significant change in circumstances that affects this assessment and is within the control of the lessee.

2.6.17 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for their intended use or sale are added directly to the cost of those assets until they are ready for their intended use or sale.

Pursuant to IAS 23, investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs.

All other borrowing costs are recognised in the consolidated statement of profit or loss in the year in which they are incurred.

2.6.18 Income tax expense

The Group companies' income tax expense is calculated on the basis of accounting profit or loss before tax, increased or decreased, as appropriate, by the permanent differences from taxable profit (i.e. the tax base), net of tax relief and tax credits, excluding tax withholdings and prepayments made during the year.

Deferred tax assets and liabilities are taxes expected to be recoverable or payable on the differences between the carrying amounts of assets or liabilities in the consolidated financial statements and their tax bases. They are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

At 31 December 2022, most of the Spanish Group companies were taxed under the consolidated tax regime. Accordingly, the income tax expense recognised in the consolidated statement of profit or loss related to the sum of the tax expense of the consolidated tax group companies and the tax expense of companies not forming part of the consolidated tax group, which are mainly the foreign operations.

2.6.19 Consolidated statement of cash flows

Cash flows are inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value.

The consolidated statement of cash flows is prepared using the indirect method, i.e., on the basis of the changes in the consolidated statement of profit or loss and consolidated statement of financial position. Cash flows are presented with comparative data for two consecutive periods.

This statement reflects changes in consolidated cash flows in the year, classifying them as:

- **Cash flows from operating activities:** those arising from the principal revenue-producing activities of the companies comprising from the Group and other activities that are not investing or financing activities. Interest received and paid, gains or losses on the disposal of non-current assets, adjustments to profits or losses generated by companies accounted for using the equity method and, in general, any results that do not give rise cash flows are transferred out of "Cash flows from operating activities" through "Other adjustments to profit/(loss) before tax".

Dividends received may be classified as operating cash flows or investing cash flows. The Group elects to classify them as operating cash flows.

- **Cash flows from investing activities:** those arising from the acquisition and disposal of long-term assets.

Interest received may be classified as operating cash flows or investing cash flows. The Group elects to classify them as investing cash flows.

- **Cash flows from financing activities:** those arising from changes in borrowings, payment of the dividend, interest paid, changes in non-controlling interests and interest payments associated with leases of property, plant and equipment with a term of more than one year and of a significant value.

Interest paid may be classified as operating cash flows or financing cash flows. The Group elects to classify them as financing cash flows.

2.6.20 Trade and other payables

The Group has entered into reverse factoring arrangements with several banks to facilitate early payment to suppliers, under which suppliers may exercise their collection rights vis-à-vis the Group companies and obtain the amount billed less the finance costs of discounting and the fees charged by those banks.

These arrangements do not modify the principal terms and conditions of payment to suppliers, such as the term or amount. Therefore, the amounts are classified as trade payables.

As at 31 December 2022, the balance of "reverse factoring" in "Trade and other payables" amounted to EUR 2,721 thousand and related primarily to temporary business associations or joint ventures (UTES) (2021: EUR 3,569 thousand).

2.6.21 Termination and post-employment benefits

Termination benefits that must be paid to employees pursuant to the legislation applicable to each Group company are recognised in the consolidated statement of profit or loss for the year in which they are paid.

If the Group were to draw up a collective redundancy procedure, provisions for the related costs would be recognised in the consolidated statement of profit or loss when the detailed formal plan for the restructuring were established and communicated to the parties concerned.

The Group does not have any post-employment benefit obligations in the form of pension plans or other benefits.

3. Notes to the financial statements

3.1 Intangible assets

Reconciliation of the carrying amount of this statement of financial position item at the beginning and end of 2022 and 2021:

COST	EUR THOUSAND
Balance at 1 January 2021	439,849
Additions and disposals due to changes in the scope of consolidation	22,299
Additions	1,837
Disposals	(1,755)
Exchange differences	23,058
Balance at 31 December 2021	485,288
Additions	1,687
Disposals	(270)
Transfers and other	(18)
Exchange differences	18,438
Balance at 31 December 2022	505,125
ACCUMULATED AMORTISATION AND IMPAIRMENT LOSSES	COSTE
Balance at 1 January 2021	283,607
Additions and disposals due to changes in the scope of consolidation	7,979
Additions	25,323
Disposals	(1,474)
Exchange differences	12,863
Balance at 31 December 2021	328,298
Additions	26,419
Disposals	(212)
Transfers and other	(3)
Exchange differences	11,129
Balance at 31 December 2022	365,631
Net balance at 31 December 2021	156,990
Net balance at 31 December 2022	139,494

This item includes mainly the net amounts allocated in the consolidation of the customer portfolio and the backlog of acquirees in the US and the Pacadar subgroup, for a net amount at 31 December 2022 of EUR 134,388 miles (2021: EUR 150,228 thousand).

In 2021, changes in the scope of consolidation were recognised for the acquisition of control of the Pacadar subgroup, which led to the recognition of an intangible asset for a net amount of EUR 10,915 thousand.

At 31 December 2022, intangible assets with a gross amount of EUR 72,609 thousand had been fully amortised and were still in use (2021: EUR 64,388 thousand).

At the end of each reporting period or whenever there are indicators of impairment, the Group tests its intangible assets to determine whether the recoverable amounts of the values allocated to the customer portfolio and backlog have fallen below their carrying amount.

In determining recoverable amount, the Group prepares projections based on past experience and the best estimates available, which are consistent with the information obtained from external sources. The projections used by the Group in its impairment tests were prepared based on assumptions regarding trends in revenue and margins that reflected the best estimate of cash flows to be generated by the backlog of projects obtained and to be obtained of the cash-generating unit being tested.

The key assumptions used in preparing these projections in the assessment of the US companies consisted of:

- i. Revenue of approximately EUR 1,300 million, with growth in the 2024-2026 period of 6-8%. This is based on estimates of sufficient annual order intake to cover the backlog and achieve that level of revenue.
- ii. An EBITDA margin of 5.5-6%.
- iii. A discount rate applied to estimated cash flows of 9% and growth in perpetuity or long-term growth rate of 2%.

Based on these assumptions, backed by different sensitivity analyses performed, there were no impairment losses for the Group.

The key assumptions used in the analysis of the Pacadar subgroup are disclosed in Note 3.5.

3.2 Concession infrastructure

Concession arrangements are arrangements between a concession grantor, which is generally a public sector entity, and Group companies to provide public services by operating certain assets required to provide the service.

The concession right generally entails a monopoly on the provision of the service granted for a specified period of time, after which, typically, the operator must hand over the concession assets required to provide the service to the grantor.

These projects are generally financed with long-term borrowings without recourse to shareholders, secured mainly by the cash flows generated by the operators and their assets, accounts and contractual rights. Since cash flows constitute the main security for repayment of the borrowings, use of the funds by shareholders is restricted until certain conditions have been met, which is assessed each year:

	INTANGIBLE ASSET MODEL	FINANCIAL ASSET MODEL	TOTAL
COST			
Balance at 1 January 2021	17,821	61,417	79,238
Additions and disposals due to changes in the scope of consolidation	(14,893)	(61,417)	(76,310)
Additions	12	-	12
Balance at 31 December 2021	2,940	-	2,940
Additions	1	10,096	10,097
Balance at 31 December 2022	2,941	10,096	13,037
ACCUMULATED AMORTISATION			
Balance at 1 January 2021	4,109	-	4,109
Additions and disposals due to changes in the scope of consolidation	(1,951)	-	(1,951)
Additions	104	-	104
Balance at 31 December 2021	2,262	-	2,262
Additions	116	-	116
Balance at 31 December 2022	2,378	-	2,378
Net balance at 31 December 2021	678	-	678
Net balance at 31 December 2022	563	10,096	10,659

EUR thousand

At year-end 2021, significant changes in the scope of consolidation were recorded following the sale of Sociedad Concesionaria Aguas de Navarra.

The following table sets out the Group's investment commitments and the remaining term of its concessions as at 31 December 2022:

CONCESSION OPERATOR	DESCRIPTION OF CONCESSION	COUNTRY	% STAKE	COMMITTED INVESTMENT EUR thousand	REMAINING TERM Years
Fully consolidated infrastructure projects					
Marina Urola, S.A.	Marina	Spain	51.00	-	5
Sociedad Concesionaria Centro de Justicia de Santiago, S.A.	Law courts	Chile	100.00	-	3
Sociedad Concesionaria Hospitales Red Biobio, S.A.	Hospitals	Chile	100.00	440,194	18
Infrastructure projects accounted for using the equity method					
Concesionaria Ruta Bogotá Norte S.A.S.	Motorways	Colombia	50.00	304,083	28
Parking Niño Jesús-Retiro, S.A.	Car parks	Spain	30.00	36,509	38

Under the terms of the concession arrangements, the concession operators are required to make total investments of EUR 635,108 thousand within the next five years.

The amount and timing of the investments were determined based on the best estimates available. Therefore, both the amount and the period of time over which they will be made are subject to change.

Financing for the investments is through loans granted to the concession operators, equity contributions and cash flows from the projects.

At 31 December 2022 and 2021, "Concession infrastructure" did not include borrowing costs capitalised during the construction period.

The breakdown by company of the carrying amount of "Concession infrastructure" as at 31 December 2022 and 2021 is as follows:

	31/12/2022	31/12/2021
Intangible asset model		
Marina Urola, S.A.	529	643
Other	34	35
Total intangible asset model	563	678
Financial asset model		
Sociedad Concesionaria Hospitales Red Biobio, S.A.	10,096	-
Total financial asset model	10,096	-
Total	10,659	678

EUR thousand

3.3 Property, plant and equipment

Reconciliation of the carrying amount of this statement of financial position item at the beginning and end of 2022 and 2021:

	LAND AND BUILDINGS	MACHINERY	OTHER INSTALLATIONS, EQUIPMENT AND FURNITURE	PROPERTY, PLANT AND EQUIP- MENT UNDER CONSTRUCTION AND ADVANCES	OTHER PROPERTY, PLANT AND EQUIPMENT	TOTAL
COST						
Balance at 1 January 2021	70,772	319,706	76,343	2,539	65,973	535,333
Additions and disposals due to changes in the scope of consolidation	51,275	62,748	37,876	2,721	652	155,272
Additions	8,846	17,361	2,050	20,160	12,346	60,763
Disposals	(5,960)	(21,258)	(3,549)	(10,124)	(5,236)	(46,127)
Transfers and other	-	3,285	2,226	(5,511)	-	-
Exchange differences	2,359	13,600	3,100	211	1,417	20,687
Balance at 31 December 2021	127,292	395,442	118,046	9,996	75,152	725,928
Additions	23,641	40,863	4,598	15,833	22,055	106,990
Disposals	(2,151)	(26,472)	(13,394)	(12,179)	(8,672)	(62,868)
Transfers and other	-	974	185	(1,213)	124	70
Exchange differences	1,886	13,033	3,293	304	3,387	21,903
Balance at 31 December 2022	150,668	423,840	112,728	12,741	92,046	792,023
ACCUMULATED DEPRECIATION						
Balance at 1 January 2021	34,414	245,813	68,011	5	42,393	390,636
Additions and disposals due to changes in the scope of consolidation	13,389	30,676	30,845	-	-	74,910
Additions	9,220	30,563	4,335	-	7,641	51,758
Disposals	(2,283)	(17,247)	(3,950)	-	(4,625)	(28,105)
Transfers and other	-	(1,042)	1,036	(5)	6	(5)
Exchange differences	1,221	9,388	2,939	-	286	13,835
Balance at 31 December 2021	55,961	298,151	103,216	-	45,701	503,029
Additions	9,715	28,765	4,243	-	12,749	55,471
Disposals	(2,150)	(20,750)	(13,241)	-	(8,447)	(44,588)
Transfers and other	-	18	55	-	99	172
Exchange differences	1,010	9,993	2,940	-	2,030	15,974
Balance at 31 December 2022	64,536	316,177	97,213	-	52,132	530,058
Net balance at 31 December 2021	71,331	97,291	14,830	9,996	29,451	222,899
Net balance at 31 December 2022	86,132	107,663	15,515	12,741	39,914	261,965

EUR thousand

In 2021, significant additions were recorded due to the inclusion in the scope of consolidation of the Pacadar subgroup. At the acquisition date, this resulted in additions of land and buildings, machinery, technical installations and other property, plant and equipment for a net amount of EUR 80,346 thousand.

At 31 December 2022, items of property, plant and equipment with a carrying amount of EUR 365 thousand (2021: EUR 371 thousand) had been mortgaged as security for loans against which EUR 33 thousand had been drawn down (2021: EUR 60 thousand) (see Note 3.17.2).

At 31 December 2022 and 2021, there were no material amounts relating to property, plant and equipment that were temporarily idle or retired from active use.

The Group takes out all the insurance policies it considers necessary to cover the potential risks that could affect its property, plant and equipment.

Property, plant and equipment with a gross amount of EUR 247,717 thousand had been fully depreciated and were still in use at 31 December 2022 (2021: EUR 240,540 thousand).

At 31 December 2022 and 2021, no amount had been recognised for borrowing costs capitalised during the construction period under "Property, plant and equipment".

Impairment of property, plant and equipment

The Group tests its property, plant and equipment to identify potential indications of impairment. Based on the regular reviews performed, there were no such indications, so no impairment losses were recognised at year-end 2022 and 2021. Consideration in the test include technical matters, EBITDA and the positive trend in EBITDA, which has become stronger since 2019. Most of the Group's geographical segments made positive contributions to EBITDA.

Leases

Detail of changes in the year in right-of-use assets and balances recognised in the consolidated statement of financial position as at 31 December 2022 and 2021:

	LAND AND BUILDINGS	MACHINERY	OTHER INSTALLATIONS, EQUIPMENT AND FURNITURE	OTHER PROPERTY, PLANT AND EQUIPMENT	TOTAL
Balance at 31 December 2020	15,655	12,443	19	8,520	36,637
Additions and disposals due to changes in the scope of consolidation	2,979	-	-	-	2,979
Additions	5,274	19,178	313	9,885	34,650
Period depreciation charge	(7,090)	(10,431)	(54)	(2,554)	(20,129)
Disposals and other	(2,644)	(8,449)	(273)	(3,621)	(14,987)
Balance at 31 December 2021	14,174	12,741	5	12,228	39,150
Additions	26,197	9,043	1,466	10,124	46,830
Period depreciation charge	(7,870)	(7,798)	(321)	(3,603)	(19,592)
Disposals and other	(12)	566	(47)	(489)	18
Balance at 31 December 2022	32,489	14,552	1,103	18,261	66,406

EUR thousand

The Group applies the lease recognition exemption to leases of low-value assets and short-term leases (i.e., those leases that have a lease term of 12 months or less).

The effect on the consolidated statement of profit or loss in 2022 related to leases was the recognition of an asset depreciation charge of EUR 19,592 thousand (2021: EUR 20,129 thousand) and of interest expenses on the associated liabilities amounting to EUR 3,556 thousand (2021: EUR 2,096 thousand).

3.4 Investment properties

Reconciliation of the carrying amount of this statement of financial position item at the beginning and end of 2022 and 2021:

Balance at 31 December 2020	4,295
Disposals	(57)
Exchange differences	88
Transfers	(4)
Balance at 31 December 2021	4,322
Disposals	(90)
Depreciation	(72)
Exchange differences	65
Transfers	(3)
Balance at 31 December 2022	4,222

EUR thousand

At 31 December 2022, certain investment properties with a carrying amount of EUR 159 thousand (2021: EUR 162 thousand) had been mortgaged as security for loans against which EUR 33 thousand had been drawn down (2021: EUR 48 thousand) (see Note 3.17.2).

3.5 Goodwill

The breakdown of "Goodwill" in the consolidated statement of financial position as at 31 December 2022 and 2021, by company giving rise to it, is as follows:

COMPANIES GIVING RISE TO GOODWILL	31/12/2022	31/12/2021
Agrupación Guinovart Obras y Servicios Hispania, S.A.	2,492	2,492
Construcciones Adolfo Sobrino S.A.	3,408	3,408
EyM Instalaciones, S.A.	99	99
Inizia Networks, S.L.	358	358
Pacadar, S.A.U. and subsidiaries	30,242	30,242
OHL Servicios-Ingosan, S.A.U.	399	399
Total	36,998	36,998

EUR thousand

On 24 February 2021, the Group obtained control of 100% of the Pacadar subgroup following execution of the dation in payment and debt recognition agreement entered into between the Parent, Grupo Villar Mir, S.A.U., and Inmobiliaria Espacio S.A. During the year, it carried out the purchase price allocation for certain assets and liabilities identified in the acquirees, resulting in a difference between the fair value of the net assets acquired and acquisition cost of EUR 30,242 thousand.

At year-end 2022, these assets were tested for impairment. Fair value was calculated using the discounted cash flow model and compared with carrying amount.

The model was prepared based on the best estimates available, considering the current situation of the Company's market. The key assumptions were:

- Revenue of approximately EUR 120 million, with compound growth in the 2024-2026 period of 3.7-5.7%. To achieve this revenue, the forecast is for annual order intake of around EUR 120 million, which would provide sufficient cover to the backlog.
- An EBITDA margin of 11.5%.
- A discount rate of 8.5% and a growth in perpetuity rate of 1.9%.

Based on these assumptions, backed by different sensitivity analyses performed, there were no impairment losses for the Group.

3.6 Financial assets

Investment securities

Investment securities at 31 December 2022 and 2021:

	31/12/2022		31/12/2021	
	Non-current	Current	Non-current	Current
Held-to-maturity securities	181	48,394	303	50,986
Securities at fair value through profit or loss	2,161	-	865	-
Available-for-sale securities	60,172	3	60,172	3
Subtotal	62,514	48,397	61,340	50,989
Provisions	(16,172)	-	(15,921)	-
Total	46,342	48,397	45,419	50,989

EUR thousand

The main item of non-current investment securities is the stake in concession operator Cercanías Móstoles Navalcarnero, S.A., in liquidation, for a net amount of EUR 44,193 thousand. There is also a receivable in “Other loans” for EUR 6,503 thousand. Court proceedings are under way in relation to this asset (see Note 4.6.2.2).

The amounts of investment securities classified as current as at 31 December 2022 relate primarily to debt securities of the Group’s US subsidiaries, of which EUR 43,885 thousand are earmarked as performance bonds for certain projects being executed (2021: EUR 50,830 thousand).

“Provisions” includes the estimated impairment losses required to write down the carrying amount of the investment securities to their fair value.

Other receivables and deposits and guarantees given

The breakdown by item is as follow:

	31/12/2022		31/12/2021	
	Non-current	Current	Non-current	Current
Other loans and receivables	110,079	15,071	142,039	150,532
Deposits and guarantees given	16,967	182,270	9,569	146,622
Provisions	(37,011)	(13,362)	(51,975)	(13,362)
Total, net	90,035	183,979	99,633	283,792

EUR thousand

Impairment losses are recognised where there is risk of collection of loans granted to other companies.

As at 31 December 2022, “Other loans and receivables “ and “Deposits and guarantees given” included mainly:

- A profit participating loan to Aeropistas, S.L., for EUR 18,587 thousand, for which a provision for the full amount was recognised at 31 December 2021 (see Note 4.6.2.2).
- Loans granted to associates for EUR 58,760 thousand, primarily the subordinated debt of the Canalejas Project.
- A loan granted to Grupo Villar Mir (GVM) by the Parent, with a provision for the full amount recognised as at 31 December 2022.

The terms of the dation in payment and debt recognition agreement entered into between the Parent, GVM and Inmobiliaria Espacio, S.A. on 27 December 2020 and novated in January 2021 included the recognition by GVM of a debt with OHL of EUR 45,850 thousand divided into different tranches and subject to collateral. Based on this agreement, the Group estimated the recoverable amount of the debt recognised taking into account the fair value of the collateral. As a result, it recognised an impairment loss in 2020.

In 2022, an amount of EUR 16,049 thousand of the total debt was collected (see Note 3.22).

- iv. Lastly, “Current financial assets - Deposits and guarantees given” includes pledged bank accounts for EUR 176,237 thousand.

The main item is a EUR 140,000 thousand deposit provided as security for a guarantee facility of up to EUR 358,904 thousand included in the Multiproduct Syndicated Facilities Agreement (MSF), available for drawing based on certain milestones. At 31 December 2022, the amount available was EUR 340,849 thousand. This agreement, initially arranged in December 2016, has been novated several times, the last of which was on 29 July 2022. The facility currently matures on 30 June 2023, provided that certain contractual terms and conditions are met.

The most significant movement in the year ended 31 December 2022 was in “Other loans and receivables” due primarily to the amount received from Cercanías Móstoles Navalcarnero, S.A. in January 2022 as a result of the agreements and ensuing payments made by the Madrid regional government to the concession operator in December 2021 (see Note 4.6.2.2).

3.7 Joint arrangements

3.7.1 Investments accounted for using the equity method

The following table shows investments accounted for using the equity method at 31 December 2022 and 2021:

COMPANIES	31/12/2022	31/12/2021
Joint ventures		
Constructora Vespucio Oriente, S.A.	1,229	3,624
Nova Dársena Esportiva de Bara, S.A.	7,347	8,330
NCC- OHL Lund-Arlöv, fyra spar Handelsbolag	5,674	3,870
Rhatigan OHL Limited	2,569	1,266
Other	1,190	630
Associates		
Alse Park, S.L	2,293	2,301
Proyecto Canalejas Group, S.L.	127,596	146,137
Other	2,062	1,063
Total	149,960	167,221

EUR thousand

Where the carrying amount of the Group’s investment in associates accounted for using the equity method has been reduced to zero and there may be constructive obligations exceeding the amount of contributions made, losses or decreases in equity were recognised as a liability under “Non-current provisions” in the statement of financial position.

Reconciliation of this statement of financial position item at the beginning and end of 2022 and 2021:

	2022	2021
Opening balance at 1 January	167,221	295,106
Increases	20,006	11,364
Share of profit/(loss) for the year from continuing operations	(4,546)	(2,703)
Decreases	(35,148)	(18,275)
Additions and disposals due to changes in the scope of consolidation	130	(115,418)
Transfers to non-current assets held for sale	2,297	(2,853)
Closing balance at 31 December	149,960	167,221

EUR thousand

The main investment, which explains the movements shown above, is:

Canalejas (Proyecto Canalejas Group, S.L.)

The Group held an ownership interest of 50.0% in this project at 31 December 2022, with a carrying amount of EUR 127,596 thousand. It also held a receivable for the subordinated debt of EUR 54,234 thousand recognised as a non-financial asset under other loans.

In 2022, it recognised a write-down to the value of the investment of EUR 34,485 thousand based on an estimate of cash flows expected to be received in accordance with the project's economic model considering the agreements entered into with the other shareholder.

The model's assumptions were updated taking into account the Covid-19 impact due to mobility restrictions, mostly in Asia; the new macroeconomic scenario of high inflation rates; hikes in interest rates; and the negative trend of the dire Russia-Ukraine war and its impact on commodity price inflation and, more importantly, energy price inflation.

In determining the value in use of the Group's interest in the Canalejas Project, a discounted cash flow model was used for the various uses of the asset (mainly hotel and shopping centre), with the complex set to

reach the growth and stabilisation stage in 2025 for the hotel and car park and 2026 for the shopping centre, and then obtaining a residual value based on the capitalisation of rents.

Nevertheless, these circumstances have not kept the hotel from being a benchmark in the luxury segment in Madrid, with occupancy and ADRs (Average Daily Rates) at levels of other luxury hotels operated by Four Seasons elsewhere in European capital cities. As for the shopping centre, a highlight was the partial opening of the commercial area in early June 2022 with some of the leading international luxury brands starting up (e.g. Zegna, Rolex, Valentino, Saint Laurent), not to mention Hermès and Cartier, which had already opened their doors in 2020 and 2021, respectively. There were delays in marketing in the first floor and in opening of some premises. Occupancy of gross leasable area (GLA) is expected to reach maximum levels in the first half of 2024, considering structural vacancies, with rents measured in €/m²/month in line with prime areas in Madrid where the asset is located. Nominal cash flows were discounted at a rate of 7%, in line with the levels required by equity and debt creditors.

The higher investments and costs incurred, coupled with the project's lower profitability arising mostly from the delay in the marketing and opening of the shopping centre, made it necessary to recognise this write-down.

Nevertheless, the mid-term outlook is for a decrease in the uncertainties surrounding the post-pandemic years. International luxury hotel assets in Madrid (Four Seasons, Mandarin Ritz, Santo Mauro, The Madrid Edition) are setting up along the Gran Vía-Canalejas-Alcalá axis. Joining them in 2023 are hotels such as JW Marriot, Zorrilla 19, Nobu Madrid, and Brach. This competition should revitalise this axis and cement Madrid's status as a luxury tourist destination and one of the world's leading capital cities for international luxury retail.

Appendices I, II and III include a list of the main investments accounted for using the equity method, with the company name, registered office, percentage ownership interest, equity, and the net cost of each investment.

The Group's share of net profit of joint ventures for the year ended 31 December 2022 amounted to a loss of EUR 983 thousand (2021: EUR 45 thousand profit).

Its share of net losses of associates for the year ended 31 December 2022 amounted to EUR 3,563 thousand (2021: EUR 2,748 thousand).

3.7.2 Joint operations

The Group undertakes certain of its business activities through participation in contracts executed jointly with other non-Group venturers, mainly through temporary business associations (UTEs) and other similar entities, which are accounted for in the Group's consolidated financial statements using proportionate consolidation.

Following are key data at 31 December 2022 of joint operations, in proportion to the percentage ownership interest, which the Group considers immaterial taken individually.

	31/12/2022	31/12/2021
Non-current assets	46,053	23,300
Current assets	719,265	614,198
Non-current liabilities	7,241	9,200
Current liabilities	684,008	556,278
Revenue	835,947	645,022
EBIT	81,050	44,182
Profit/(loss) before tax	75,867	45,943

EUR thousand

No joint operation individually is material with respect to the Group's assets, liabilities and profit or loss.

3.8 Non-current assets / liabilities held for sale

In accordance with IFRS 5, at 31 December 2021, the Group reclassified, to non-current assets and liabilities held for sale, assets and liabilities related to concession operator Centre Hospitalier de l'Université de Montréal (CHUM) after signing an agreement with BBGI Group for the sale of the 25% stake held by OHLA Group in the concession operator, along with a subordinated loan. The reclassification was made at the carrying amounts, since they were below fair value less estimated costs to sell.

Composition of assets and liabilities classified as held for sale by nature as at 31 December 2022 and 2021:

ASSETS HELD FOR SALE	31/12/2022	31/12/2021
Other non-current receivables	29,387	29,660
Investments accounted for using the equity method	(587)	2,853
Other receivables	13	1
Other current assets	1	1
Non-current assets held for sale	28,814	32,515
LIABILITIES HELD FOR SALE	31/12/2022	31/12/2021
Trade and other payables	41	8
Other current liabilities	1	1
Liabilities associated with non-current assets held for sale	42	9

EUR thousand

As disclosed to the market on 19 October 2022 in an **Inside information** notice, since the conditions precedent to which that agreement was subject were not met, the agreement was terminated and the purchase agreement was cancelled and rendered without effect.

Nevertheless, the Group believes that this disposal will be carried out and management remains committed to the sale, having engaged advisors for these procedures. It estimates that the sale will be negotiated at a reasonable price and, accordingly, considers it to be highly probable.

These circumstances have extended the period to complete the sale. However, in accordance with IFRS 5, paragraph 9, this does not preclude the asset from being classified as held for sale since the delay is caused by events or circumstances, such as the situation of financial markets and the related impact on interest rates, that are beyond the Group's control.

3.9 Trade and other receivables

Trade receivables

The reconciliation of the carrying amount of this item at 31 December 2022 and 2021 is as follows:

	31/12/2022	31/12/2021
Trade receivables		
Amounts to be billed for work or services performed	570,938	418,876
Progress billings receivable	557,494	480,478
Retentions	135,519	124,160
Trade notes receivable	1,126	3,064
Subtotal	1,265,077	1,026,578
Amounts billed in advance for construction work	(264,005)	(185,851)
Advances	(276,850)	(238,674)
Total, net of advances received from customers	724,222	602,053
Provisions	(100,797)	(103,348)
Total, net	623,425	498,705

EUR thousand

The balance of trade receivables as at 31 December 2022 was reduced by EUR 59,271 thousand (2021: EUR 53,508 thousand) as a result of trade receivables factored to banks in accordance with the non-recourse factoring agreements signed. This explains why they were derecognised.

The breakdown of trade receivables by customer type is as follows:

	31/12/2022	31/12/2021
Spain	388,267	335,897
Public sector	163,477	150,365
Central government	26,187	25,008
Regional government	49,633	50,308
Local government	39,658	38,714
Other agencies	47,999	36,335
Private sector	224,790	185,532
Abroad	876,810	690,681
Total	1,265,077	1,026,578

EUR thousand

Of the balance of “Trade receivables - Abroad” at 31 December 2022, 82.6% related to the public sector (2021: 79.2%) and 17.4% to the private sector (2021: 20.8%).

“Amounts to be billed for work or services performed” at 31 December 2022 stood at EUR 570,938 thousand (2021: EUR 418,876 thousand), representing 2.10 months of sales, in line with the year-earlier figure. Of the total, 97.3% related to balances of construction and industrial projects and the remainder to services.

Most of the balance of work to be billed related to revenue from the main contracts and modifications of those contracts approved by the customer, in line with the Group’s revenue recognition policy in accordance with IFRS 15. It does not include disputed claims. Balances related to modifications yet to be approved or other changes ordered supported contractually and with a high probability of approval are irrelevant and related to a large number of contracts of smaller amounts. If these modifications were not ultimately approved, the revenue recognised would be reversed, as provided for in the standard.

Also included in the balance are the differences between amounts of work executed and progress billings, which are normal differences arising during the approval by customers of work performed.

Of the balance of “Progress billings receivable” and “Trade notes receivable” as at 31 December 2022, which totalled EUR 558,620 thousand, 66.3% related to the public sector and 33.7% to the private sector (2021: EUR 483,542 thousand, of which 67.9% related to the public sector and 32.1% to the private sector).

The movements in provisions in 2022 and 2021 were as follows:

Balance at 31 December 2020	(98,026)
(Arising in the year)/utilised	(5,322)
Balance at 31 December 2021	(103,348)
(Arising in the year)/utilised	2,551
Balance at 31 December 2022	(100,797)

EUR thousand

In determining the amount of the provisions against potential losses or loss allowances, estimates are made that take into account breaches of contractual payment obligations and probability of default, which are assessed individually for each contract and customer. The information is updated at each reporting date to determine recoverable amount.

Other supplementary information regarding construction and industrial contract revenue and costs by reference to the stage of completion

Revenue from construction and industrial contracts is recognised by reference to the stage of completion (see Note 2.6.15).

As explained in that Note, the difference between revenue recognised and amounts actually billed to the customer is analysed systematically on a contract-by-contract basis. Where the amount billed is lower than the revenue recognised, the difference is recognised as an asset under “Trade receivables - Amounts to be billed for work performed”. Where the amount of revenue recognised is lower than the amount billed, a liability is recognised under “Trade and other payables - Advances received from customers - Amounts billed in advance for construction work”.

Meanwhile, in certain construction contracts, advances are agreed upon that are paid by the customer when work commences on the contract. The balance is offset against the various progress billings as the contract work is performed. This balance is recognised under “Trade and other payables” in liabilities in the consolidated statement of financial position.

In certain other contracts, the customer retains a portion of the price to be paid in each progress billing to guarantee fulfilment of certain obligations under the contract. These retentions are not reimbursed until the contract is definitively settled. The balances are recognised under “Trade and other receivables” in assets in the consolidated statement of financial position.

The following table sets out the amounts recognised in this connection at 31 December 2022 and 2021:

	2022	2021	DIFFERENCE	% CHANGE
Amounts to be billed for work performed	554,963	406,786	148,177	36.4%
Advances from customers	(537,273)	(421,546)	(115,726)	27.5%
Construction contracts, net	17,691	(14,760)	32,451	-219.9%
Retentions	135,515	124,160	11,355	9.1%
Net advances and retentions	153,206	109,400	43,806	N/A

EUR thousand

Other receivables

The reconciliation of the carrying amount of this item at 31 December 2022 and 2021 is as follows:

	31/12/2022			31/12/2021		
	Gross balance	Impairment losses	Net balance	Gross balance	Impairment losses	Net balance
Receivable from associates	144,222	(1,189)	143,033	112,219	(3,039)	109,180
Employee receivables	1,437	-	1,437	1,160	-	1,160
Receivables from public authorities	92,157	-	92,157	85,743	-	85,743
Other receivables	59,191	(6,596)	52,595	78,001	(6,872)	71,129
Total	297,007	(7,785)	289,222	277,123	(9,911)	267,212

EUR thousand

Balances receivable from associates relate mainly to transactions carried out in the ordinary course of the Group's business, which are conducted at arm's length.

The net balance of other receivables at 31 December 2022 and 2021 relates to the rendering of services and the lease of machinery and materials.

3.10 Cash and cash equivalents

"Cash and cash equivalents" includes the Group's fully liquid assets, comprising cash on hand and at banks, and short-term deposits with an original maturity of three months or less. Use of these balances is mostly unrestricted and they are not subject to risk of changes in value. They are primarily short-term deposits.

The balance of this item at 31 December 2022 was EUR 469,311 thousand (2021: EUR 507,455 thousand), of which EUR 185,796 thousand (2021: EUR 147,543 thousand) related to the UTEs in which the Group held interests. There is also EUR 2,934 thousand of restricted cash (2021: EUR 7,990 thousand) related to other guarantees.

3.11 Share capital

Under the scope of the Restructuring carried out by the Group in 2021, the Parent reduced capital and subsequently carried out cash capital increases, which helped to strengthen the Group's capital structure.

After those transactions the share capital of Obrascón Huarte Lain, S.A. amounted to EUR 147,781,146, divided into 591,124,583 shares of EUR 0.25 par value each, all of the same class and series.

Set out below are movements in 2021, as there were no changes in 2022:

	NUMBER OF SHARES	PAR VALUE OF THE SHARES		NOMINAL AMOUNT
		Euros	EUR thousand	
Number of shares and nominal amount of share capital at 31 December 2020	286,548,289	0.60	171,929	
Capital reduction through reduction of par value	286,548,289	(0.35)	(100,292)	
Capital increases	304,576,294	0.25	76,144	
Number of shares and nominal amount of share capital at 31 December 2021	591,124,583	0.25	147,781	
Number of shares and nominal amount of share capital at 31 December 2022	591,124,583	0.25	147,781	

Set out below are holders of direct and indirect ownership interests equal to or greater than 3% of share capital as at 31 December 2022 according to notifications received by the Parent:

COMPANY	% OWNERSHIP INTEREST
Concerted action (Luis Fernando Martin Amodio and Julio Mauricio Martin Amodio)	25.97
Simon Davies	15.51
Inmobiliaria Espacio, S.A. (*)	7.10

(*) The company ceased to have a significant shareholding in March 2023

3.12 Share premium

As at 31 December 2022 and 2021, the Parent's share premium account had a balance of EUR 1,328,128 thousand.

The Spanish Corporate Enterprises Act (*Ley de Sociedades de Capital*) expressly permits the use of the share premium account balance to increase capital of the companies at which it is recognised and establishes no specific restrictions as to its use.

3.13 Treasury shares

The changes in treasury shares in 2022 and 2021 were as follows:

	NO. OF SHARES	EUR THOUSAND
Balance at 31 December 2020	600,867	406
Purchases	11,906,100	8,327
Sales	(11,965,671)	(8,229)
Balance at 31 December 2021	541,296	504
Purchases	24,289,551	17,215
Sales	(24,091,990)	(17,378)
Balance at 31 December 2022	738,857	341

3.14 Reserves

Breakdown of the balances of this consolidated statement of financial position item as at 31 December 2022 and 2021:

	31/12/2022	31/12/2021
Restricted reserves of the parent		
Legal reserve	29,556	29,556
Capital redemption reserve	11,182	11,182
Subtotal	40,738	40,738
Voluntary and consolidation reserves		
Attributable to the parent	(674,425)	(706,378)
Attributable to consolidated companies	(185,878)	(161,575)
Subtotal	(860,303)	(867,953)
Total	(819,565)	(827,215)

EUR thousand

Legal reserve

According to the Corporate Enterprises Act, the Company must earmark an amount equal to at least 10% of profit for the year to a legal reserve until such reserve reaches at least 20% of the capital. The legal reserve can be used to increase capital by the amount exceeding 10% of the increased capital amount. Except for this purpose, until the legal reserve exceeds the limit of 20% of share capital, it can only be used to offset losses, provided there are no other reserves available for this purpose.

The legal reserve was fully allocated at year-end 2022 and 2021. In 2021, an accounting adjustment was made that left the amount of the reserve equal to 20% of the new amount of share capital, which had been reduced. This adjustment was recognised in voluntary reserves.

Capital redemption reserve

The balance of "Capital redemption reserve" amounted to EUR 11,182 thousand at 31 December 2022 and 2021 as a result of the capital reductions carried out in 2018 for EUR 7,326 thousand, in 2009 for EUR 2,625 thousand and in 2006 for EUR 1,231 thousand, through the redemption of treasury shares, and pursuant to current legislation safeguarding the guarantee provided by equity vis-à-vis third parties.

This reserve is restricted and may only be used if the same requirements as those stipulated for capital reductions are met, i.e. that shareholders at the General Meeting must decide on its use.

Limitations on the distribution of dividends

As at 31 December 2022, the Parent complied with all the legal obligations restricting the distribution of dividends.

However, there are contractual restrictions included in the terms and conditions of the New Notes, the Multi-product Syndicated Facilities (MSF) agreement and other agreements with financial creditors, which do not allow dividends to be paid until those contracts mature.

Voluntary reserves

The change in the Parent's voluntary reserves in 2022 was due mainly to:

- Distribution of 2021 profit of EUR 23,690 thousand.
- Increase of EUR 16,299 for the non-monetary contribution by the Parent to OHL Operaciones, S.A. of shares of OHL Servicios-Ingosan, S.A.U. related to reserves not distributed by this company. This transaction was carried out as part of the corporate restructuring the Group has undertaken to carry out with noteholders.

In 2021, the Company allocated EUR 100,292 thousand to a restricted reserve due to the capital reduction carry out pursuant to the terms established by article 335 (c) of the Corporate Enterprises Act.

Reserves in consolidated companies

The balance at 31 December 2022 was a negative EUR 185,878 thousand (2021: negative EUR 161,575 thousand) and related to voluntary reserves of Group subsidiaries and associates for retained earnings.

3.15 Valuation adjustments

Translation differences

Translation differences by country at 31 December 2022 and 2021:

COUNTRY	31/12/2022	31/12/2021
Saudi Arabia	1,450	3,538
Canada	(3,367)	(3,855)
Colombia	7,320	4,414
Mexico	(38,968)	(37,666)
Chile	(10,039)	(16,044)
Peru	(10)	(397)
Czech Republic	8,479	4,887
United States	34,662	15,821
Other countries	(291)	(557)
Total	(764)	(29,859)

EUR thousand

3.16 Non-controlling interests

This balance of this item in the consolidated statement of financial position reflects interests held by non-controlling shareholders in the equity of fully consolidated companies. The balance relating to non-controlling interests in the consolidated statement of profit or loss reflects the share of non-controlling shareholders in profit or loss.

Breakdown of the balance this consolidated statement of financial position item at 31 December 2022 and 2021:

COMPANIES	31/12/2022	31/12/2021
OHLA-OHMG JV Limited	648	-
Consortio Aura - OHL, S.A.	-	1
Estación Rebombeo Degollado, S.A.P.I. de C.V.	(2,049)	(1,951)
Hidrógeno Cadereyta, S.A.P.I. de C.V.	(1,565)	(1,468)
Hidro Parsifal, S.A. de C.V.	(107)	(107)
Inizia Networks, S.L.	(59)	(65)
Marina Urola, S.A.	467	443
Cogeneración Complejo Pajaritos, S.A.P.I. de C.V.	508	(850)
Consortio Valko- OHL- Besalco S.A.	1,013	70
Total	(1,144)	(3,927)

EUR thousand

The share of non-controlling interests in profit for the year ended 31 December 2022 amounted to EUR 3,343 thousand (2021: EUR 196 thousand).

The detail of the percentage ownership interest and the company name of non-controlling shareholders of fully consolidated Group companies at 31 December 2022 is as follows.

COMPANY	% NON-CONTROLLING INTERESTS	COMPANY NAME
Cogeneración Complejo Pajaritos, S.A.P.I. de C.V.	50.0%	Senermex Ingeniería y Sistemas, S.A. de C.V.
Consortio Aura- OHL, S.A.	35.0%	Aura Ingeniería, S.A.
Consortio Valko- OHL- Besalco S.A.	33.3%	Besalco Construcciones S.A.
	33.3%	Valko Minería y Energía Limitada
Estación Rebombeo Degollado, S.A.P.I. de C.V.	50.0%	Construcciones Industriales Tapia, S.A. de C.V.
Hidrógeno Cadereyta, S.A.P.I. de C.V.	40.7%	KT Kinetics Technology, SPA
	5.4%	Construcciones Industriales Tapia, S.A. de C.V.
Hidro Parsifal, S.A. de C.V.	10.0%	José Federico Ramos Elorduy Wolfsindseder
	5.0%	María de Lourdes Bernarda Ramos Elorduy
	5.0%	Grupo HI, S.A. de C.V.
Inizia Networks, S.L.	31.2%	Gestión Ibérica de Medio Ambiente Serv y Com, S.L.
	10.4%	Aqueducta Servicios de Ingeniería, S.L.
	4.9%	Juan Manuel Chuliá Martín
	2.4%	Jose Francisco Devis Capilla
Marina Urola, S.A.	47.3%	Servicios Náuticos Astilleros Elkano, S.L.
	1.7%	Marinas del Mediterráneo, S.L.
OHLA-OHMG JV LTD	40.0%	OHMG Holdings Limited
OHL Industrial and Partners LLC	30.0%	Faisal Hamid Ahmed Ghazali

3.17 Bank borrowings, and issues of bonds and other marketable securities

The balances of bank borrowings and issues of notes and other marketable securities on the statement of financial position as a 31 December 2022 and 2021 are as follows:

	31/12/2022	31/12/2021
Non-current liabilities		
Bank borrowings	3,692	43,355
Issue of corporate notes	428,400	444,642
Current liabilities		
Bank borrowings	26,778	26,054
Issue of corporate notes	8,707	9,458
Total	467,577	523,509

EUR thousand

In 2022 the Group reduced loans and borrowings by EUR 55,932 thousand, using payments received from concession operator Cercanías Móstoles Navacarnero, S.A. (in liquidation) in January 2022 in settlement from the Madrid regional government in December 2021 as payment for investments made in major projects.

Use of these funds, disclosed to the market on 4 February 2022, was to comply with the terms agreed with financial creditors in the framework of the financial restructuring. They went mainly to:

- **Full repayment of the ICO-backed loan, of principal amounting to EUR 54,502 thousand** plus interest as at the date of cancellation of EUR 258 thousand.
- **Partial redemption of the notes issue, for EUR 43,204 thousand of principal** and EUR 1,378 thousand of accrued interest payable.

3.17.1 Issue of notes and other marketable securities

Under the scope of the Restructuring completed on 28 June 2021, the Group cancelled the outstanding 2022 and 2023 Notes through a combination of: (i) write-off; (ii) debt-equity swap of the principal of the Notes; and (iii) issuance of new notes. This issue of secured notes was carried out through Spanish subsidiary OHL Operaciones, S.A.U. for a nominal amount of EUR 487,267 thousand. The notes were accounted for at their fair value in application of IFRS 9 and IFRIC 19.

The **characteristics of the Notes** are as follows.

ISSUER	ISSUE DATE	COUPON	PIK	MATURITY OF NOMINAL AMOUNT		GUARANTEES
				2025	2026	
OHL Operaciones, S.A	June-21	5.10%	1.50%	222,100	222,100	Personal guarantees and security interests

EUR thousand

(*) As of 15 September 2023, the PIK will increase to 4.65%.

The nominal interest at a rate of 5.1% per annum is payable every six months, on 15 March and 15 September each year. Therefore, on 15 March 2022, payment of the coupon for EUR 11,363 thousand was made and on 15 September another payment of EUR 11,448 thousand for accrued interest as at that date.

At each interest payment date, PIK (payment-in-kind) interest is capitalised and added to the total outstanding principal. The actual cash outflow in this connection will occur on 31 March 2025 and 31 March 2026.

The Notes are guaranteed on an unsubordinated basis by the Parent, OHL Holding, S.à.r.l., OHL Iniciativas, S.à.r.l. and by the Guarantors (the "Personal Guarantees").

There are also pledges over shares of certain Group companies and the Parent's or any of its group companies' receivables.

The Guarantees are divided up among the noteholders and other of the Parent's financial creditors, especially the guarantee facilities.

The terms and conditions of the notes restrict third-party borrowings by Group companies, dividend distributions and use of proceeds from asset sales, and include regular reporting obligations to the noteholders.

The notes are registered with and listed on the Vienna Stock Exchange.

On 8 March 2022, ratings agency Moody's upgraded OHLA's corporate family rating (CFR) to B3, outlook positive.

Breakdown of the **carrying amount of the Notes**.

	31/12/2022	31/12/2021
2025-2026 Notes		
Nominal	487,267	487,267
Tender offer, nominal amount (*)	(43,067)	-
Fair value adjustment	(23,923)	(44,187)
Accrued coupon	6,728	9,458
PIK interest	10,102	1,562
Total	437,107	454,100

EUR thousand

(*) Carried out in March 2022.

Following the partial redemption of the notes carried out by the Group in March 2022 for a nominal amount of EUR 43,067 thousand, the new outstanding nominal amount was EUR 444,200 thousand. The fair value recognised was also adjusted in proportion to the cancellation.

The contractual maturities of the principal on the notes and coupons on a cash outflow basis are: EUR 23,155 thousand in 2023; EUR 23,688 thousand in 2024; EUR 265,494 thousand in 2025 and EUR 264,998 thousand in 2026.

3.17.2 Bank borrowings

The maturity schedule of bank borrowings as at 31 December 2022 is as follows:

	2023	2024	2025	2026	2027	TOTAL
Progress billing and note discounting facilities	4,201	-	-	-	-	4,201
Mortgage loans	48	16	2	-	-	66
Loans and credit facilities	22,529	647	560	560	1,907	26,203
Total	26,778	663	562	560	1,907	30,470

EUR thousand

Progress billing and note discounting facilities.

	31/12/2022	31/12/2021
Limit	7,423	572
Amount drawn down	4,201	572
Undrawn balance	3,222	-

EUR thousand

• Mortgage loans

A 31 December 2022 certain items of property, plant and equipment asset amounting to EUR 365 thousand (2021: EUR 371 thousand) had been mortgaged as security for loans of EUR 33 thousand (2021: EUR 60 thousand).

At 31 December 2022, certain investment properties amounting to EUR 159 thousand (2021: EUR 162 thousand) had been mortgaged as security for loans of EUR 33 thousand (2021: EUR 48 thousand).

• Financing in the United States

On 28 June 2022, Judlau Contracting Inc signed a credit line for up to EUR 84,380 thousand, with a sub-limit of EUR 42,190 thousand for guarantees.

As at 31 December 2022, EUR 16,407 thousand of this credit line and EUR 39,378 thousand on guarantees had been drawn.

This facility has additional personal guarantees of OHLA USA, Inc. and associates of Judlau Contracting, Inc.

The credit line matures on 28 June 2025.

Interest applicable on amounts drawn down is floating and at 31 December 2022 was 5.00% (SOFR + 1.75 spread).

• Limits on loans and credit facilities

	31/12/2022	31/12/2021
Limit	64,225	96,731
Amount drawn down	26,203	69,680
Undrawn balance	38,023	27,051

EUR thousand

The average interest rate on the amounts drawn down on the credit facilities in 2022 was 4.98% (2021: 4.73%).

3.18 Other financial liabilities

Breakdown of other financial liabilities as at 31 December 2022 and 2021:

	31/12/2022	31/12/2021
Lease liabilities, non-current	45,414	24,937
Lease liabilities, current	19,233	15,943
Total	64,647	40,880

EUR thousand

Lease liabilities

Detail by maturity of lease liabilities at 31 December 2022:

	2023	2024	2025	2026	2027	RESTO	TOTAL
Lease liabilities	19,233	14,195	10,020	8,808	5,966	6,425	64,647
Total	19,233	14,195	10,020	8,808	5,966	6,425	64,647

EUR thousand

The main liabilities recognised at 31 December 2022 related to leases of office buildings and machinery.

An average effective interest rate of around 5% was used to obtain the present value of the lease payments.

Lease payments recognised in 2022 totalled EUR 21,211 thousand (2021: EUR 22,446), classified in cash flows from financing activities in the consolidated statement of cash flows.

Derivative financial instruments

The main criteria related to derivatives are described in Note 2.6.13.

Foreign currency derivatives

The Group enters into currency forwards to avoid the economic impact of changes in exchange rates on its payment obligations and collection rights in foreign currencies. There were no currency forwards in force at 31 December 2022.

Interest rate derivatives

The Group enters into interest rate swaps and interest rate options to mitigate the variability of borrowing costs.

In financing of concession projects, the lender banks usually require use of interest rate derivatives. The purpose of these derivatives is to limit the potential impact that future changes in interest rates could have on the projects' borrowing costs if the financing continued to carry interest at floating rates.

The Group did not have any interest rate swaps at 31 December 2022 and 2021.

3.19 Provisions

Non-current provisions

Breakdown of this item at 31 December 2022:

	BALANCE AT 31 DECEMBER 2021	ARISING DURING THE YEAR	UTILISED	NET EXCHANGE DIFFERENCES AND INTEREST COST	BALANCE AT 31 DECEMBER 2022
Provisions for taxes	8,086	1,234	(5,074)	173	4,419
Provisions for litigation and third-party liability	53,710	10,018	(1,244)	201	62,685
Other provisions	2,228	1,441	-	75	3,744
Total	64,024	12,693	(6,318)	449	70,848

EUR thousand

Provisions for litigation and third-party liability include obligations of uncertain amount arising from lawsuits and/or arbitration proceedings in progress, indemnity payments and losses from companies accounted for using the equity method.

Projected schedule of outflows of economic benefits relating to non-current provisions at 31 December 2022:

	2024	2025	2026	2027	RESTO	TOTAL
Provisions for taxes	1,926	-	-	-	2,493	4,419
Provisions for litigation and third-party liability	1,098	2,711	4,208	7	54,661	62,685
Other provisions	796	599	191	-	2,158	3,744
Total	3,820	3,310	4,399	7	59,312	70,848

EUR thousand

Current provisions

Breakdown of this item at 31 December 2022:

	BALANCE AT 31 DECEMBER 2021	ARISING DURING THE YEAR	UTILISED	NET EXCHANGE DIFFERENCES AND INTEREST COST	BALANCE AT 31 DECEMBER 2022
For major maintenance, removal or refurbishment work	-	586	(452)	-	134
Provisions for project completion	44,696	10,783	(13,721)	674	42,432
Provisions for management and other fees	8,945	4,449	(3,574)	35	9,855
Provisions for other transactions	143,614	34,044	(51,232)	17	126,443
Total	197,255	49,862	(68,979)	726	178,864

EUR thousand

“Provisions for other transactions” includes provisions for trade transactions, which correspond primarily to the Group’s construction companies, provisions for future losses that are recognised when it is certain that contract costs will exceed total project contract revenue; provisions for taxes; and provisions for other third-party liability. These amounts considered individually are of scant significance and correspond to numerous contracts.

3.20 Other liabilities

The breakdown of this consolidated statement of financial position item as at 31 December 2022 and 2021 is as follows:

	31/12/2022		31/12/2021	
	Non-current	Current	Non-current	Current
Payable to associates	-	59,464	-	82,252
Salaries payable	-	36,748	-	34,504
Payables to public authorities	-	74,447	-	63,906
Other non-trade payables	30,832	47,370	21,398	32,340
Guarantees and deposits received	1,971	1,225	1,966	1,429
Other	-	241	-	212
Total	32,803	219,495	23,364	214,643

EUR thousand

3.21 Tax matters

Consolidated tax group

The Group files consolidated tax returns in both Spain and the US for all the companies that meet the related requirements. All other Group companies file individual tax returns.

Accounting for taxes

The income tax expense of the consolidated Group is calculated by aggregating the income tax expense of the consolidated tax groups and of the companies that file individual income tax returns.

The tax bases are calculated on the basis of the profit or loss for the period adjusted by temporary differences, permanent differences and prior periods’ tax losses.

The tax effect of temporary differences between transactions recognised in the accounting records and reported in the income tax return using different criteria gives rise to deferred tax assets and liabilities that will be recoverable or payable in the future.

Recognised tax losses also give rise to deferred tax assets that do not reduce the expense for subsequent periods.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax assets are only recognised when there are no doubts that sufficient taxable profit will be available against which the temporary differences can be utilised.

When the closing is performed for tax purposes each period, the deferred tax balances are reviewed in order to ascertain whether they still exist and the appropriate adjustments are made so as to adapt the balances to the new situation.

Reconciliation of accounting profit/(loss) and taxable income/(loss)

Reconciliation of accounting profit/(loss) for the year and profit/(loss) for income tax purposes for 2022 and 2021:

	31/12/2022	31/12/2021
Consolidated profit/(loss) for the year before tax from continuing operations	(60,839)	42,384
Permanent differences related to continuing operations	9,547	(3,652)
Temporary differences	36,903	(19,131)
Offset of unused tax losses	(81,674)	(50,038)
Tax loss (tax base)	(96,063)	(30,437)

EUR thousand

Reconciliation of the accounting loss from continuing operations to income tax expense for 2022 and 2021:

	2022	2021
Consolidated profit/(loss) for the year before tax from continuing operations	(60,839)	42,384
Share of profit/(loss) of companies accounted for using the equity method, net of tax	4,546	2,703
Other permanent differences	5,001	(6,355)
Unrecognised tax losses offset in the year	(26,238)	(15,528)
Tax losses not recognised in the year as tax assets	149,797	121,465
Base for calculating period income tax expense	72,267	144,669
Income tax expense for the year	21,892	29,060
Prior years' adjustments and other adjustments	10,766	7,183
Income tax expense relating to continuing operations	32,658	36,243

EUR thousand

Permanent difference relate to the profit or loss of companies accounted for using the equity method, amounting to EUR 4,546 thousand, and the remainder, for EUR 5,001 thousand, to expenses and income for the year which, according to tax laws applicable in each country are non-tax-deductible or taxable, respectively. The most significant items are:

- Non-tax-deductible expenses, such as fines and donations, of finance costs exceeding 30% of operating profit.
- Profit or loss obtained abroad by branches and UTEs.
- The recognition and utilisation of non-tax-deductible provisions.
- Gains on losses on the disposal of equity interests.

Income tax and tax rate

Income tax is calculated using the tax rates enacted in the countries where the Group operates. The main rates are:

COUNTRY	2022
Spain	25%
Saudi Arabia	20%
Algeria	23%
Argentina	35%
Bulgaria	10%
Canada	27%
Colombia	35%
United States	28%
Kuwait	15%
Mexico	30%
Peru	30%
Poland	19%
Qatar	10%
Czech Republic	19%
Slovakia	21%
Turkey	23%

Income tax expense recognised in 2022 amounted to EUR 32,658 thousand and comprised:

- EUR 20,592 thousand for the tax expense recognised by the companies for the Spanish tax group and the amount corresponding to their branches abroad.
- EUR 12,066 thousand relating to the tax expense recognised by the foreign and Spanish companies that do not form part of the Spanish tax group

In 2022, the Group did not recognise any amount of income tax directly in equity for gains or losses on remeasurement of derivative financial instruments.

Deferred taxes and tax losses

Changes in **deferred tax assets**:

Balance at 31 December 2020	149,063
Additions and disposals due to changes in the scope of consolidation	(3,588)
Increases	3,704
Decreases	(40,390)
Balance at 31 December 2021	108,789
Increases	13,693
Decreases	(32,223)
Balance at 31 December 2022	90,259

EUR thousand

The detail of the changes in deferred tax assets in 2022 and 2021 is as follows:

2022	BALANCE AT 31/12/2021	CHANGES IN THE SCOPE OF CONSOLIDATION	CHARGE/ CREDIT TO PROFIT OR LOSS	CHARGE/ CREDIT TO EQUITY	EXCHANGE RATE EFFECT	TRANSFERS AND OTHER	BALANCE AT 31/12/2022
Tax credits							
Unused tax losses	53,779	-	(12,075)	-	2,566	-	44,270
Temporary differences	55,010	-	(10,603)	-	1,582	-	45,989
Total deferred tax assets	108,789	-	(22,678)	-	4,148	-	90,259

EUR thousand

2021	BALANCE AT 31/12/2021	CHANGES IN THE SCOPE OF CONSOLIDATION	CHARGE/ CREDIT TO PROFIT OR LOSS	CHARGE/ CREDIT TO EQUITY	EXCHANGE RATE EFFECT	TRANSFERS AND OTHER	BALANCE AT 31/12/2022
Tax credits							
Unused tax losses	80,436	395	(12,808)	-	5,367	(19,611)	53,779
Tax credits	4,176	(4,176)	-	-	-	-	-
Temporary differences	64,451	193	(9,131)	(1,148)	645	-	55,010
Total deferred tax assets	149,063	(3,588)	(21,939)	(1,148)	6,012	(19,611)	108,789

EUR thousands

Tax credits do not include all existing tax credits, but only those that the Group expects to be able to utilise in the short or medium term. They relate primarily to tax credits recognised by US companies and by the Parent as head of the Spanish tax group.

Deductible temporary differences arise from expenses recognised for accounting purposes rather than for tax purposes, or income recognised for tax purposes rather than for accounting purposes, whereby the company will recover these tax credits in future periods.

The main items that include deductible temporary differences at year-end 2022 are:

- The recognition and utilisation of accounting provisions with a tax effect when realised, for EUR 28,479 thousand.
- The difference between depreciation and amortisation for accounting and for tax purposes, of EUR 1,090 thousand.
- The difference in the timing of recognition of construction costs, amounting to EUR 12,362 thousand.
- The profit or loss of UTEs, the recognition of which for tax purposes is deferred for one year.

In 2022 the Group reassessed the recoverability of deferred tax assets taking into account the various consolidated tax groups (Spain and US) and other jurisdictions based on long-term business plans, which include assumptions regarding transaction volume and expected returns in line with technical and financial capabilities, and the outlook for the markets in which the Group operates. No risks of recoverability were uncovered by the reassessment of outstanding balances at 31 December 2022.

Changes in **deferred tax liabilities** in 2022 and 2021:

Balance at 31 December 2020	78,773
Additions and disposals due to changes in the scope of consolidation	14,712
Increases	2,119
Decreases	(20,344)
Balance at 31 December 2021	75,260
Increases	1,380
Decreases	(9,512)
Balance at 31 December 2022	67,128

EUR thousand

The detail of the changes in deferred tax liabilities is as follows:

2022	BALANCE AT 31/12/2021	CHANGES IN THE SCOPE OF CONSOLIDATION	CHARGE/ CREDIT TO PROFIT OR LOSS	EXCHANGE RATE EFFECT	TRANSFERS AND OTHER	BALANCE AT 31/12/2022
Temporary differences	75,260	-	(11,977)	3,845	-	67,128
Total deferred tax liabilities	75,260	-	(11,977)	3,845	-	67,128

EUR thousand

2021	BALANCE AT 31/12/2021	CHANGES IN THE SCOPE OF CONSOLIDATION	CHARGE/ CREDIT TO PROFIT OR LOSS	EXCHANGE RATE EFFECT	TRANSFERS AND OTHER	BALANCE AT 31/12/2022
Temporary differences	78,773	14,712	(3,982)	5,368	(19,611)	75,260
Total deferred tax liabilities	78,773	14,712	(3,982)	5,368	(19,611)	75,260

EUR thousand

Taxable temporary differences recognised in 2022, amounting to EUR 67,128 thousand, related mainly to:

- The adjustments made on consolidation, including those recognised for goodwill capitalised as an increase in the value of the customer portfolio and backlog of the acquirees, amounting to EUR 43,465 thousand.
- The difference in the timing of recognition of estimated construction costs, amounting to EUR 12,362 thousand.
- The difference in the timing of revenue recognition, amounting to EUR 3,024 thousand.

Since the Group considered that the retained earnings of investees will not be distributed in the foreseeable future, it did not recognise any deferred tax liabilities in this connection.

Unused tax losses of Group companies available for offset in future tax returns amount to EUR 1,851,846 thousand. The breakdown by item and last year for offset is as follows:

YEAR	EUR THOUSAND
2023	9,102
2024	1,965
2025	2,730
2026	10,823
2027	2,481
2028	6,440
2029	20,096
2030	22,866
2031	23,690
2032	11,031
2033	846
2034	3,936
2035	36,204
2036	53
2037	50
No time limit	1,699,533
Total	1,851,846

At 31 December 2022, the companies comprising the Spanish tax group had EUR 1,355,272 thousand of unused tax losses, EUR 11,787 thousand of unused double taxation credits and EUR 16,756 thousand of investment credits (reinvestment, RD&I and other tax credits). No new tax credits for these items were recognised in 2022.

Years open for review by the taxation authorities

In accordance with prevailing tax returns cannot be considered final until they have been inspected by the taxation authorities or until the statute of limitations has elapsed.

At year-end 2022, the companies comprising the Group were subject to review by the taxation authorities for the tax periods that were not beyond the statute of limitations for all taxes applicable pursuant to the legislation in force in the various jurisdictions in which they operate.

In July 2020, the Spanish taxation authorities (AEAT) notified the Parent of the commencement of a tax audit, currently in the stage of providing required documentation, of the following taxes and periods:

Income tax	2014-2017
Value added tax	07/2016-12/2019
Personal income tax withholdings/payments on account	07/2016-12/2019
Investment income tax withholdings/payments on account	07/2016-12/2019
Non-resident income tax withholdings	07/2016-12/2019

On 27 July 2022, the inspection of value added tax (VAT) and personal income tax withholdings/payments on account was completed, for a total amount of EUR 4,351 thousand, recognised in the statement of profit and loss.

Regarding income tax, on 5 December 2022, the AEAT notified the Company of the settlement agreement whereby it legalised EUR 10,297 thousand of tax losses. This did not give rise to any amount payable. The Company disputed this settlement and filed an appeal with the Central Economic Administrative Court.

The Parent's directors consider that all applicable taxes have been duly paid so that even in the event of discrepancies in the interpretation of prevailing tax legislation with respect to the treatment applied, the resulting potential tax liabilities, if any, would not have a material impact on the accompanying financial statements.

Tax receivables and payables

Tax receivables and payables at 31 December 2022 and 2021:

	CURRENT ASSETS		CURRENT LIABILITIES	
	2022	2021	2022	2021
Value added tax	43,318	41,360	41,146	33,221
Other taxes	46,570	44,335	19,841	16,678
Social Security	2,269	48	13,460	14,007
Total	92,157	85,743	74,447	63,906

EUR thousand

3.22 Revenue and expenses

Revenue

Revenue for the Group in 2022 rose by 17.3% to EUR 3,259,672 thousand (2021: EUR 2,778,604 thousand), broken down by business activity and type of customer as follows:

BUSINESS ACTIVITY	2022	2021	% CHANGE
Construction	2,709,347	2,232,917	21.3%
Industrial	130,567	165,536	-21.1%
Services	394,292	361,533	9.1%
Other	25,466	18,618	36.8%
Total revenue	3,259,672	2,778,604	17.3%

EUR thousand

BUSINESS ACTIVITY AND TYPE OF CUSTOMER

	SPAIN		INTERNATIONAL		TOTAL	
	Public sector	Private sector	Public sector	Private sector	Public sector	Private sector
Construction	330,607	143,032	1,908,406	327,302	2,239,013	470,334
Industrial	-	108,992	1,228	20,347	1,228	129,339
Services	330,250	37,530	12,646	13,866	342,896	51,396
Other	24	6,856	13,303	5,283	13,327	12,139
Total revenue	660,881	296,410	1,935,583	366,798	2,596,464	663,208

EUR thousand

The geographical distribution of revenue in 2022 and 2021 is provided in the following tables:

GEOGRAPHICAL AREA	2022	2021
US and Canada	1,155,099	1,008,637
Mexico	26,533	10,480
Chile	201,231	284,030
Peru	220,919	84,453
Colombia	43,768	53,070
Spain	957,291	821,592
Central and Eastern Europe	439,396	380,238
Other countries	215,435	136,104
Total revenue	3,259,672	2,778,604

EUR thousand

	2022	2021
Spanish market	957,291	821,592
International market:	2,302,381	1,957,012
European Union	499,620	381,676
Eurozone	67,637	48,844
Non-eurozone	431,983	332,832
Other	1,802,761	1,575,336
Total	3,259,672	2,778,604

EUR thousand

Set out below is the reconciliation of segment revenue to consolidated revenue for 2022 and 2021:

SEGMENT	2022			2021		
	REVENUE FROM EXTERNAL CUSTOMERS	INTER-SEGMENT REVENUE	TOTAL REVENUE	REVENUE FROM EXTERNAL CUSTOMERS	INTER-SEGMENT REVENUE	TOTAL REVENUE
Construction	2,709,347	20,779	2,730,126	2,232,917	10,437	2,243,354
Industrial	130,567	2,458	133,025	165,536	3,874	169,410
Services	394,292	65	394,357	361,533	708	362,241
Other	25,466	10,416	35,882	18,618	5,376	23,994
Adjustments to and eliminations of inter-segment revenue	-	(33,718)	(33,718)	-	(20,395)	(20,395)
Total	3,259,672	-	3,259,672	2,778,604	-	2,778,604

EUR thousand

Other operating income

In 2022, this item amounted to EUR 98,533 thousand (2021: EUR 125,665 thousand).

Cost of sales

This item amounted to EUR 1,700,575 thousand in 2022 (2021: EUR 1,513,204 thousand).

Staff costs

Staff costs in 2022 totalled EUR 897,045 thousand (2021: EUR 814,608 thousand).

In December 2021, the Parent approved a remuneration scheme for certain managers whereby it is required to pay remuneration on their departure from the company.

To cover the obligation, the Parent took out a group life insurance policy, under which it maintains the risks subject to changes in actuarial assumptions and passes them on to the insurance company through the annual premium.

The contribution by the Group to this plan in the year amounted to EUR 1,295 thousand (2021: EUR 863 thousand). In this connection, the Group recognises a non-current provision for employee benefits expense in the consolidated statement of financial position.

Other operating expenses

The detail of this consolidated statement of profit or loss line item is as follows:

	2022	2021
External services	(300,792)	(238,141)
Taxes other than income tax	(17,888)	(10,708)
Other operating expenses	(327,807)	(236,368)
Total	(646,487)	(485,217)

EUR thousand

Finance income

The detail of this consolidated statement of profit or loss line item is as follows:

	2022	2021
Interest income from other companies	14,135	16,031
Income from equity investments	21	1,411
Restructuring income	-	99,481
Total	14,156	116,923

EUR thousand

Restructuring income in 2021 related to the difference between the nominal value of the original notes and the fair value of the new notes and shares recognised after the restructuring.

Finance costs

The detail of this consolidated statement of profit or loss line item is as follows:

	2022	2021
On the financing of current transactions	(70,405)	(64,724)
On finance leases and deferred purchases of non-current assets	(3,260)	(2,006)
On the discounting of provisions	(87)	311
Restructuring fees	-	(24,106)
Total	(73,752)	(90,525)

EUR thousand

As at 31 December 2022, the most significant item related to interest costs on the notes, which include the coupon, the PIK and the expense related to fair value, for EUR 50,401 thousand (2021: EUR 24,433 thousand).

Exchange differences (gains and losses)

Exchange losses in 2022 amounted to EUR 20,924 thousand (2021: EUR 2,594 thousand), affected mostly by the trend in the Colombian and Chilean pesos.

Net gain/(loss) on remeasurement of financial instruments at fair value

The remeasurement of financial instruments generated a net gain at 31 December 2022 of EUR 188 thousand (2021: EUR 10,768 thousand net loss).

Share of profit/(loss) of companies accounted for using the equity method

The Group's share of losses in 2022 amounted to EUR 4,546 thousand (2021: EUR 2,703 thousand).

Impairment and gains/(losses) on disposal of financial instruments

In 2022, this income statement item amounted to a negative EUR 21,767 thousand, and included primarily:

- A gain of EUR 13,981 thousand for reversal of impairment on the receivable from Grupo Villar Mir (GVM) due to the amounts received in 2022 (see Note 3.6).
- a write-down to the value of the investment in the Canalejas Project for EUR 34,485 thousand (see Note 3.7.1).

Foreign currency balances

Foreign currency transactions carried out by Group companies in 2022 by currency and the main operating income and expense items, translated to euros at the average exchange rates, are as follows:

CURRENCY	SALES	OTHER INCOME	COST OF SALES	OTHER OPERATING EXPENSES
Czech koruna	348,845	794	348,662	16,809
Norwegian krone	38,685	1,290	21,584	5,854
Swedish krona	44,244	264	22,146	14,713
US dollar	1,200,279	5,081	566,812	333,240
Pound sterling	48,635	40	25,426	20,235
Chilean peso	176,957	3,244	81,660	48,250
Colombian peso	43,770	4,154	19,575	12,141
Mexican peso	26,385	8,531	15,052	14,263
Saudi riyal	4,335	316	(7,858)	7,615
Peruvian sol	220,682	2,660	122,478	31,782
Other currencies	18,031	1,595	10,678	10,159
Total	2,170,848	27,969	1,226,215	515,061

EUR thousand

Foreign currency balances at 31 December 2022 and 2021 by currency and the main asset items in the consolidated statement of financial position, translated to euros at the year-end exchange rates, are as follows:

2022			
CURRENCY	NON-CURRENT FINANCIAL ASSETS	CURRENT FINANCIAL ASSETS	TRADE AND OTHER RECEIVABLES
Czech koruna	2,413	-	92,621
Norwegian krone	154	180	7,723
Swedish krona	-	72	11,027
Kuwaiti dinar	25	4	6,905
Canadian dollar	-	109	14,624
US dollar	2,526	64,517	493,987
Chilean peso	14,845	1,125	38,407
Pound Sterling	7,892	19,614	5,198
Mexican peso	45	148	67,819
Saudi riyal	1,463	220	24,029
Colombian peso	4,053	247	57,296
Qatari riyal	3,646	-	20,112
Peruvian sol	-	48	127,368
Other currencies	122	865	23,497
Total	37,184	87,149	990,613

2021			
CURRENCY	NON-CURRENT FINANCIAL ASSETS	CURRENT FINANCIAL ASSETS	TRADE AND OTHER RECEIVABLES
Czech koruna	205	-	98,849
Norwegian krone	191	154	6,935
Swedish krona	-	21	5,057
Kuwaiti dinar	22	4	7,225
Canadian dollar	-	104	18,183
US dollar	2,208	50,995	332,492
Chilean peso	72	197	67,007
Pound Sterling	29,159	36,408	11,330
Mexican peso	41	137	66,063
Saudi riyal	1,462	207	16,747
Colombian peso	-	682	51,114
Qatari riyal	3,431	-	19,256
Peruvian sol	-	157	45,162
Other currencies	143	32	26,445
Total	36,934	89,098	771,865

EUR thousand

Foreign currency payables at 31 December 2022 and 2021 by currency and the main liability items in the consolidated statement of financial position, translated to euros at the year-end exchange rates, are as follows:

2022			
CURRENCY	OTHER FINANCIAL LIABILITIES	TRADE AND OTHER PAYABLES	OTHER NON-CURRENT AND CURRENT LIABILITIES
Czech koruna	13,045	97,941	17,104
Norwegian krone	-	24,483	1,615
Swedish krona	-	27,380	841
Kuwaiti dinar	-	27,599	58
US dollar	6,992	542,143	53,981
Chilean peso	340	47,412	8,068
Pound Sterling	621	27,380	311
Colombian peso	-	87,185	13,770
Mexican peso	1,645	45,313	15,518
Saudi riyal	-	8,077	9,315
Qatari riyal	-	46,624	-
Peruvian sol	-	156,803	7,099
Other currencies	-	19,151	3,760
Total	22,643	1,157,491	131,440

2021			
CURRENCY	OTHER FINANCIAL LIABILITIES	TRADE AND OTHER PAYABLES	OTHER NON-CURRENT AND CURRENT LIABILITIES
Czech koruna	11,735	87,963	14,020
Norwegian krone	-	24,521	766
Swedish krona	-	854	693
Kuwaiti dinar	-	36,836	18
US dollar	9,605	430,414	35,960
Chilean peso	-	74,484	3,703
Pound Sterling	242	20,654	58
Colombian peso	-	92,464	12,466
Mexican peso	914	45,191	13,273
Saudi riyal	-	9,565	7,663
Qatari riyal	-	39,442	-
Peruvian sol	-	101,892	3,306
Other currencies	-	21,822	3,409
Total	22,496	986,102	95,335

EUR thousand

3.23 Consolidated statement of cash flows

The consolidated statement of cash flows was prepared in accordance with IAS 7 and is unaffected by fluctuations in exchange rates vis-à-vis the euro of the currencies in which the Group operates.

The requisite classifications were made to properly reflect the changes due to inclusions in and exclusions from the scope of consolidation.

Highlights for each of the main sections of the consolidated statement of cash flows are as follows:

Operating activities

The breakdown of "Other adjustments to profit or loss" is as follows:

	2022	2021
Change in provisions	(14,275)	(10,753)
Financial profit/(loss)	102,099	(20,543)
Share of profit/(loss) of companies accounted for using the equity method	4,546	2,703
Total	92,370	(28,593)

EUR thousand

Net cash flows from operating activities in 2022 amounted to EUR 11,468 thousand, compared to EUR 633 thousand of net cash flows used in operating activities the year before.

Investing activities

Cash flows from investing activities in 2022 amounted to EUR 123,266 thousand.

Payments for investments amounted to EUR 81,133 thousand.

Proceeds from the sale of investments totalled EUR 193,060 thousand and included primarily the proceeds obtained from Cercanías from Móstoles Navalcarnero, S.A.

Financing activities

Net cash flows used in financing activities in 2022 amounted to EUR 185,499 thousand and included mainly the impact of the cancellation of loans and borrowings and payment of interest on the notes.

Considering these cash inflows and outflows and net foreign exchange differences, cash and cash equivalents at 31 December 2022 amounted to EUR 469,311 thousand.

4. Other disclosures

4.1 Segment information

An operating segment is defined in standards as a segment that has a segment manager who is directly accountable to and maintains regular contact with the chief operating decision maker to discuss operating activities, financial results, forecasts, or plans for the segment. The standard also states that if those characteristics apply to more than one set of components of an organisation but there is only one set for which segment managers are held responsible, that set of components constitutes the operating segments.

The Group considers that segmentation based on the various business areas in which it operates best represents it, as follows:

- Construction.
- Industrial.
- Services.
- Other (other minor businesses, corporate and consolidation adjustments).

Other minor businesses include mostly financial investments held by the Group in the Canalejas Project, financial assets of Cercanías Móstoles Navalcarnero, S.A. (currently in liquidation) and activity of other concession businesses.

The following tables provide basic segment information for 2022 and 2021.

	2022				
	CONSTRUCTION	INDUSTRIAL	SERVICES	OTHER	TOTAL GROUP
Revenue	2,709,347	130,567	394,292	25,466	3,259,672
EBITDA (*)	129,306	4,428	11,506	(31,142)	114,098
Margin, %	4.8%	3.4%	2.9%	0.0%	3.5%
Depreciation and amortisation	(49,303)	(3,963)	(4,659)	(10,367)	(68,292)
EBIT	80,003	465	6,847	(41,509)	45,806
Margin, %	3.0%	0.4%	1.7%	0.0%	1.4%
Finance income and costs	20,489	2,272	(4,367)	(77,990)	(59,596)
Income tax expense	(30,216)	(4,463)	(2,147)	4,168	(32,658)
Current assets	1,870,923	161,209	102,715	229,533	2,364,380
Current liabilities	1,725,567	145,017	98,960	19,190	1,988,734
Total assets	2,309,154	176,391	125,032	583,737	3,194,314
Total liabilities	1,856,360	186,057	106,713	487,929	2,637,059
Operating cash flow (**)	34,428	117	15,712	(96,823)	(46,566)
Change in net borrowings	(7,496)	(4,706)	(7,471)	77,185	57,512
Investments and other	(26,932)	4,589	(8,241)	19,638	(10,946)
Investments in associates and joint ventures and additions to non-current assets	93,044	410	11,609	30,297	135,360

EUR thousand

* EBITDA is calculated as operating profit/(loss) plus amortisation and depreciation, and changes in provisions.

** Calculated using internal criteria, which in certain cases differ from IAS 7.

	2021				
	CONSTRUCTION	INDUSTRIAL	SERVICES	OTHER	TOTAL GROUP
Revenue	2,232,917	165,536	361,533	18,618	2,778,604
EBITDA (*)	100,502	(9)	15,797	(25,050)	91,240
Margin, %	4.5%	0.0%	4.4%	0.0%	3.3%
Depreciation and amortisation	(47,171)	(322)	(5,724)	(13,479)	(66,696)
EBIT	53,331	(331)	10,073	(38,529)	24,544
Margin, %	2.4%	-0.2%	2.8%	0.0%	0.9%
Finance income and costs	19,791	1,145	(4,033)	9,495	26,398
Income tax expense	(22,631)	(5,103)	(2,009)	(6,500)	(36,243)
Current assets	1,572,935	148,863	109,591	388,036	2,219,426
Current liabilities	1,519,006	258,928	102,552	(114,303)	1,766,183
Total assets	2,024,195	164,865	124,265	749,049	3,062,375
Total liabilities	1,651,987	295,113	106,633	388,292	2,442,026
Operating cash flow (**)	55,505	(6,287)	1,112	(77,136)	(26,806)
Change in net borrowings	9,184	13,046	1,147	(182,300)	(158,923)
Investments and other	(64,689)	(6,759)	(2,259)	259,436	185,729
Investments in associates and joint ventures and additions to non-current assets	54,855	237	4,390	14,494	73,976

EUR thousand

* EBITDA is calculated as operating profit/(loss) plus amortisation and depreciation, and changes in provisions.

** Calculated using internal criteria, which in certain cases differ from IAS 7.

Breakdown of the main items and most significant amounts included in "Other" at 31 December 2022:

- Operating loss in the year amounted to EUR 41,509 thousand, mostly due to corporate overheads.
- Total assets at year-end stood at EUR 583,737 thousand and included mainly the following items:
 - Financial assets in concession operators in liquidation, relating to Cercanías from Móstoles Navalcarnero, S.A. for EUR 50,696 thousand (see Note 3.6).
 - Financial interest in the Canalejas Project, for EUR 181,830 thousand (see Note 3.7).

- Collection rights on the deferred payment for the sale of Old War Office, for EUR 27,506 thousand.

- Financial interest in concession operator Centre Hospitalier de l'Université de Montréal (CHUM), for EUR 28,814 thousand, which was reclassified to non-current assets held for sale (see Note 3.8).

- Cash and other current financial assets for EUR 240,589 thousand.

Secondary segments, i.e. the geographical areas where Group companies operate on a lasting basis since they have local structures, are the US and Canada, Mexico, Chile, Peru, Colombia, Spain, and Central and Eastern Europe. The Group also has a presence in other countries that are not considered local markets currently and are grouped together under "Other countries".

	2022								
	US AND CANADA	MEXICO	CHILE	PERU	COLOMBIA	SPAIN	CENTRAL AND EASTERN EUROPE	OTHER COUNTRIES	TOTAL GROUP
Revenue	1,155,099	26,533	201,231	220,919	43,768	957,291	439,396	215,435	3,259,672
EBITDA (*)	50,002	(3,373)	25,546	19,598	(16)	(11)	19,491	2,861	114,098
Margin, %	4.3%	-12.7%	12.7%	8.9%	0.0%	0.0%	4.4%	1.3%	3.5%
EBIT	8,828	(1,255)	17,490	18,856	(1,722)	(20,501)	12,770	11,340	45,806
Margin, %	0.8%	-4.7%	8.7%	8.5%	-3.9%	-2.1%	2.9%	5.3%	1.4%
Profit/(loss) after tax (attributable to the Parent)	(10,039)	8,215	30,876	18,042	(13,199)	(138,265)	10,683	(3,153)	(96,840)
Margin, %	-0.9%	31.0%	15.3%	8.2%	-30.2%	-14.4%	2.4%	-1.5%	-3.0%
Trade receivables (net of allowances and advances)	244,487	34,804	22,989	(28,655)	7,586	236,679	100,883	4,652	623,425
Headcount at year-end	1,641	724	4,094	1,070	362	15,227	1,516	236	24,870
Short-term backlog	2,829,612	91,523	544,027	394,625	184,623	1,602,440	469,920	427,154	6,543,924
Long-term backlog	-	-	490,148	-	-	-	-	-	490,148
Total backlog	2,829,612	91,523	1,034,175	394,625	184,623	1,602,440	469,920	427,154	7,034,072

EUR thousand

* EBITDA is calculated as operating profit/(loss) plus amortisation and depreciation, and changes in provisions.

	2021								
	US AND CANADA	MEXICO	CHILE	PERU	COLOMBIA	SPAIN	CENTRAL AND EASTERN EUROPE	OTHER COUNTRIES	TOTAL GROUP
Revenue	1,008,637	10,480	284,030	84,453	53,070	821,592	380,238	136,104	2,778,604
EBITDA (*)	53,048	(3,523)	11,848	21,437	(1,021)	(5,692)	15,356	(213)	91,240
Margin, %	5.3%	-33.6%	4.2%	25.4%	-1.9%	-0.7%	4.0%	-0.2%	3.3%
EBIT	17,513	(3,689)	10,464	17,830	(4,189)	(38,809)	11,199	14,225	24,544
Margin, %	1.7%	-35.2%	3.7%	21.1%	-7.9%	-4.7%	2.9%	10.5%	0.9%
Profit/(loss) after tax (attributable to the Parent)	13,073	(601)	42,561	12,080	(9,591)	(58,561)	4,740	2,243	5,945
Margin, %	1.3%	-5.7%	15.0%	14.3%	-18.1%	-7.1%	1.2%	1.6%	0.2%
Trade receivables (net of allowances and advances)	186,321	33,392	36,382	(85,708)	(831)	192,923	109,443	26,783	498,705
Headcount at year-end	1,633	797	3,221	784	588	13,980	1,530	246	22,779
Short-term backlog	2,162,385	31,729	407,033	432,436	113,002	1,288,673	520,773	424,965	5,380,996
Long-term backlog	-	-	426,544	-	-	-	-	-	426,544
Total backlog	2,162,385	31,729	833,577	432,436	113,002	1,288,673	520,773	424,965	5,807,540

EUR thousand

* EBITDA is calculated as operating profit/(loss) plus amortisation and depreciation, and changes in provisions.

4.2 Risk management policy

The Group's risk control and management objective is to control and manage current or emerging risks and opportunities related to its business activities in order to:

- Deliver the Group's strategic and operating objectives.
- Protect the Group's reputation, safeguard its legal certainty and ensure its sustainability.
- Protect the security of shareholders' equity.
- Protect the interests of other stakeholders in the organisation's performance.
- Enhance OHLA Group's level of innovation, competitiveness and trust.

To achieve these objectives, the following guiding principles for controlling and managing risks and opportunities are in place:

- Act in accordance with the law at all times, and with the values and standards set out in the Code of Ethics and the Group's regulatory framework.
- Act in accordance with the level of the risk tolerance defined by the Group.
- Embed risk and opportunity control and management into the Group's business processes and its strategic and operational decision-making.
- Manage the information generated regarding risks in a manner that is transparent, proportionate and appropriate, and communicate this information on a timely basis.
- Establish and maintain a risk-aware culture.
- Incorporate risk control and management best practices and recommendations.

Risk control and management are part of the Group's regulatory and operational framework. When applied by the organisation carrying out its operations, this allows:

- The identification of material risks and opportunities that affect, or could affect, the achievement of the Group's objectives.
- The assessment of the risks detected.
- The definition of measures to be taken and decision-making based on the risks and opportunities alongside other aspects of the business.
- The implementation of these measures.
- The control and ongoing monitoring of the most significant risks and the effectiveness of the measures taken.
- The establishment of the information reporting system, communication channels and levels of authorisation.

The Parent's Board of Directors is responsible for approving the Risk Control and Management Policy.

The Audit and Compliance Committee is responsible for overseeing and verifying that the commitments outlined in the Risk Control and Management Policy are up to date and fulfilled on an ongoing basis.

Group management draws up a risk map on an annual basis identifying and assessing current risks and any emerging risks that might affect the Group in the future.

Each business or functional unit is responsible for controlling and managing the risks that affect the performance of its respective operations and for reporting any such risks as soon as they are detected or proven.

Risk management is the responsibility of all Group employees. Each employee must understand the risks relating to their area of responsibility and manage them within the action framework defined in the Policy. They must also know the established tolerance limits.

The Group's Risk Control and Management Policy is reviewed annually to ensure that it remains aligned with the interests of the Group and its stakeholders and is available to all of them.

The main risks that might affect the achievement of the Group's objectives are as follows:

Project risk

Project risk management aims to ensure fulfilment of project obligations regarding scope, deadlines, margin and safety, and, in general, all contractual obligations. Therefore, events or situations that could jeopardise projects are identified before they occur and assessed appropriately, from identification of the opportunity and the tendering stage, so that mitigation measures can be implemented early.

Price volatility and resource scarcity risks

The Group is exposed to the risk of shortages of human resources, subcontractors and suppliers, and certain products in its footprint markets. Moreover, increases in prices of certain cost components, such as raw materials (e.g. bitumen, steel), and energy prices affect the costs of the main supplies of goods and services the Group requires to carry on its operations. Shortages or logistics disruptions could cause delays in deliveries or the provision of goods and services.

Governments in many countries (e.g. Spain, the Czech Republic) have started adding price-review formulae into their public contracting laws (something that is already commonplace in countries with high inflation), which help partially temper the situation. However, they cannot be applied to all contract costs or from contract inception. This means particular care must be taken with contingent items included in projects and cost estimates for long-term projects.

Nevertheless, these risks, which materialised globally in 2021 and 2022, can possibly continue or heighten in the current geopolitical landscape and because of expansionary public works policies in certain geographies.

Geopolitical and market risks

Political unrest or changes in the legal and regulatory environment in countries where OHLA operates can have significant impacts on the Company's ability to achieve its business objectives. Therefore, the Group monitors country risk closely in its home markets as well as areas into which it might expand.

Nevertheless, the current geopolitical landscape gives rise to myriad uncertainties with global impact, not to mention situations that may already be occurring in geographies where OHLA operates. The likely global trend towards a new division into opposing blocs points to highly volatile interest and exchange rates, rampant inflation and potential global supply chain disruptions, along with increasing unrest and social polarisation. All this can result in a shortage, or increase in the price, of certain materials (affecting expected returns and the ability to meet delivery deadlines) and investor appetite in certain geographies.

Image and reputation

The Group has an unwavering commitment to abiding by the law and complying with the leading standards in codes of conduct, which has led to considerable and meaningful improvement in its image and reputation. The objective is to minimise the possibility of inappropriate actions by employees and properly manage the risk that lax management, a smear campaign or manipulation of information by the media, lobbyists, former employees or other stakeholders will hurt the Group's image irrespective of whether the allegations are consistent with any wrongdoing by the organisation.

Personnel risk

Personnel risk relates to the organisation's ability to attract the right people and to detect, retain, develop and utilise internal talent in the right way and at the right time. The Group is designing new retention packages and incentives and targeting digital talent to streamline processes.

Systems and cybersecurity risk

Market and business trends, with continuous and rapid changes, require systems that enable the Group to obtain the information it needs and be able to analyse it quickly and adapt accordingly. This, in turn, requires working with agile methodologies that minimise the time needed to adapt systems or implement new functionalities.

Meanwhile, the Group, like any other company, is exposed to the widespread increase in the risk of cybercrimes and potential misuse of sensitive data, which would comprise the security and the operations of the Company's assets and the ordinary course of business, and cause leaks of sensitive information.

Litigation and arbitration risk

One current industry trend is the increase in litigation. Therefore, there is a risk that more lawsuits and arbitration proceedings will arise, along with the associated costs, and that the outcome due to disputes with customers or suppliers will go against the Group's interests. Therefore, the Group is still committed to reinforcing its contract management prowess.

Risk of measurement of assets and liabilities in the statement of financial position

This is understood as the risk of a decrease in the value of assets or an increase in the value of liabilities on the statement of financial position.

Financial risks

Financial risks are risks that may affect mainly the Group's ability to raise the necessary financing when required and at a reasonable cost, and to maximise its available financial resources. The most important are:

- Interest rate risk.
- Foreign currency risk.
- Credit risk.
- Liquidity risk.

Interest rate risk

Future cash flows from assets and liabilities with floating rates fluctuate because of changes in interest rates.

Interest rate risk is particularly important in financing of infrastructure and other projects whose profitability depends on possible changes in interest rates because of its direct relationship with project cash flows.

The Group uses fixed- or floating-rate financial products to finance its operations. Based on estimates of the trend in interest rates and of debt structure targets, it either hedges transactions by entering into derivatives to mitigate these risks, preparing a related sensitivity analysis, or arranges fixed-rate financing.

The Group did not have any interest rate swaps at 31 December 2022 and 2021.

Foreign currency risk

Management of foreign currency risk is centralised in the Group. It uses a variety of hedging mechanisms to minimise the impact of changes in foreign exchange rates against the euro.

Foreign currency risks relate primarily to:

- Borrowings denominated a foreign currency.
- Payables in international markets to acquire supplies or non-current assets.
- Receivables from projects tied to currencies other than the functional currency of the Parent or of the subsidiaries.
- Investments in foreign subsidiaries.

The Group enters into foreign currency derivatives and currency forwards to hedge significant future transactions and cash flows, in accordance with acceptable risk limits. There were no currency forwards in force at 31 December 2022 and 2021.

Meanwhile, net assets relating to net investments in foreign operations with a functional currency other than the euro are exposed to the risk of exchange rate fluctuations on the translation of the financial statements of these foreign operations on consolidation.

Non-current assets denominated in currencies other than the euro are financed in that same currency with a view to creating a natural hedge.

The sensitivity analysis of foreign currency risk of financial instruments for the main currencies in which the Group operates simulated a 10% increase in the foreign currency/euro exchange rate with respect to the rates applicable at 31 December 2022 and 2021. The potential impact is as follows:

CURRENCY	2022		
	PROFIT / (LOSS)	TRANSLATION DIFFERENCES	TOTAL EQUITY
Czech koruna	-	(3,306)	(3,306)
Norwegian krone	(1,355)	4	(1,351)
Algerian dinar	398	-	398
Kuwaiti dinar	(1,554)	-	(1,554)
Canadian dollar	-	1,214	1,214
US dollar	(3,718)	(1,457)	(5,175)
Chilean peso	(1,095)	968	(127)
Colombian peso	1,229	(5,575)	(4,346)
Australian dollar	(52)	(353)	(405)
Mexican peso	85	439	524
Pound sterling	330	(1)	329
Peruvian sol	(2,810)	98	(2,712)
Total	(8,542)	(7,969)	(16,511)

CURRENCY	2021		
	PROFIT / (LOSS)	TRANSLATION DIFFERENCES	TOTAL EQUITY
Czech koruna	-	(1,467)	(1,467)
Norwegian krone	(1,343)	(9)	(1,352)
Algerian dinar	286	-	286
Kuwaiti dinar	(2,220)	-	(2,220)
Canadian dollar	-	1,657	1,657
US dollar	(4,136)	(3,800)	(7,936)
Chilean peso	(1,257)	572	(685)
Colombian peso	(217)	(5,023)	(5,240)
Australian dollar	(55)	(362)	(417)
Mexican peso	32	644	676
Polish zloty	17	-	17
Pound sterling	4,196	-	4,196
Saudi Arabian riyal	23	88	111
Qatari riyal	(1,256)	-	(1,256)
Peruvian sol	(4,539)	64	(4,475)
Total	(10,469)	(7,636)	(18,105)

EUR thousand

Had the sensitivity analysis included the simulation of a 10% decrease in the foreign currency/euro exchange rate with respect to the rates in force at 31 December 2022 and 2021, the impact would be as follows:

CURRENCY	2022		
	PROFIT / (LOSS)	TRANSLATION DIFFERENCES	TOTAL EQUITY
Czech koruna	-	3,006	3,006
Norwegian krone	1,233	(3)	1,230
Algerian dinar	(363)	-	(363)
Kuwaiti dinar	1,413	-	1,413
Canadian dollar	-	(1,104)	(1,104)
US dollar	3,380	1,324	4,704
Chilean peso	995	(880)	115
Colombian peso	(1,117)	5,068	3,951
Australian dollar	46	321	367
Pound sterling	(300)	1	(299)
Mexican peso	(78)	(399)	(477)
Peruvian sol	2,555	(89)	2,466
Total	7,764	7,245	15,009

CURRENCY	2021		
	PROFIT / (LOSS)	TRANSLATION DIFFERENCES	TOTAL EQUITY
Czech koruna	-	1,333	1,333
Norwegian krone	1,221	9	1,230
Algerian dinar	(261)	-	(261)
Kuwaiti dinar	2,018	-	2,018
Canadian dollar	-	(1,506)	(1,506)
US dollar	3,760	3,454	7,214
Chilean peso	1,144	(521)	623
Colombian peso	198	4,566	4,764
Australian dollar	49	329	378
Polish zloty	(15)	-	(15)
Pound sterling	(3,814)	-	(3,814)
Mexican peso	(29)	(585)	(614)
Saudi Arabian riyal	(21)	(80)	(101)
Qatari riyal	1,143	-	1,143
Peruvian sol	4,127	(58)	4,069
Total	9,520	6,941	16,461

EUR thousand

Credit risk

Credit risk is the probability that a counterparty will not meet its obligations under a contract, leading to a financial loss.

The Group has adopted a policy of trading only with solvent third parties and obtaining sufficient guarantees to mitigate the risk of incurring losses in the event of non-compliance. Information on counterparties is obtained through independent company valuation agencies, other public sources of financial information, or information obtained from relationships with customers and third parties.

The net balances of the Group's financial assets exposed to credit risk at 31 December 2022 were:

	EUR THOUSAND
Non-current financial assets and concession infrastructure	146,473
Trade and other receivables	1,453,502
Investments in financial assets (see Note 3.6.)	232,376
Cash and cash equivalents	469,311

Non-current financial assets and concession infrastructure

Non-current financial assets includes net loans to associates amounting to EUR 58,760 thousand. The Group is aware of the solvency of its associates and does not expect any losses to arise in relation to these financial assets.

Trade and other receivables

This item includes trade receivables amounting to EUR 1,265,077 thousand, of which 70.2% related to public sector customers for which the Group does not expect any losses to arise, although in certain cases there is a right to demand interest. The remaining 29.8% related to private sector customers which, in general, are highly solvent.

Customers undergo an assessment before any contracts are entered into. This assessment includes a solvency study. Changes in debt are monitored on an ongoing basis over the course of the contract term and recoverable amounts are reviewed, with impairments or write-downs recognised where necessary.

In applying IFRS 9 *Financial Instruments*, which addresses expected credit losses, the Group recognised an allowance of EUR 5,000 thousand (see Note 2.6.7).

Liquidity risk

In June 2021, the Group underwent a major financial structuring, the key milestones of which were:

- i. The capital reduction in Obrascón Huarte Lain, S.A. through the reduction of the par value of the shares to EUR 0.25 per share, for a total amount of EUR 100,292 thousand.
- ii. The Investment Commitments and Cash Capital Increases, which entailed the issuance of 304,576,294 new shares with a cash value of EUR 144,584 thousand.
- iii. Amendments to the terms and conditions of the Notes, which resulted in the cancellation of the 2022 and 2023 Notes of Obrascón Huarte Lain, S.A. At the same time, via OHL Operaciones S.A.U., a subsidiary of Obrascón Huarte Lain S.A., it issued new Notes for a nominal amount of EUR 487,267 thousand, with 50% maturing on 31 March 2025 and the remaining 50% on 31 March 2026.

This **considerably changed the Group's liquidity**, which in addition was further strengthened by:

- The disposals of several subsidiaries in 2021 (Old War Office Project; Hospital de Toledo S.A. and Mantholedo S.A.U.; and Aguas de Navarra S.A. and its concession operator).
- Renewal of the guarantee facilities of the Multi-product Syndicated Facilities Agreement (MSF) and a CESCE guarantee facility, whose maturity was extended in 2022 to 30 June 2023.
- Amounts received from Cercanías Móstoles Navalcarnero, S.A. in 2021 and January 2022 after settlement of payments by the Madrid regional government for different reasons related to the main construction projects, which went primarily to repay borrowings (see Note 3.17).

As a result, the Group's liquidity position as at 31 December 2022, comprising cash and cash equivalents and current financial assets, stood at EUR 701,687 thousand (2021: EUR 842,236 thousand), broken down as follows:

- **Cash and cash equivalents** of EUR 469,311 thousand (2021: EUR 507,455 thousand), which included EUR 185,796 thousand related to the Group's interests

in temporary business associations or joint ventures (UTEs) (2021: EUR 147,543 thousand). There is also restricted cash amounting to EUR 2,934 thousand related to other guarantees (2021: EUR 7,990 thousand).

- **Current financial assets** of EUR 232,376 thousand (2021: EUR 334,781 thousand), which include restricted assets pledged as security for EUR 176,237 thousand, the main item of which is a deposit for EUR 140,000 thousand as collateral for the MSF (2021: EUR 140,000 thousand) and EUR 43,885 thousand of performance bonds for certain projects being carried out in the US (2021: EUR 50,830 thousand).

The Group also has **drawable credit lines and discount facilities** amounting to EUR 41,245 thousand (2021: EUR 27,051 thousand), featuring the Judlau Contracting Inc credit line with a limit of EUR 84,380 thousand and a sub-limit of EUR 42,190 thousand guarantees signed on 28 June 2022.

On 8 March 2022, ratings agency Moody's upgraded OHLA's corporate family rating (CFR) to B3, outlook positive, from Caa1, and the notes issued by OHL Operaciones S.A.U. from Caa2 to B3. This illustrates the improvement described above.

However, even with the Company's improved solvency, it has yet to recover the working capital financing instruments needed to run the business properly.

Against this backdrop, the Group's directors are monitoring the liquidity position, focusing especially on cash flow generation from the businesses and improvement of working capital. They estimate that profitability levels can be recovered and that liquidity can increase.

The 2023 business plan includes aspects that could give rise to uncertainties regarding its execution and, therefore, result in deviations (e.g. lower-than-expected order intake, unexpected working capital shortfalls, large amount of restricted cash). The main one is the impact of the ongoing conflict in Europe, which could jeopardise the fledgling recovery by the global economy, affected by high inflation and burgeoning commodity prices, as well as occasional liquidity stress due to the seasonality of the business, which could have a serious impact on OHLA Group's forecasts for 2023.

Specifically, to mitigate the liquidity stress of the business, Group management is working with banks to secure the release of part of its restricted cash and/or obtain temporary financing, so that it will have sufficient financial coverage to ensure the Group's liquidity. On this front, the Parent's directors are confident that it will overcome the liquidity pressures and continue executing the business plan, enabling the Group to continue its operations and settle its obligations, strengthening both its equity and financial position.

4.3 Number of employees

The average number of employees in 2022 and 2021 and the total at 31 December 2022 by employee category and gender is as follows:

EMPLOYEE CATEGORY	AVERAGE NUMBER OF EMPLOYEES		NUMBER OF EMPLOYEES AT YEAR-END	
	2022	2021	31/12/2022	31/12/2021
Senior managers/executives	89	86	87	86
Middle managers	892	1,179	925	781
Other line personnel	3,204	2,758	3,279	3,244
Clerical staff	588	575	633	635
Other employees	19,016	17,359	19,946	18,033
Total	23,789	21,957	24,870	22,779
Permanent employees	18,086	15,692	19,953	16,195
Temporary employees	5,703	6,265	4,917	6,584
Total	23,789	21,957	24,870	22,779
Men	10,973	10,515	11,524	10,532
Women	12,816	11,442	13,346	12,247
Total	23,789	21,957	24,870	22,779

The average number of employees with a disability of a severity equal to or greater than 33% in 2022 and 2021 was 460 and 398, respectively.

4.4 Related party transactions

Relationships are considered to exist in transactions carried out with agents outside the Group, but with which there is a strong relationship according to the definitions and criteria of the Spanish Ministry of Economy and Finance order EHA/3050/2004, of 15 September, and the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores) Circular 1/2005, of 1 April.

The following table sets out related party transactions carried out in 2022 and 2021:

	2022	% OF TOTAL	2021	% OF TOTAL
Revenue and expenses				
Revenue	(403)	0.0%	15,995	0.6%
Other operating income	41	0.0%	43	0.0%
Cost of sales	-	0.0%	413	0.0%
Other operating expenses	1,386	0.2%	2,947	0.6%
Other transactions				
Guarantees and deposits provided	277	-	-	-
Repayment or cancellation of loans granted	17,026	-	55,369	-
Other transactions	102	-	404	-

EUR thousand

The breakdown of related party transactions in 2022 is as follows:

TAXPAYER IDENTIFICATION NUMBER (CIF)	RELATED PARTY	ITEM	GROUP COMPANY	EUR THOUSAND
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	63
A-82500257	Grupo Villar Mir, S.A.U.	Revenue	Avalora Tecnologías de la Información, S.A.	1
B-82607839	Promociones y Propiedades Inmobiliarias Espacio, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	37
B-83962225	Espacio Living Homes, S.L.	Revenue	Obrascón Huarte Lain, S.A.	(504)
B-83962225	Espacio Living Homes, S.L.	Other operating income	Obrascón Huarte Lain, S.A.	11
A-80400351	Espacio Information Technology, S.A.U.	Other operating income	OHL Servicios-Ingosan, S.A.U.	5
B-85253888	Villar Mir Energía, S.L.U.	Other operating income	OHL Servicios-Ingosan, S.A.U.	25
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Agrupación Guinovart Obras y Servicios Hispania, S.A.	1
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Construcciones Adolfo Sobrino, S.A.	6
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Asfaltos y Construcciones Elsan, S.A.	7
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	OHL Servicios-Ingosan, S.A.U.	24
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Chemtrol Proyectos y Sistemas, S.L.	20
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Obrascón Huarte Lain, S.A.	41
B-83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Pacadar, S.A.U.	520
A-80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Pacadar, S.A.U.	38
JSE110223AT0	Jetflight Services, S.A. de C.V.	Other operating expenses	Obrascón Huarte Lain, S.A.	59
A-85255370	Grupo Ferroatlántica, S.A.U.	Other operating expenses	Pacadar, S.A.U.	7
A-80400351	Espacio Information Technology, S.A.U.	Management or partnership agreements	Obrascón Huarte Lain, S.A.	557
A-80400351	Espacio Information Technology, S.A.U.	Management or partnership agreements	Avalora Tecnologías de la Información, S.A.	106

TAXPAYER IDENTIFICATION NUMBER (CIF)	RELATED PARTY	ITEM	GROUP COMPANY	EUR THOUSAND
Other transactions				
A-82500257	Grupo Villar Mir, S.A.U.	Repayment or cancellation of loans granted	Obrascón Huarte Lain, S.A.	17,026
B-83962225	Espacio Living Homes, S.L.	Guarantees and deposits provided	Obrascón Huarte Lain, S.A.	277
A-80400351	Espacio Information Technology, S.A.U.	Acquisitions of intangible assets	Obrascón Huarte Lain, S.A.	102

Related party balances at 31 December 2022 and 2021 were as follows:

	31/12/2022	% S/TOTAL	31/12/2021	% S/TOTAL
Non-current assets				
Other receivables	17,806	16.2%	34,831	25%
Current assets				
Trade receivables	998	0.1%	2,566	0.2%
Other receivables	14	0.0%	-	0.0%
Other receivables	11,150	74.0%	11,150	7.4%
Current liabilities				
Advances received from customers	166	0.0%	541	0.1%
Trade payables	10	0.0%	525	0.1%
Notes payable	-	0.0%	40	0.1%
Other non-trade payables	-	0.0%	11	0.0%

EUR thousand

In addition, at 31 December 2022 the Group had provided guarantees to related parties amounting to EUR 923 thousand (2021: EUR 646 thousand).

4.5 Backlog

The Group's backlog at 31 December 2022 stood at EUR 7,034,072 thousand (2021: EUR 5,807,540 thousand).

The breakdown by activity and geographical market is as follows:

BUSINESS ACTIVITY	2022			2021		
	SHORT-TERM	LONG-TERM	TOTAL	SHORT-TERM	LONG-TERM	TOTAL
Construction	5,807,307	-	5,807,307	4,796,160	-	4,796,160
Industrial	115,961	-	115,961	75,861	-	75,861
Services	620,656	-	620,656	508,975	-	508,975
Other	-	490,148	490,148	-	426,544	426,544
Total backlog	6,543,924	490,148	7,034,072	5,380,996	426,544	5,807,540

EUR thousand

Of the total short-term backlog at 31 December 2022 of EUR 6,543,924 thousand (2021: EUR 5,380,996 thousand), EUR 5,330,724 thousand related to public sector customers and EUR 1,213,200 thousand to private sector customers (2021: EUR 4,480,763 thousand and EUR 900,233 thousand, respectively).

GEOGRAPHICAL AREA	2022			2021		
	SHORT-TERM	LONG-TERM	TOTAL	SHORT-TERM	LONG-TERM	TOTAL
US and Canada	2,829,612	-	2,829,612	2,162,385	-	2,162,385
Mexico	91,523	-	91,523	31,729	-	31,729
Chile	544,027	490,148	1,034,175	407,033	426,544	833,577
Peru	394,625	-	394,625	432,436	-	432,436
Colombia	184,623	-	184,623	113,002	-	113,002
Spain	1,602,440	-	1,602,440	1,288,673	-	1,288,673
Central and Eastern Europe	469,920	-	469,920	520,773	-	520,773
Other countries	427,154	-	427,154	424,965	-	424,965
Total backlog	6,543,924	490,148	7,034,072	5,380,996	426,544	5,807,540

EUR thousand

At 31 December 2022, the international backlog represented 77% of the total (2021: 78%).

Revenue receivable from performance obligations not yet satisfied at year-end 2022 amounted to EUR 7,034,072 thousand, recognised in the Group's total backlog.

The breakdown and estimated timing of receipt (in years) is as follows:

	2023	2024	2025	OTHER YEARS	TOTAL BACKLOG
Construction	2,603,843	1,732,427	887,781	583,253	5,807,304
Other	451,571	190,577	104,162	480,455	1,226,765
Total	3,055,414	1,923,004	991,943	1,063,708	7,034,069

EUR thousand

Other includes Industrial, Services and Other activities and other year revenue expected from concessions in the backlog, mainly the concession for the Biobío hospital network (Chile).

4.6 Contingent assets and liabilities

4.6.1 Contingent assets

There were no material contingent assets as at 31 December 2022.

4.6.2 Contingent liabilities and guarantees

4.6.2.1 Guarantees provided to third parties

"Contingent liabilities" are ordinary liabilities for fulfilment of construction contracts entered into by a Group company or by a temporary business association or joint venture (Spanish "UTE") in which the Group holds an interest. Moreover, Spanish subsidiaries are secondarily liable for obligations of subcontractors owed to social security agencies for on-site personnel. The Group is not expected to incur any loss in this regard.

At 31 December 2022, the Group had provided guarantees to third parties amounting to EUR 3,542,485 thousand (2021: EUR 3,239,567 thousand), of which EUR 3,496,638 thousand (2021: EUR 3,192,041 thousand) related to performance bonds provided to government bodies and private customers to guarantee successful completion of construction work; the remainder related to provisional guarantees for construction tenders.

In view of the state of progress of the works secured by performance bonds, the Group believes there are no circumstances at present that would warrant recognising a provision.

The acquired commitments are execution of works or projects in accordance with the relevant contracts. If the Group were to breach a contract, the customer would be entitled to enforce the performance bond, subject to proof of the Group's breach.

The Group believes that it is correctly performing its core activity, i.e., duties owed to customers as to execution of works and projects under awarded contracts. The probability of contractual breach – and therefore of guarantee enforcement – is regarded as remote.

Joint and several personal financial guarantees

Some Group companies had provided joint and several personal guarantees to a range of entities – mainly banks – as security for credit facilities granted to associates. At 31 December 2022, these guarantees stood at EUR 1,845 thousand (2021: EUR 2,399 thousand).

The Parent's directors do not expect these guarantees to give rise to additional liabilities affecting the consolidated financial statements for the year ended 31 December 2022.

Investment commitments

Under their concession contracts, concession operators must make specified investments (see Note 3.2.).

Financing for the investments is primarily through non-recourse external financing granted to concession operators and, to a lesser extent, equity contributions and cash flows from the projects. As the amounts to be obtained via loans and the cash flows to be generated are estimates and not fixed amounts, there is no specific amount or timing of capital contributions to be made by subsidiaries so the Group can meet its obligations.

4.6.2.2 Litigation

At 31 December 2022, the Parent and its subsidiaries were involved in a range of disputes arising from the ordinary course of business.

In the Construction and Industrial divisions, the key disputes were:

- In 2014, the Group reported that the contract **“Design and Construction of the Sidra Medical Research Centre (Doha, Qatar)”** had given rise to a dispute between the Qatar Foundation for Education, Science and Community Development (QF) and the joint venture formed by the Parent and Contrack Cyprus Ltd (interests of 55%- 45%, respectively). On 30 July 2014, arbitration proceedings commenced before the International Chamber of Commerce.

The joint venture seeks an award ordering reimbursement of enforced guarantees (QAR 880 million, or EUR 224.8 million), payment for scope modifications that were executed but remain unpaid, as acknowledged in the partial award (QAR 182 million, or EUR 46.5 million), acknowledgement of and payment for scope modifications that were executed but remain unpaid, in respect of which an arbitral award is yet to be made (QAR 76 million, or EUR 19.4 million) and payment of the costs of extended presence at the construction site, as already acknowledged in the partial award (QAR 190 million, or EUR 48.5 million). For its part, QF seeks acknowledgement of termination costs in excess of the consideration still outstanding under the contract (QAR 2,600 million, or EUR 664.2 million), defect repair costs (QAR 124 million, or EUR 31.7 million), defect repair costs yet to be fully determined (QAR 106 million, or EUR 27.1 million), further costs relating to defect repairs (QAR 238 million, EUR 60.8 million) and liquidated damages for the delay caused by the joint venture (QAR 792 million, EUR 202.3 million).

The arbitration court is yet to decide on the merits of the claims and the value of any claim that may in the event be upheld. So far, the following items have been quantified: (i) the guarantee enforced against the joint venture (QAR 880 million, EUR 224.8 million), a fixed amount that in any case operates as a claim in favour of the joint venture; (ii) executed but still unpaid scope modifications, for which

an arbitration award has already been rendered (QAR 182 million, EUR 46.5 million) - again, a fixed amount that operates as a claim in favour of the joint venture; and (iii) defect repair costs (QAR 124 million, EUR 31.7 million), a fixed amount that operates as a claim in favour of QF. No award ordering payment has yet been made. Any such award will be rendered once all the parties' claims have been determined and evaluated.

However, in the light of the latest legal opinions provided by third parties and the views of the Parent's management, and in view of the timeframes within which an arbitration award might be expected, the Parent's directors have reassessed the various scenarios for the outcome of the arbitration as a whole and have drawn the conclusion that, despite the remaining uncertainty, it is unlikely that the Group will suffer any additional economic loss.

- On 7 February 2017, Rizzani de Eccher, SpA, Trevi, SpA and Obrascón Huarte Lain, S.A. instituted investment protection arbitration proceedings against the State of Kuwait before ICSID (International Centre for Settlement of Investment Disputes) in connection with the contract **“Construction, Completion and Maintenance of Roads, Overpasses, Sanitary and Storm Water Drains, as well as other Services for Jamal Abdul Nasser Street”**. OHL owns a 50% stake in the joint venture, a construction company. The arbitration was initiated under international treaties for reciprocal protection of investments signed by Kuwait, Spain and Italy. In the performance of the contract, the State of Kuwait breached the treaty by engaging in obstructive, abusive and arbitrary actions to the detriment of foreign investors.

In its memorial, the joint venture quantified the damages owed to it at KWD 100.6 million (EUR 308.2 million), or, in the alternative, KWD 90.4 million (EUR 276.9 million), plus, in any event, KWD 2.3 million (EUR 7.0 million), based on an assessment by independent consultants. Kuwait filed a counter-memorial, containing a counter-claim for KWD 32.1 million (EUR 98.3 million). On 15 December 2022, the Arbitration Court ruled on the proceeding, rejecting by majority, with one dissenting vote, both the joint venture's claim and Kuwait's counterclaim as it considered that the Kuwaiti courts had jurisdiction.

On 6 March 2023, the joint venture filed an appeal against this decision.

- On 13 December 2017, Samsung C&T Corporation, Obrascón Huarte Lain, S.A. and Qatar Building Company filed a request for arbitration before the International Chamber of Commerce against Qatar Railways Company in connection with the contract **“Design & Build Package 5 – Major Stations – Doha Metro Project”**. OHL owns a 30% stake in the joint venture, a construction company. The joint venture seeks damages initially estimated at QAR 1,500 million (EUR 383.2 million). Kuwait filed an initial counter-claim for QAR 1,000 million (EUR 255.5 million). The arbitration court declared that it was not competent to hear the case because at the time the request for arbitration was filed the requirements under the arbitration clause had not been met. The joint venture then filed a new request for arbitration seeking damages initially estimated at QAR 1,400 million (EUR 357.7 million). Qatar Railways then counter-claimed for damages initially estimated at QAR 860 million (EUR 219.7 million).

The Parent's directors drew the conclusion that, despite the remaining uncertainty, it is unlikely that the Group will suffer any additional economic loss.

- After a suspension period, proceedings resumed by Obrascón Huarte Lain, S.A. against the Polish company PGB, S.A. OHL seeks damages of PLN 191.5 million (EUR 40.9 million) as a consequence of PGB's liabilities as a partner in the construction consortium for the Slowackiego IV project in Gdansk, Poland. The court proceedings are still at the initial stage.
- The Group filed an arbitration claim against Anesrif (the Algerian agency for railway investment) arising from a contract for construction of the Annaba railway. Based on the opinions of independent experts, the Group seeks damages of EUR 200.0 million. Anesrif has counter-claimed for EUR 56.9 million.
- The Group is a party to an arbitration proceeding initiated by Autopista Rio Magdalena, S.A. (a company of the Aleática Group, formerly OHL Concesiones) to resolve disputes arising from the contract for construction of the Rio Magdalena Highway (Colombia) that led to early termination

of the contract in April 2019. Here, the Group seeks damages of COP 313,769 million (EUR 61.8 million), while Autopista Rio Magdalena claims COP 1,149,659 million (EUR 226.5 million). In connection with this arbitration proceeding, Autopista Rio Magdalena has sued the surety companies in the courts, claiming COP 127,719 million (EUR 25.2 million) in advance payments and COP 164,513 million (EUR 32.4 million) in performance bonds. The Group is involved in the proceedings as a joint claimant and guarantor. The amounts are also claimed by Autopista Rio Magdalena in the arbitration proceeding.

In the light of legal opinions provided by third parties and the views of the Parent's own legal advisors, the Parent's directors believe it is unlikely that the arbitration award will cause any economic loss to the Group.

- The Group is suing the Chilean tax ministry and the Chilean ministry of public works in over the contract to build the Chacillas reservoir. The Group seeks damages of CLP 30,169 million (EUR 33.2 million).

On 24 November 2022, OHL was sued by Aleatica, S.A., which claimed USD 62.7 million (EUR 58.8 million) or subsidiarily USD 53.5 million (EUR 50.2 million). This claim relates to a receivables assignment agreement entered into on 28.9.2016 between OHL and OHL Concesiones S.A.U. (former name of Aleatica, S.A.) under which OHL assigned to Aleatica a receivable from Autopista del Norte, S.A.C. (a Peruvian subsidiary of Aleatica) arising from the Red Vial 4 construction contract. The Group has rejected the claim. Based on reports from a law firm, the Parent's directors do not see any reasons to recognise a provision in this connection.

- The Group has received a request for arbitration proceedings by Promet Montajes SpA, OHL Industrial Chile, S.A.'s subcontractor in the Mantos Blancos project in Chile. Promet is initially seeking UFs 1.4 million in its claim (EUR 54.2 million). The Group counter-claimed for UFs 0.77 million (EUR 29.8 million).

The Parent's directors drew the conclusion that, despite the remaining uncertainty and the original circumstances, it is unlikely that the Group will suffer any additional economic loss.

Regarding Group investments in companies undergoing liquidation, the key disputes were:

- In December 2019, in case 882/2019 in Madrid Court of First Instance No. 10, a defence was filed to the claim against OHL brought by the funds TDA 2015-1 Fondo de Titulización, TDA 2017-2 Fondo de Titulización, Bothar Fondo de Titulización and Kommunkredit Austria, Ag. The claimants, as creditors, argue that the borrower was under certain obligations set out in the Sponsor Agreement entered into by the borrower as part of the project finance for a concession operator now in liquidation, Autopista Eje Aeropuerto Concesionaria Española, S.A.U. The value of the claim is EUR 212.4 million, in the form of a subordinated loan, contribution to equity, capital increase amount, or damages, plus EUR 70.9 million in late payment interest.

On 16 July 2021, the first-instance court dismissed the claimant funds' case in its entirety. Meanwhile, on 17 September 2021, the request for clarification of the judgement submitted by the same parties was also dismissed in its entirety. The funds appealed the ruling, resulting in appeal 926/21, of the Madrid High Court. A date is yet to be appointed for judgement to be rendered on this matter.

Based on legal opinions provided by their advisers, the directors do not believe this claim should succeed.

- Regarding the insolvency proceedings of **Autopista Eje Aeropuerto Concesionaria Española, S.A.U. and Aeropistas, S.L.U.:**

In its decision of 13 October 2015, the court rejected the proposed settlements. The liquidation procedure commenced, with the concomitant legal implications. In accordance with the case-law of the Spanish Supreme Court, the concession contract was terminated.

On 4 October 2019, the court characterised the insolvency of the company as "fortuitous".

Finally, as a required preliminary of the final settlement of the concession contract, the Spanish Ministry of development formally terminated the contract on 14 July 2018.

Contemporaneously, the Group lodged an application for judicial review with the Supreme Court (case 210/2018). The application was not concerned with a claim for damages. The issue was whether the date of contract termination was the ostensible date of termination by the Ministry of Development (referred to above) or the date of the commercial court's decision to resolve the insolvency via liquidation (13 October 2015). Moreover, the Group sought a determination on whether, if the latter termination date applied, the State then had three months to close out the contract, and would owe late payment interest once that period had run out; and a determination on what the rate of such interest would be. The application for judicial review led to decision 783/2020 of 17 June 2020, which characterised the Group's motions as "premature". The issues are to be decided in the further judicial review proceedings discussed below.

In October 2019, the Group lodged an application for judicial review (case 276/2019) in respect of the insolvency of Autopista Eje Aeropuerto Concesionaria Española, S.A. before the Third Chamber of the Supreme Court, challenging a resolution of the Council of Ministers of 26 April 2019 construing a range of toll motorway concession contracts. The Group disputed the method of calculation of State liability. The appeal was partially upheld in certain aspects.

In February 2020, the concession operator in liquidation received a governmental notice stating a preliminary calculation of State liability as being nil. Therefore, the company contested the final decision in the administrative proceeding determining State liability by lodging an application for judicial review in Section 5 of the judicial review division of the Supreme Court (case PO: 121/21).

The Council of Ministers issued a new resolution on 28 December 2021 amending the amount of the State liability to be received by Autopista Eje Aeropuerto. Pursuant to this resolution, this company was paid EUR 59.4 million; i.e. the recognised amount of EUR 46.5 million plus interest. The company widened the scope of appeal 121/21 to include this decision by the Council of Ministers since the amount received is not the amount orig-

inally sought by the company in its application. The proceeding is currently suspended.

Settlement will be recalculated by the Council of Ministers applying the criteria in the ruling challenging the resolution of the Council of Ministers. However, after analysing the ruling, although legal proceedings are still ongoing regarding settlement of the State liability, the directors and their legal advisors consider it unlikely that OHLA Group will recover the amount of its investment in Aeropistas, S.L., the sole shareholder of Autopista Eje Aeropuerto Concesionaria Española S.A. Therefore, the Group recognised an impairment loss for the full amount, of EUR 18.6 million, at year-end 2021.

- In October 2020, Concession operator **Cercanías Móstoles Navalcarnero, S.A.** filed a further administrative claim to recover EUR 53 million from the Madrid regional government (CAM) in respect of additional construction work requested by the government outside the scope of the concession contract. The claim was rejected by "administrative silence", resulting in an appeal to the Madrid High Court for judicial review (PO 1529/21), which is still proceeding.

The Parent's directors, based on external legal opinions, consider that the recoverability of those financial assets recognised is probable (see Note 3.6).

Regarding the "Lezo Affair":

- Ancillary proceeding 3.

In 2016, central investigative division no. 6 of the Spanish national court [Audiencia Nacional] commenced proceedings 91/2016 to investigate a range of alleged criminal offences: business corruption, bribery, money laundering and acts of organised crime.

The court oversaw investigations concerning more than 57 individuals, 6 of whom were at one point employees of the OHLA Group. No such person is currently employed by or associated with the Group.

At the date of this report, we are not aware of any formal accusation having been made against any current OHLA Group executive or director. No action has been taken against any company of the OHLA Group.

- Ancillary proceeding 8.

In February 2019, the company became aware that a new ancillary proceeding – number 8 – had been commenced in addition to the main proceedings. The investigation aims to find out whether or not Group employees committed bribery to attract public works contract awards in Spain.

Several current and former employees and former directors testified in court as witnesses and persons of interest.

So far, no action has been taken against the company. Hence, OHL is not a party to the proceedings and its information about them is limited.

The Company is actively cooperating with the authorities and providing all requested information. In addition, the Company conducted its own internal investigation in accordance with existing procedures. The outcome of the investigation was submitted to the court in July 2020.

In procedural terms, proceeding 8 of the “Lezo Affair” remains at the investigative stage.

The Group is involved in a range of minor lawsuits arising from the ordinary course of business, none of which is material when considered individually.

Contingent liabilities

“Contingent liabilities” are ordinary liabilities for fulfilment of construction contracts entered into by construction companies, including UTEs in which they have an interest. Moreover, there is secondary liability for obligations of subcontractors owed to social security agencies for on-site personnel. The Group is not expected to incur any loss in this regard.

Further events worth disclosing:

- On 21 July 2020, the Spanish competition watchdog (**Comisión Nacional de los Mercados y la Competencia** or “**CNMC**”) commenced infringement proceedings S/0021/20:OBRA CIVIL 2 , against OHL, S.A. and several other companies concerning alleged conduct contrary to Article 1 of the Spanish Competition Act (LDC) and Article 101 of the Treaty on the Functioning of the European Union. It is alleged that the companies made agreements and shared information with the intention or the effect of restricting

competition for contracts put out to tender by government bodies in Spain to build and restore infrastructure and buildings.

These proceedings were commenced after earlier proceedings concerning the same matter were shelved. On 14 July 2020, the competition tribunal of the Board of the CNMC decided to: declare the earlier proceedings S/DC/0611/17 to have expired, and order that they be stayed, and request that the CNMC commence new infringement proceedings.

- (i) declare the earlier proceedings S/DC/0611/17 to have expired, and order that they be stayed, and
- (ii) request that the CNMC commence new infringement proceedings.

On 6 July 2022, the CNMC Competition Board notified OHL, S.A. of its resolution, imposing a fine of EUR 21.5 million. On 23 July 2022, OHL, S.A. submitted an application for judicial review against the resolution with the National High Court and filed its suit on 14 October 2022. Together with the statement of interposition, it requested that the CNMC resolution be suspended. This request was granted by the National High Court in a ruling dated 30 September 2022.

- On 10 March 2021, the **Peruvian competition authority** was asked to consider imposing a penalty on the Parent for alleged practices of “horizontal collusion” (i.e., price-fixing) in connection with government tenders in Peru in the period 2002-2016. The proposed fine would come to USD 51.0 million (EUR 47.8 million). On 17 November 2021, a first-instance decision was issued, imposing a penalty on the Group of UIT 28,268.88 (EUR 32.0 million). An application for judicial review was submitted, so the proceeding is still in the administrative phase. In the view of the directors and the legal advisors, at the date of issue of the accompanying financial statements there was no reason to recognise any provision in this respect.

4.7 Information on deferred payments to suppliers. Additional Provision Three. “Disclosure requirements of Law 18/2022, of 28 September”

Law 18/2022 of 28 September amends Law 15/2010 of 5 July establishing measures to combat late payment in commercial transactions. Specifically, it amends additional provision three, which required companies to expressly disclose information in the notes to the financial statements on the period of payment to suppliers.

In accordance with this law, set out below are disclosures on the average payment period, ratios of transactions paid and transactions outstanding as at 31 December 2022 and 2021, and the monetary value of invoices paid within the legally stipulated deadline and the percentages these represent of total invoices and the monetary value of payments to suppliers as at 31 December 2022:

	DAYS 2022	DAYS 2021
Average supplier payment period	69	78
Ratio of transactions paid	69	77
Ratio of transactions outstanding	68	86

	2022	2021
Total payments made	537,172	455,369
Total payments outstanding	75,677	92,048

EUR thousand

INVOICES PAID WITHIN THE LEGALLY STIPULATED DEADLINE (60 DAYS)	2022
Monetary value	185,557
Number of invoices	68,871
Monetary value/total	35%
Number of invoices/total	48%

Average supplier payment period is calculated by dividing the ratio of transactions paid times the total amount of payments made plus the ratio of transactions outstanding times the total amount of payments outstanding by the total amount of payments made and the payments outstanding.

The ratio of transactions paid is calculated by dividing the sum of amounts paid for each transaction times the number of payment days by the total amount of payments made.

The ratio of outstanding transactions is calculated by dividing the sum of amounts outstanding for each transaction times the number of days remaining until the last day of the period by the total amount of payments outstanding.

The information disclosed relates exclusively to the fully consolidated Spanish Group companies.

The companies which, individually, exceed the statutory limit of outstanding transactions are taking measures to comply.

4.8 Remuneration of directors and senior executives and conflicts of interest

Director remuneration

The remuneration of members of the Board of Directors is governed by Article 24 of the Bylaws and by the Director Remuneration Policy approved by the shareholders at the General Meeting of 02 June 2022, for that year and the three following years, in accordance with Article 529 novodecies of the Spanish Corporate Enterprises Act. The policy established maximum annual remuneration for non-executive directors for the discharge of their duties as directors of one million five hundred and fifty thousand euros (**EUR 1,550.000**), apportioned on the basis adopted by the Board itself, as set out in the Policy. There are no variable remuneration components for non-executive directors.

In 2022, taking this into account and the current composition of the Board and Board committees, the annual remuneration of non-executive directors for discharging their general duties as directors amounted to **EUR 1,295 thousand**. In 2022, as in prior years, there was no kind of pension scheme for non-executive directors. This fixed remuneration for their directorships is compatible with and independent from any remuneration, indemnities, pension benefits or compensation received by directors for employment by or other services to the Company.

On the same date, the Board of Directors, in accordance with article 541 of the Corporate Enterprises Act, has authorised for issue the Annual Report on Director Remuneration, with an itemised breakdown of all components accrued in 2022 by each director. Following is an itemised detail of the remuneration earned by each director in their capacity as such in 2022, excluding the remuneration accrued for executive duties, which is disclosed later:

DIRECTOR	ATTENDANCE FEES
Luis Fernando Martín Amodio Herrera (non-executive proprietary)	130
Julio Mauricio Martín Amodio Herrera (non-executive proprietary)	130
Luis Fernando Amodio Giombini (non-executive proprietary)	130
Juan Villar-Mir de Fuentes (non-executive proprietary)	130
Carmen de Andrés Conde (non-executive independent)	155
César Cañedo-Argüelles Torrejón (non-executive independent)	130
Francisco García Martín (non-executive independent)	185
Juan Antonio Santamera Sánchez (non-executive independent)	130
Reyes Calderón Cuadrado (non-executive independent)	175
Total	1,295

EUR thousand

Additionally, the components earned by non-executive directors include travel expenses incurred by those who are not resident in Madrid for the discharge of their duties on the Board of Directors, which in 2022 amounted to **EUR 48 thousand** (2021: EUR 155 thousand).

In 2022, the executive director accrued total remuneration for his executive duties of **EUR 2,103 thousand** (2021: EUR 2,613 thousand). In 2022, he was paid EUR 21 thousand for other items (2021: EUR 28 thousand), of which EUR 11 thousand were for insurance premiums. No contributions were made to the pension scheme in either 2022 or 2021.

No advances or loans were granted to members of the Board of Directors.

The members of the Board of Directors and the senior executives are insured by a third-party liability insurance policy, which cost EUR 359 thousand in 2022

Remuneration of senior executives

Remuneration accrued by the Company's senior executives in 2022, excluding those who are also members of the Board of Directors (see above), amounted to **EUR 9,030 thousand** (2021: EUR 14,401 thousand), of which EUR 3,081 thousand was variable remuneration (2021: EUR 5,452 thousand).

In addition, in 2021 a remuneration scheme was set up for certain managers. Contributions to this scheme in 2022 amounted to EUR 1,295 thousand (2021: EUR 863 thousand).

Conflicts of interest

At 31 December 2022, none of the directors had notified the Board of Directors of any direct or indirect conflict of interest that they or persons related to them might have had with the Group in 2022.

Audit of financial statements includes exclusively services by the statutory auditor.

Other assurance services includes the fees for professional services that the auditor provides as such either due to legal requirements (e.g. internal control review reports and limited reviews of periodic public information of listed companies) and other services in which some kind of assurance is expressed, but which are not regulated by any mandatory legislation (e.g. one-off limited reviews, special reports on security placement processes, agreed-upon procedures reports, covenant reports, etc).

Tax advisory services include fees for services provided regarding tax advice in all its forms.

Other services include fees for other professional services not included in the preceding line items and that are more closely related to a consultancy service or an independent third-party service.

4.9 Fees paid to auditors

Fees for financial audit and other services provided by the auditors, or by other companies related to the auditors, to the companies comprising the Group's continuing operations in 2022 and 2021 were as follows:

	PRINCIPAL AUDITOR		OTHER AUDITORS		TOTAL	
	2022	2021	2022	2021	2022	2021
Audit of financial statements	1,122	1,095	608	588	1,730	1,683
Other assurance services	182	261	112	151	294	412
Total audit and related services	1,304	1,356	720	739	2,024	2,095
Tax advisory services	28	95	24	3	52	98
Other services	28	101	11	4	39	105
Total professional services	56	196	35	7	91	203
Total	1,360	1,552	755	746	2,115	2,298

EUR thousand

5. Events after the reporting period

On 18 January 2023, the Parent disclosed to the market that, in application of the terms agreed with its financial creditors in the framework of the process of recapitalisation and renegotiation of its debt (the Restructuring), it was going to apply the funds received by its subsidiary Obrascón Huarte Lain Desarrollos, S.A.U. from payment to the latter by 57 Whitehall Investments, S.à.r.l., a Hinduja Group subsidiary, of the deferred purchase price for its 49% shareholding in the Old War Office projects on partial redemption of the notes.

In this respect, OHL Operaciones, S.A.U., a subsidiary of the Parent, launched a partial tender offer for a maximum principal amount of EUR 32,576 thousand (the Maximum Tender Amount, equal to a nominal amount of EUR 31,991 thousand) plus accrued interest payable for holders of its "EUR 487,266,804 Split Coupon Senior Secured Notes" listed on the unregulated market of the Vienna Stock Exchange ("Vienna MTF"), for their subsequent redemption (the Tender Offer).

On 17 February 2023, in relation to the previous communication, OHLA disclosed the following to the market regarding the partial Tender Offer:

- (i) offers received exceeded the Maximum Tender Amount;
- (ii) therefore, it accepted tenders received up to the Maximum Tender Amount, having applied a scaling factor of 8.92%, adjusted as explained in the tender offer announcement.

The total amount paid to noteholders was EUR 33,514 thousand, of which EUR 32,576 thousand was principal of the notes and EUR 938 thousand accrued interest payable (including PIK interest).

6. Additional note for english traslation

These consolidated financial statements are presented on the basis of accounting principles generally accepted in Spain. Consequently, certain accounting practices applied by the Company may not conform to generally accepted principles in other countries.

Appendix I

Detail of the most significant companies included in the scope of consolidation as at 31 December 2022.

Subsidiaries (fully consolidated)

COMPANIES WITH REGISTERED OFFICE IN SPAIN		COMPANIES WITH REGISTERED OFFICE ABROAD	
CONSTRUCTION		CONSTRUCTION	
(1)	Agrupación Guinovart Obras y Servicios Hispania, S.A.	n.a.	CAC Vero I, LLC
(1)	Asfaltos y Construcciones Elsan, S.A.	(2)	Community Asphalt Corp.
(1)	Construcciones Adolfo Sobrino S.A.	n.a.	Consorcio Aura- OHL, S.A.
n.a.	Ecoventia, S.L.U.	(1)	Consorcio OHL AIA S.A.
(1)	EYM Instalaciones, S.A.	n.a.	Consorcio Valko- OHL- Besalco S.A.
n.a.	Guinovart Rail, S.A.	(2)	Construcciones Colombianas OHL, S.A.S.
(1)	Obrascón Huarte Lain, Construcción Internacional, S.L.	(1)	Constructora de Proyectos Viales de México, S.A. de C.V.
(1)	Pacadar, S.A.U.	n.a.	Constructora e Inmobiliaria Huarte Ltda.
(1)	S.A. Trabajos y Obras	(2)	Constructora TP, S.A.C.
		(1)	E y M Arabia, LLC
		n.a.	Empresa Constructora Huarte San José, Ltda.
		n.a.	EYM México Instalaciones, S.A. DE C.V.
		(1)	EYM Norway, AS
		(2)	Judlau Contracting, Inc.
		(1)	OHL Andina, S.A.
		(1)	OHL Arabia LLC
		(2)	OHL Arellano Construction Company
		(1)	OHL Austral, S.A.
		(2)	OHLA Building, Inc.
		(1)	OHLA Central Europe, a.s.
		(2)	OHL Colombia, S.A.S.
		n.a.	OHL Construction Canada, Inc.
		n.a.	OHL Construction Pacific PTY LTD
		n.a.	OHL Finance, S.à.r.l.
		(2)	OHL Health Montreal (Holding) Inc. (*)
		(2)	OHL Health Montreal (Partner) Inc. (*)
		(2)	OHL Infraestructuras S.A.S.
		(1)	OHL Ireland Construction and Engineering Limited
		(1)	OHLA-OHMG JV Limited
		(2)	OHL Sverige AB

COMPANIES WITH REGISTERED OFFICE IN SPAIN	COMPANIES WITH REGISTERED OFFICE ABROAD
CONSTRUCTION	CONSTRUCTION
	n.a. OHL UK Construction Limited
	n.a. OHL Uruguay, S.A.
	(2) OHLA USA, Inc.
	n.a. OHL ZS MO, S.R.L.
	n.a. OHL ZS Slovakia, a.s.
	(1) OHLA ZS, a.s.
	n.a. Pacadar Panamá, S.A.
	(1) Pacadar UK, Ltd
	(1) Premol, S.A. de C.V.
	n.a. Sawgrass Rock Quarry Inc.
	(1) Sociedad de Obras Civiles e Infraestructuras Viales, S.A. de C.V.
	(1) Tomi Remont, a.s.
	n.a. Vacua, S.A.
INDUSTRIAL	INDUSTRIAL
(1) Chemtrol Proyectos y Sistemas, S.L.	n.a. Chepro México, S.A. de C.V.
n.a. Ecolaire España, S.A.	(1) Cogeneración Complejo Pajaritos, S.A.P.I. de C.V.
(1) OHL Industrial, S.L.	n.a. Consorcio Instalaciones Mecánicas Hospital Dr. Gustavo Fricke SpA.
	(1) Estación Rebombeo Degollado, S.A.P.I. de C.V.
n.a. OHLA Energy, S.L.	(1) Hidro Parsifal, S.A. de C.V.
	(1) Hidrógeno Cadereyta, S.A.P.I. de C.V.
	(1) IEPI México, S.A. de C.V.
	(2) OHL Industrial and Partners LLC
	(1) OHL Industrial Chile, S.A.
	(1) OHL Industrial Colombia, S.A.S.
	n.a. OHL Industrial Delegación Guatemala, S.A.
	n.a. OHL Industrial Honduras S. de R.L.
	n.a. OHL Industrial Perú, S.A.C.
	n.a. Sthim Maquinaria de México, S.A. de C.V.
SERVICES	SERVICES
n.a. Acurat iniciativa social, S.L., Sociedad Unipersonal	n.a. Ingesan Chile, SpA
(1) Gizatzen, S.A.	n.a. Ingesan Servicios Administrativos México S.A. de C.V.
	(1) Ingesan Servicios México S.A. de C.V.
n.a. Inizia Networks, S.L.	n.a. Ingesan Servicios Profesionales México S.A. de C.V.
(1) OHL Servicios-Ingesan, S.A.U.	

COMPANIES WITH REGISTERED OFFICE IN SPAIN	COMPANIES WITH REGISTERED OFFICE ABROAD
OTHER	OTHER
(1) Avalora Tecnologías de la Información, S.A.	n.a. Avalora América S.A.C.
n.a. Denia Senior Living, S.L.	n.a. Avalora Chile Spa
n.a. Inversiones Biobio, SpA	(1) Huaribe S.A. de C.V.
n.a. La Manga Senior Living, S.L.	n.a. OHL Holding, S.à.r.l.
(1) Marina Urola, S.A.	n.a. OHL Infrastructure, Inc.
n.a. OHL Operaciones, S.A.	n.a. OHL Iniciativas, S.à.r.l.
n.a. Obrascon Huarte Lain, Desarrollos, S.A.	(1) OHLDM, S.A. de C.V.
(1) OHLA Concesiones, S.L.	(1) Playa 4- 5 Mayakoba, S.A. de C.V.
n.a. OHLA Gestión Activos, S.L.	(1) Sociedad Concesionaria Centro de Justicia de Santiago, S.A.
	(1) Sociedad Concesionaria Hospitales Red Biobio, S.A.
n.a. Tenedora de Participaciones Tecnológicas, S.A.	
(1) Audited by the principal auditor	
(2) Audited by other auditors	
n.a. Not audited	
(*) Discontinued operation	

Joint ventures and associates (accounted for using the equity method)

COMPANIES WITH REGISTERED OFFICE IN SPAIN	COMPANIES WITH REGISTERED OFFICE ABROAD
CONSTRUCTION	CONSTRUCTION
(2) Nuevo Hospital de Burgos, S.A.	(2) Consorcio Conpax OHL VALKO, S.A.
n.a. Rebuilding Agente Rehabilitador, S.L.	(1) Constructora Vespucio Oriente, S.A.
	(2) Health Montreal Collective CJV L.P.
	(2) Health Montreal Collective Limited Partnership (*)
	(2) NCC- OHL Lund-Arlöv, fyra spar Handelsbolag
	(2) Obalovna Boskovice, s.r.o.
	n.a. OHL Construction Canada and FCC Canada Limited Partnership
	n.a. Prestadora de Servicios PLSV, S.A. de C.V.
	n.a. Regena spol s.r.o.
	(2) Rhatigan OHL Limited
	n.a. Servicios Administrativos TMT, S.A. de C.V.
	n.a. OHL Townlink JV Limited

COMPANIES WITH REGISTERED OFFICE IN SPAIN	COMPANIES WITH REGISTERED OFFICE ABROAD
INDUSTRIAL	INDUSTRIAL
	(1) Proyecto CCC Empalme I, S.A.P.I. de C.V.
	(2) Refinería Madero Tamaulipas, S.A.P.I. de C.V.
SERVICES	SERVICES
n.a. Servicios de Mantenimiento Prevencor, S.L.	
OTHER	OTHER
n.a. Alse Park, S.L.	n.a. 57 Whitehall Holdings Limited
n.a. Concesionaria Ruta Bogotá Norte, S.A.S.	
(2) Nova Dársena Esportiva de Bara, S.A.	
n.a. Parking Niño Jesús-Retiro, S.A.	
n.a. Proyecto Canalejas Group, S.L.	

(1) Audited by the principal auditor

(2) Audited by other auditors

n.a. Not audited

(*) Discontinued operation

Appendix II

Identification of the most significant companies composing the consolidated Group as at 31 December 2022.

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
CONSTRUCTION		
Agrupación Guinovart Obras y Servicios Hispania, S.A.	Pº de la Castellana nº 259 D. 28046 Madrid	Construction
Asfaltos y Construcciones Elsan, S.A.	Pº de la Castellana nº 259 D. 28046 Madrid	Infrastructure and urban services
CAC Vero I, LLC	9675 N.W. 117 th Avenue, Suite 108, Miami, FL, 33178 USA	Construction
Community Asphalt Corp.	9675 N.W. 117 th Avenue, Suite 108, Miami, FL, 33178 USA	Construction
Consortio Aura- OHL, S.A.	C/ Cerro El Plomo, nº 5855 Piso 15. Las Condes. Santiago de Chile	Construction
Consortio Conpax OHL VALKO, S.A.	Palacio Riesco N° 4583, Comuna de Huechuraba, Ciudad Santiago	Construction
Consortio Valko- OHL- Besalco S.A.	C/ Cerro El Plomo, nº 5855 Piso 15. Las Condes. Santiago de Chile	Construction
Consortio OHL AIA S.A.	C/ Cerro El Plomo, nº 5855 Piso 15. Las Condes. Santiago de Chile	Construction
Construcciones Adolfo Sobrino S.A.	Gran Vía Don Diego López De Haro 33- 4ª Planta 48009 Bilbao	Construction
Construcciones Colombianas OHL, S.A.S.	Cra. 17 N° 93-09 Piso 8 Edificio Ecotower. Bogotá (Colombia)	Construction
Constructora de Proyectos Viales de México, S.A. de C.V.	Avenida Ejercito Nacional No.453, Piso 6, Colonia Granada, Alcaldía Miguel Hidalgo, Ciudad de México, C.P. 11520	Construction
Constructora e Inmobiliaria Huarte Ltda.	C/ Cerro El Plomo, nº 5855 Piso 15. Las Condes. Santiago de Chile	Construction
Constructora TP, S.A.C.	Av. 28 de Julio, nº 150, piso 7, Miraflores- Lima- Perú	Construction
Constructora Vespucio Oriente, S.A.	Vitacura 4380 oficina 61, 7630275 Santiago de Chile	Construction
E y M Arabia, LLC	Sultan Road (North) // Ahmed Al-Hamoody St (Al Naeem District 4)- Building 8 4th floor- Jeddah	Construction
Ecoventia, S.L.U.	Pº de la Castellana nº 259 D. 28046 Madrid	Construction
Empresa Constructora Huarte San José, Ltda.	C/ Cerro El Plomo, nº 5855 Piso 15. Las Condes. Santiago de Chile	Construction
EYM Instalaciones, S.A.	Pº de la Castellana nº 259 D. 28046 Madrid	Construction
EYM México Instalaciones, S.A. DE C.V.	Avenida Ejercito Nacional No.453, Piso 6, Colonia Granada, Alcaldía Miguel Hidalgo, Ciudad de México, C.P. 11520	Construction
EYM Norway, AS	Lilleakerveien 8, 0283 Lysaker	Construction

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
CONSTRUCTION		
Guinovart Rail, S.A.	Pº de la Castellana nº 259 D 28046 Madrid	Construction
Health Montreal Collective CJV L.P.	810 St-Antoine str East. Montreal, H2Y 1A6. Quebec. Canadá	Construction
Judlau Contracting, Inc.	26-15 Ulmer Street, College Point, NY 11354. USA	Construction
NCC- OHL Lund-Arlöv, fyra spar Handelsbolag	170 80 Solna-Stockholm (Suecia)	Construction
Obalovna Boskovice, s.r.o.	Rovná 2146, 680 01 Boskovice. Brno	Construction
Obrascón Huarte Lain, Construcción Internacional, S.L.	Pº de la Castellana nº 259 D. 28046 Madrid	Construction and operation
OHL Andina, S.A.	C/ Cerro El Plomo, nº 5855 Piso 15. Las Condes. Santiago de Chile	Construction
OHL Arabia LLC	6th Floor Al Andalus Crown Tower, Office 606 7559 Al-Madinah Al-Munawarah Street Al-Faysaliyyah Jeddah 23442	Construction and maintenance
OHL Arellano Construction Company	9675 N.W. 117 th Avenue, Suite 108, Miami, FL, 33178 USA	Construction
OHL Austral, S.A.	C/ Cerro El Plomo, nº 5855 Piso 15. Las Condes. Santiago de Chile	Construction
OHL Colombia, S.A.S.	Cra. 17 Nº 93-09 Piso 8 Edificio Ecotower Bogotá (Colombia)	Construction
OHL Construction Canada and FCC Canada Limited Partnership	5945 Airport Road, N.144, Mississagua. Ontario. Canadá. L4V1R9	Construction
OHL Construction Canada, Inc.	275 Av. Viger Est, 2nd Floor, Montréal, QC, H2X 3R7	Construction
OHL Construction Pacific PTY LTD	Level 3 349 Coronation Drive Milton (Qld) 4064	Construction
OHL Finance, S.á.r.l.	16, Rue Eugene Ruppert L-2453 Luxembourg	Construction
OHL Infraestructuras S.A.S.	Cra. 17 Nº 93-09 Piso 8 Edificio Ecotower Bogotá (Colombia)	Construction
OHL Ireland Construction and Engineering Limited	Unit 15 Block 2, Northwood Court, Northwood Crescent, Santry, Dublin, Ireland	Construction
OHL Sverige AB	Drottninggatan 99, 113 60 Stockholm (Sweden)	Construction
OHL Townlink JV Limited	Unit 15, Second floor, Block2, Northwood Court, Santry, Dublin 9	Construction
OHL UK Construction Limited	30 Crown Place, London, United Kingdom, EC2A 4ES	Construction
OHL Uruguay, S.A.	C/ Rio Negro, 1354, piso 3, 11105 Montevideo, Uruguay	Construction

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
CONSTRUCTION		
OHL ZS MO, S.R.L.	65, Stefan cel Mare blvd, of 806, Chisinau, MD-2012, Moldavia	Construction
OHLA Building, Inc.	9675 N.W. 117 th Avenue, Suite 108, Miami, FL, 33178 USA	Construction
OHLA Central Europe, a.s.	C/ Olsanska, 2643/1A, 13000 Praga-República Checa	Construction
OHLA USA, Inc.	26-15 Ulmer Street, College Point, NY 11354. USA	Construction
OHLA ZS Slovakia, a.s.	Tuhovská 29/ Bratislava	Construction
OHLA ZS, a.s.	Tuřanka 1554/115b,627 00 Brno-Slatina	Construction
OHLA-OHMG JV Limited	Unit 15 Block 2, Northwood Court, Northwood Crescent, Santry, Dublin, Ireland	Construction
Pacadar Panamá, S.A.	Edificio Capital Plaza, Piso 8, Avenida Costa del Este y Avenida Roberto Motta, Costa del Este, Panamá City	Construction
Pacadar UK, Ltd	1 Chamberlain Square CS Birmingham B3 3AX	Construction
Pacadar, S.A.U.	Pº de la Castellana nº 259 D. 28046 Madrid	Construction
Premol, S.A. de C.V.	Avenida Ejercito Nacional No.453, Piso 6, Colonia Granada, Alcaldía Miguel Hidalgo, Ciudad de México, C.P. 11520	Construction
Rebuilding Agente Rehabilitador, S.L.	Pº de la Castellana nº 259 D. 28046 Madrid	Building renovation and consulting
Rhatigan OHL Limited	Earlsfort Terrace, Dublin (Ireland)	Construction
S.A. Trabajos y Obras	Pº de la Castellana nº 259 D. 28046 Madrid	Construction
Sawgrass Rock Quarry Inc.	9675 N.W. 117 th Avenue, Suite 108, Miami, FL, 33178 USA	Construction
Servicios Administrativos TMT, S.A. de C.V.	Avda Pº de la Reforma No.383, Piso 8, Colonia Cuauhtemoc, Alcaldía Cuauhtemoc, Mexico, Ciudad de México, C.P.06500	Construction
Sociedad de Obras Civiles e Infraestructuras Viales, S.A. de C.V.	Avenida Ejercito Nacional No.453, Piso 6, Colonia Granada, Alcaldía Miguel Hidalgo, Ciudad de México, C.P. 11520	Construction
Tomi Remont, a.s.	C/ Premyslovka c.p. 2514/4, PSC 796 01 (Prostejov- República Checa)	Construction
Vacua, S.A.	C/ Cerro El Plomo, nº 5855 Piso 15. Las Condes. Santiago de Chile	Construction

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
INDUSTRIAL		
Chemtrol Proyectos y Sistemas, S.L.	Pº de la Castellana nº 259 D. 28046 Madrid	Installation and maintenance of security and fire protection systems
Chepro México, S.A. de C.V.	Av. Ejército Nacional 453, Piso 6, Col. Granada, Alcaldía Miguel Hidalgo, Cp. 11520, Ciudad de México	Installation and maintenance of security and fire protection systems
Cogeneración Complejo Pajaritos, S.A.P.I. de C.V.	Av. Ejército Nacional 453, Piso 6, Col. Granada, Alcaldía Miguel Hidalgo, Cp. 11520, Ciudad de México	Industrial engineering and maintenance at industrial plants
Ecolaire España, S.A.	Pº de la Castellana nº 259 D. 28046 Madrid	Design and performance of industrial engineering projects
Estación Rebombeo Degollado, S.A.P.I. de C.V.	Av. Ejército Nacional 453, Piso 6, Col. Granada, Alcaldía Miguel Hidalgo, Cp. 11520, Ciudad de México	Industrial engineering for a repumping station
Hidro Parsifal, S.A. de C.V.	Av. Ejército Nacional 453, Piso 6, Col. Granada, Alcaldía Miguel Hidalgo, Cp. 11520, Ciudad de México	Civil engineering construction work
Hidrógeno Cadereyta, S.A.P.I. de C.V.	Av. Ejército Nacional 453, Piso 6, Col. Granada, Alcaldía Miguel Hidalgo, Cp. 11520, Ciudad de México	Civil engineering construction work
IEPI México, S.A. de C.V.	Av. Ejército Nacional 453, Piso 6, Col. Granada, Alcaldía Miguel Hidalgo, Cp. 11520, Ciudad de México	Industrial engineering and maintenance at industrial plants
OHL Industrial and Partners LLC	Muscat, Governorate 112 Omán	Industrial engineering and maintenance at industrial plants
OHL Industrial Chile, S.A.	C/ Rosario Norte 407, Oficina 1203. Santiago Chile	Engineering works, technical advisory services, water treatment and distribution
OHL Industrial Colombia, S.A.S.	Cra. 17 Nº 93-09 Piso 8 Edificio Ecotower. Bogotá (Colombia)	Industrial engineering and maintenance at industrial plants
OHL Industrial Delegación Guatemala, S.A.	13 calle 3-40 zona 10 Edificio Atlantis, Nivel 13 oficina 1304	Industrial engineering and maintenance at industrial plants
OHL Industrial Perú, S.A.C.	Av. 28 de Julio, nº 150, piso 8, Miraflores- Lima- Perú	Construction of industrial mining and cement, oil and gas, and energy plants
OHL Industrial, S.L.	Pº de la Castellana nº 259 D. 28046 Madrid	Industrial engineering and maintenance at industrial plants
OHLA Energy, S.L.	Pº de la Castellana nº 259 D. 28046 Madrid	Development, promotion and construction of energy projects
Proyecto CCC Empalme I, S.A.P.I. de C.V.	Av. Ejército Nacional 453, Piso 6, Col. Granada, Alcaldía Miguel Hidalgo, Cp. 11520, Ciudad de México	Development of a fossil-fuel power plant

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
INDUSTRIAL		
Refinería Madero Tamaulipas, S.A.P.I. de C.V.	Juan Racine No. 112, Piso 10. Colonia Los Morales. Delegación Miguel Hidalgo. México DF C.P. 11510	Industrial engineering for a refinery
Sthim Maquinaria de México, S.A. de C.V.	Av. Ejército Nacional 453, Piso 6, Col. Granada, Alcaldía Miguel Hidalgo, Cp. 11520, Ciudad de México	Management consultancy services
SERVICES		
Acurat iniciativa social, S.L., Sociedad Unipersonal	Edificio Atenas, C. Empresarial "CityParc" sito en Carretera d L'Hospitalet 147 y 149. 08940 Cornellá de Llobregat (Barcelona)	Building and plant facility management
Gizatzen, S.A.	Gran Vía Don Diego López de Haro 33- 5ª Planta 48009 Bilbao	Building and plant facility management
Ingesan Chile, SpA	C/ Los Militares 6191 Oficina 83. Las Condes. Santiago de Chile	Building and plant facility management
Ingesan Servicios México S.A. de C.V.	Av. Ejército Nacional 453, Piso 5, Col. Granada, Alcaldía Miguel Hidalgo, Cp. 11520, Ciudad de México	Building and plant facility management
Inizia Networks, S.L.	C/ Antigua Senda Senent, 8 46023 Valencia	Bio-sanitary waste treatment plant
OHL Servicios-Ingesan, S.A.U.	Pº de la Castellana nº 259 D. 28046 Madrid	Building and plant facility management
Servicios de Mantenimiento Prevencor, S.L.	Avenida de las Cortes Valencianas 58. Edif. Sorolla Center, oficina 409. 46015 Valencia	Building and plant facility management

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
OTHER		
ALSE Park, S.L.	c/ Alcalá, 7b. 28014 Madrid	Operation of hotels and leisure centres
Avalora América S.A.C.	Av. 28 de Julio 753 of 901 Miraflores- Lima- Perú	New technologies
Avalora Chile Spa.	Av. Padre Mariano 82, oficina 1402, Providencia. Santiago de Chile.	New technologies
Avalora Tecnologías de la Información, S.A.	Pº de la Castellana nº 259 D. 28046 Madrid	New technologies
Concesionaria Ruta Bogotá Norte S.A.S.	Cra. 17 Nº 93-09 Piso 8 Edificio Ecotower. Bogotá (Colombia)	Finance, studies and management
Denia Senior Living, S.L.	Pº de la Castellana nº 259 D. 28046 Madrid	Construction and development of real estate projects
Inversiones Biobio, SpA	C/ Cerro El Plomo, nº 5755 Of. 1203 Piso 12. Las Condes. Santiago de Chile	Holding company
Health Montreal Collective Limited Partnership	1440 ST Catherine West, Suite 500, Montreal, Quebec H3G1R8	Construction
Huaribe S.A. de C.V.	Ctra. Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidaridad, Quintana Roo, México CP 77710	Real estate project development
La Manga Senior Living, S.L.	Pº de la Castellana nº 259 D. 28046 Madrid	Construction and development of real estate projects
Marina Urola, S.A.	Barrio Santiago- Puerto deportivo- Zumaia- Guipúzcoa	Concession and operation of marina (Zumaia- Guipúzcoa)
Nova Dársena Esportiva de Bara, S.A.	C/ Puerto deportivo Roda de Bará. Edificio Capitanía, Bajos. Pº Marítimo s/n, 43883 Roda de Bara. Tarragona	Port concession and operation
Nuevo Hospital de Burgos, S.A.	C/ Islas Baleares, s/n 09006 Burgos	Construction and operation
Obrascon Huarte Lain, Desarrollos, S.A.	Pº de la Castellana nº 259 D. 28046 Madrid	Real estate project development
OHL Health Montreal Holding Inc.	465 St. Jean, Unit 603, Montreal, QC, H2Y 2R6	Holding company
OHL Health Montreal Partner Inc.	465 St. Jean, Unit 603, Montreal, QC, H2Y 2R6	Holding company
OHL Holding, S.à.r.l.	16, Rue Eugene Ruppert L-2453 Luxembourg	Holding company
OHL Infrastructure, Inc.	Av. 555 Theodore Fremd Ave, Suite B 201 RYE. 10580 New York	Financial studies
OHL Iniciativas, S.à.r.l.	16, Rue Eugene Ruppert L-2453 Luxembourg	Holding company
OHL Operaciones, S.A.	Pº de la Castellana nº 259 D. 28046 Madrid	Construction and operation
OHLA Concesiones, S.L.	Pº de la Castellana nº 259 D. 28046 Madrid	Development of Concessions
OHLA Gestión Activos, S.L.	Pº de la Castellana nº 259 D. 28046 Madrid	Construction and development of real estate projects

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
OTHER		
OHLDM, S.A. de C.V.	Ctra. Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidaridad, Quintana Roo, México C.P. 77710	Real estate project development
Parking Niño Jesús-Retiro, S.A.	Pº de la Castellana nº 259 D. 28046 Madrid	Concession, construction, management and operation
Playa 4- 5 Mayakoba, S.A. de C.V.	Ctra. Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidaridad, Quintana Roo, México CP 77710	Operation of hotels and leisure centres
Proyecto Canalejas Group, S.L.	c/ Sevilla, 6- 3ª planta. 28014 Madrid	Operation of hotels and leisure centres
Sociedad Concesionaria Centro de Justicia de Santiago, S.A.	Avda. Manuel Rodriguez Sur 2281, Santiago	Concession and operation
Sociedad Concesionaria Hospitales Red Biobio, S.A.	C/ Cerro El Plomo, nº 5855 Piso 15. Las Condes. Santiago de Chile	Concession, construction and operation
Tenedora de Participaciones Tecnológicas, S.A.	Pº de la Castellana nº 259 D. 28046 Madrid	New technologies

Appendix III

Detail of the equity and net cost of investment in the main companies composing the consolidated Group at 31 December 2022.

COMPANY	OWNERSHIP			CAPITAL	RECEIVABLES ON UNCALLED CAPITAL	RESERVES	2022 PROFIT / (LOSS)	INTERIM DIVIDEND	TOTAL CAPITAL AND RESERVES	VALUATION ADJUSTMENTS	TOTAL EQUITY	PROFIT PARTICIPATING LOAN	TOTAL EQUITY + PROFIT PARTICIPATING LOAN	UNDER- LYING CARRYING AMOUNT	NET COST OF THE INVESTMENT
	DIRECT	INDIRECT	TOTAL												
FULLY CONSOLIDATED COMPANIES															
Acurat iniciativa social, S.L., Sociedad Unipersonal	-	100.00	100.00	3	-	55	67	-	125	-	125	-	125	125	3
Agrupación Guinovart Obras y Servicios Hispania, S.A.	-	100.00	100.00	30,050	-	25,670	1,679	-	57,399	-	57,399	-	57,399	57,399	70,180
Asfaltos y Construcciones Elsan, S.A.	-	100.00	100.00	7,603	-	3,757	985	-	12,345	-	12,345	5,000	17,345	17,345	15,739
Avalora América S.A.C.	-	100.00	100.00	522	-	(544)	50	-	28	-	28	-	28	28	172
Avalora Chile Spa.	-	100.00	100.00	360	-	50	179	-	589	-	589	-	589	589	381
Avalora Tecnologías de la Información, S.A.	-	100.00	100.00	455	-	5,027	378	-	5,860	-	5,860	-	5,860	5,860	6,860
CAC Vero I, LLC	-	100.00	100.00	3,281	-	868	-	-	4,149	-	4,149	-	4,149	4,149	3,281
Chemtrol Proyectos y Sistemas, S.L.	-	100.00	100.00	630	-	1,358	225	-	2,213	-	2,213	-	2,213	2,213	2,214
Chepro México, S.A. de C.V.	-	100.00	100.00	5	-	(877)	85	-	(787)	-	(787)	-	(787)	(787)	-
Cogeneración Complejo Pajaritos, S.A.P.I. de C.V.	-	50.00	50.00	7	-	(1,893)	2,901	-	1,015	-	1,015	-	1,015	508	-
Community Asphalt Corp.	-	100.00	100.00	2	-	41,653	(822)	-	40,833	-	40,833	-	40,833	40,833	208,959
Consortio Aura- OHL, S.A.	65.00	-	65.00	165	(165)	-	-	-	-	-	-	-	-	-	-
Consortio OHL AIA S.A.	-	100.00	100.00	220	-	326	91	-	637	-	637	-	637	637	220
Consortio Valko- OHL- Besalco S.A.	-	33.34	33.34	110	-	-	1,409	-	1,519	-	1,519	-	1,519	506	37
Construcciones Adolfo Sobrino S.A.	-	100.00	100.00	1,520	-	212	650	-	2,382	-	2,382	-	2,382	2,382	7,176
Construcciones Colombianas OHL, S.A.S.	-	100.00	100.00	336	-	(10,368)	(4,977)	-	(15,009)	-	(15,009)	-	(15,009)	(15,009)	-
Constructora de Proyectos Viales de México, S.A. de C.V.	-	100.00	100.00	2,400	-	100,880	7,798	-	111,078	-	111,078	-	111,078	111,078	93,329
Constructora e Inmobiliaria Huarte Ltda.	89.90	10.10	100.00	573	-	(623)	(477)	-	(527)	-	(527)	-	(527)	(527)	2,285
Constructora TP, S.A.C.	-	100.00	100.00	2,463	-	125	41	-	2,629	-	2,629	-	2,629	2,629	3,163
Denia Senior Living, S.L.	-	100.00	100.00	3	-	3,328	-	-	3,331	-	3,331	-	3,331	3,331	3,331
E y M Arabia, LLC	-	100.00	100.00	125	-	2,983	1,432	-	4,540	-	4,540	-	4,540	4,540	102
Ecolaire España, S.A.	-	100.00	100.00	905	-	1,061	3,467	-	5,433	-	5,433	-	5,433	5,433	5,433
Ecoventia, S.L.U.	-	100.00	100.00	150	-	347	(14)	-	483	-	483	-	483	483	893
Empresa Constructora Huarte San José, Ltda.	95.00	5.00	100.00	18	(17)	177	6	-	184	-	184	-	184	184	10
Estación Rebombeo Degollado, S.A.P.I. de C.V.	-	50.00	50.00	-	-	(4,328)	230	-	(4,098)	-	(4,098)	-	(4,098)	(2,049)	-
EYM Instalaciones, S.A.	-	100.00	100.00	601	-	12,938	(325)	-	13,214	-	13,214	-	13,214	13,214	4,490
EYM México Instalaciones, S.A. DE C.V.	-	100.00	100.00	14	-	(237)	85	-	(138)	-	(138)	-	(138)	(138)	-
EYM Norway, AS	-	100.00	100.00	3	-	170	(96)	-	77	-	77	-	77	77	3
Gizatzen, S.A.	-	100.00	100.00	60	-	86	(3,534)	-	(3,388)	-	(3,388)	-	(3,388)	(3,388)	-

EUR thousand

COMPANY	OWNERSHIP			CAPITAL	RECEIVABLES ON UNCALLED CAPITAL	RESERVES	2022 PROFIT / (LOSS)	INTERIM DIVIDEND	TOTAL CAPITAL AND RESERVES	VALUATION ADJUSTMENTS	TOTAL EQUITY	PROFIT PARTICIPATING LOAN	TOTAL EQUITY + PROFIT PARTICIPATING LOAN	UNDER- LYING CARRYING AMOUNT	NET COST OF THE INVESTMENT
	DIRECT	INDIRECT	TOTAL												
FULLY CONSOLIDATED COMPANIES															
Guinovart Rail, S.A.	-	100.00	100.00	100	-	(20)	(3)	-	77	-	77	500	577	577	600
Hidro Parsifal, S.A. de C.V.	-	79.66	79.66	37	-	(620)	57	-	(526)	-	(526)	-	(526)	(419)	-
Hidrógeno Cadereyta, S.A.P.I. de C.V.	-	53.90	53.90	-	-	(3,536)	143	-	(3,393)	-	(3,393)	-	(3,393)	(1,829)	-
Huaribe S.A. de C.V.	-	100.00	100.00	78,660	-	(69,288)	(537)	-	8,835	-	8,835	-	8,835	8,835	45,666
IEPI México, S.A. DE C.V.	-	100.00	100.00	1,099	-	13,842	(232)	-	14,709	-	14,709	-	14,709	14,709	-
Ingesan Chile, SpA	-	100.00	100.00	22	(22)	(13)	-	-	(13)	-	(13)	-	(13)	(13)	1
Ingesan Servicios México S.A. de C.V.	-	100.00	100.00	1,958	-	(6,424)	(1,202)	-	(5,668)	-	(5,668)	-	(5,668)	(5,668)	-
Inizia Networks, S.L.	-	51.00	51.00	5	-	(137)	13	-	(119)	-	(119)	-	(119)	(61)	350
Inversiones Biobio, SpA	-	100.00	100.00	11,020	(3,184)	(816)	-	-	7,020	-	7,020	-	7,020	7,020	9,905
Judlau Contracting, Inc.	-	100.00	100.00	24	-	141,334	10,723	-	152,081	-	152,081	-	152,081	152,081	171,033
La Manga Senior Living, S.L.	-	100.00	100.00	3	-	1,135	-	-	1,138	-	1,138	-	1,138	1,138	1,138
Marina Urola, S.A.	-	51.00	51.00	503	-	206	245	-	954	-	954	-	954	487	374
Obrascón Huarte Lain, Construcción Internacional, S.L.	100.00	-	100.00	42,923	-	616,677	26,475	-	686,075	-	686,075	-	686,075	686,075	710,579
Obrascon Huarte Lain, Desarrollos, S.A.	-	100.00	100.00	83,339	-	(118,007)	(37,770)	-	(72,438)	-	(72,438)	227,266	154,828	154,828	231,729
OHL Andina, S.A.	99.00	1.00	100.00	2,564	-	39,818	1,984	-	44,366	-	44,366	-	44,366	44,366	3,279
OHL Arabia LLC	95.00	5.00	100.00	125	-	6,190	(2,401)	-	3,914	-	3,914	-	3,914	3,914	105
OHL Arellano Construction Company	-	100.00	100.00	1	-	17,320	2,212	-	19,533	-	19,533	-	19,533	19,533	65,021
OHL Austral, S.A.	-	100.00	100.00	11,400	-	15,308	2,587	-	29,295	-	29,295	-	29,295	29,295	4,432
OHL Colombia, S.A.S.	-	100.00	100.00	73	-	(11,937)	(2,778)	-	(14,642)	-	(14,642)	-	(14,642)	(14,642)	-
OHL Construction Canada, Inc.	-	100.00	100.00	426,804	-	(66,727)	(4,134)	-	355,943	-	355,943	-	355,943	355,943	-
OHL Finance, S.á.r.l.	-	100.00	100.00	2,456	-	(2,971)	(66)	-	(581)	-	(581)	-	(581)	(581)	-
OHL Health Montreal (Holding) Inc.	-	100.00	100.00	-	-	(33)	(6)	-	(39)	-	(39)	-	(39)	(39)	-
OHL Health Montreal (Partner) Inc.	-	100.00	100.00	1,560	-	23	805	-	2,388	-	2,388	-	2,388	2,388	1,560
OHL Holding, S.à.r.l.	100.00	-	100.00	12	-	534,706	(34,518)	-	534,685	-	534,685	-	534,685	534,685	534,766
OHL Industrial and Partners LLC	-	100.00	100.00	609	(183)	(31,883)	(2,952)	-	(34,409)	-	(34,409)	-	(34,409)	(34,409)	-
OHL Industrial Chile, S.A.	0.00	100.00	100.00	51,080	-	(30,142)	(842)	-	20,096	-	20,096	-	20,096	20,096	18,767
OHL Industrial Colombia, S.A.S.	-	100.00	100.00	354	-	1,752	(903)	-	1,203	-	1,203	-	1,203	1,203	1,203
OHL Industrial Delegación Guatemala, S.A.	-	100.00	100.00	52,957	-	(52,533)	-	-	424	-	424	-	424	424	424
OHL Industrial Perú, S.A.C.	-	100.00	100.00	3,917	-	(2,447)	10	-	1,480	-	1,480	-	1,480	1,480	1,481
OHL Industrial, S.L.	100.00	-	100.00	47,694	-	(45,714)	(3,749)	-	(1,769)	-	(1,769)	41,000	39,231	39,231	46,385
OHL Infraestructuras S.A.S.	1.00	99.00	100.00	55	-	38	(524)	-	(431)	-	(431)	-	(431)	(431)	89
OHL Infrastructure, Inc.	-	100.00	100.00	-	-	8	(123)	-	(115)	-	(115)	-	(115)	(115)	-
OHL Iniciativas, S.à.r.l.	-	100.00	100.00	12	-	534,707	(34,515)	-	534,689	-	534,689	-	534,689	534,689	534,766
OHL Ireland Construction and Engineering Limited	-	100.00	100.00	-	-	1,154	571	-	1,725	-	1,725	-	1,725	1,725	-

EUR thousand

COMPANY	OWNERSHIP			CAPITAL	RECEIVABLES ON UNCALLED CAPITAL	RESERVES	2022 PROFIT / (LOSS)	INTERIM DIVIDEND	TOTAL CAPITAL AND RESERVES	VALUATION ADJUSTMENTS	TOTAL EQUITY	PROFIT PARTICIPATING LOAN	TOTAL EQUITY + PROFIT PARTICIPATING LOAN	UNDER- LYING CARRYING AMOUNT	NET COST OF THE INVESTMENT
	DIRECT	INDIRECT	TOTAL												
FULLY CONSOLIDATED COMPANIES															
OHL Operaciones, S.A.	-	100.00	100.00	60	-	500,277	(34,535)	-	500,287	-	500,287	-	500,287	500,287	534,754
OHL Servicios-Ingesan, S.A.U.	-	100.00	100.00	790	-	16,231	573	-	17,594	-	17,594	-	17,594	17,594	1,472
OHL Sverige AB	-	100.00	100.00	4	-	2,125	2,936	-	5,065	-	5,065	-	5,065	5,065	6,733
OHL UK Construction Limited	-	100.00	100.00	564	-	(347)	(9)	-	208	-	208	-	208	208	220
OHL Uruguay, S.A.	100.00	-	100.00	-	-	(1,225)	(226)	-	(1,451)	-	(1,451)	-	(1,451)	(1,451)	-
OHL ZS MO, S.R.L.	-	100.00	100.00	-	-	41	(31)	-	10	-	10	-	10	10	-
OHLA Building, Inc.	-	100.00	100.00	1	-	6,875	428	-	7,304	-	7,304	-	7,304	7,304	49,461
OHLA Central Europe, a.s.	-	100.00	100.00	20,773	-	54,325	6,483	-	81,581	-	81,581	-	81,581	81,581	89,829
OHLA Concesiones, S.L.	-	100.00	100.00	3,562	-	13,955	(1,500)	-	16,017	-	16,017	-	16,017	16,017	17,751
OHLA Energy, S.L	-	100.00	100.00	3	-	-	(5)	-	(2)	-	(2)	-	(2)	(2)	3
OHLA Gestión Activos, S.L.	-	100.00	100.00	3	-	-	-	-	3	-	3	-	3	3	3
OHLA USA, Inc.	-	100.00	100.00	7,032	-	498,982	19,160	-	525,174	-	525,174	-	525,174	525,174	520,640
OHLA ZS, a.s.	-	100.00	100.00	55,825	-	27,842	8,746	-	92,413	-	92,413	-	92,413	92,413	83,519
OHLA ZS Slovakia, a.s.	-	100.00	100.00	12,368	-	(11,351)	(92)	-	925	-	925	-	925	925	-
OHLA-OHMG JV Limited	-	60.00	60.00	-	-	-	1,619	-	1,619	-	1,619	-	1,619	971	-
OHLDM, S.A. de C.V.	-	100.00	100.00	152,236	-	(105,453)	(821)	-	45,962	-	45,962	-	45,962	45,962	2,176
Pacadar, S.A.U.	100.00	-	100.00	27,000	-	(52,005)	(7,402)	-	(32,407)	-	(32,407)	39,849	7,442	7,442	93,618
Pacadar Panamá, S.A.	100.00	100.00	100.00	10	-	536	1,049	-	1,595	-	1,595	-	1,595	3,190	8
Pacadar UK, Limited	100.00	100.00	100.00	-	-	1,946	4,890	-	6,836	-	6,836	-	6,836	13,672	-
Playa 4- 5 Mayakoba, S.A. de C.V.	-	100.00	100.00	2,027	-	(10,128)	489	-	(7,612)	-	(7,612)	-	(7,612)	(7,612)	74
Premol, S.A. de C.V.	-	100.00	100.00	50	-	3,809	257	-	4,116	-	4,116	-	4,116	4,116	51
S.A. Trabajos y Obras	-	100.00	100.00	1,854	-	41,008	(2,568)	-	40,294	-	40,294	-	40,294	40,294	43,256
Sawgrass Rock Quarry Inc.	-	100.00	100.00	1	-	3,639	(2)	-	3,638	-	3,638	-	3,638	3,638	10,782
Sociedad Concesionaria Centro de Justicia de Santiago, S.A.	100.00	-	100.00	11,473	-	(280)	2,509	(1,622)	12,080	-	12,080	-	12,080	12,080	9,146
Sociedad Concesionaria Hospitales Red Biobio, S.A.	51.00	49.00	100.00	38,570	(24,244)	-	(152)	-	14,174	-	14,174	-	14,174	14,174	13,709
Sociedad de Obras Civiles e Infraestructuras Viales, S.A. de C.V.	-	100.00	100.00	18,943	-	(18,891)	-	-	52	-	52	-	52	52	47
Sthim Maquinaria de México, S.A. de C.V.	-	100.00	100.00	2	(2)	(303)	18	-	(285)	-	(285)	-	(285)	(285)	-
Tenedora de Participaciones Tecnológicas, S.A.	100.00	-	100.00	601	-	(41,850)	(460)	-	(41,709)	-	(41,709)	41,162	(547)	(547)	-
Tomí Remont, a.s.	-	100.00	100.00	2,053	-	9,474	1,998	-	13,525	-	13,525	-	13,525	13,525	7,878
Vacua, S.A.	99.11	0.89	100.00	12,640	-	(12,121)	(1)	-	518	-	518	-	518	518	604

EUR thousand

COMPANY	OWNERSHIP			CAPITAL	RECEIVABLES ON UNCALLED CAPITAL	RESERVES	2022 PROFIT / (LOSS)	INTERIM DIVIDEND	TOTAL CAPITAL AND RESERVES	VALUATION ADJUST- MENTS	TOTAL EQUITY	PROFIT PARTICIPATING LOAN	TOTAL EQUITY + PROFIT PARTICIPATING LOAN	UNDERL- YING CA- RRYING AMOUNT	NET COST OF THE INVESTMENT
	DIRECT	INDIRECT	TOTAL												
COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD															
JOINT VENTURES															
Concesionaria Ruta Bogotá Norte S.A.S.	50.00	-	50.00	2	-	-	(374)	-	(372)	-	(372)	-	(372)	(186)	1
Consortio Conpax OHL Valko, S.A.	-	49.00	49.00	1,102	-	224	91	-	1,417	-	1,417	-	1,417	694	540
Constructora Vespucio Oriente, S.A.	50.00	-	50.00	11	-	7,691	1,566	(6,810)	2,458	-	2,458	-	2,458	1,229	6
Health Montreal Collective CJV L.P.	-	50.00	50.00	541,361	-	(558,583)	(16,501)	-	(33,723)	-	(33,723)	-	(33,723)	(16,862)	270,680
NCC- OHL Lund-Arlöv, fyra spar Handelsbolag	-	50.00	50.00	-	-	8,930	2,419	-	11,349	-	11,349	-	11,349	5,675	899
Nova Dársena Esportiva de Bara, S.A.	-	50.00	50.00	3,731	-	(10,342)	(442)	-	(7,053)	-	(7,053)	30,096	23,043	11,522	9,601
OHL Construction Canada and Fomento de Construcciones y Contratas Canada Limited Partnership	-	50.00	50.00	1	-	(156,902)	9,580	-	(147,321)	-	(147,321)	141,857	(5,464)	(2,732)	70,929
OHL Townlink JV Limited	50.00	-	50.00	-	-	-	611	-	611	-	611	-	611	306	-
Prestadora de Servicios PLSV, S.A. de C.V.	-	50.00	50.00	76	(53)	(19)	-	-	4	-	4	-	4	2	11
Proyecto CCC Empalme I, S.A.P.I. de C.V.	-	50.00	50.00	-	-	(48,485)	(107)	-	(48,592)	-	(48,592)	-	(48,592)	(24,296)	-
Rebuilding Agente Rehabilitador, S.L.	-	50.00	50.00	250	-	-	(110)	-	140	-	140	-	140	70	125
Refinería Madero Tamaulipas, S.A.P.I. de C.V.	-	50.00	50.00	-	-	(3,621)	(451)	-	(4,072)	-	(4,072)	-	(4,072)	(2,036)	-
Rhatigan OHL Limited	-	50.00	50.00	-	-	2,531	2,606	-	5,137	-	5,137	-	5,137	2,569	-
Servicios Administrativos TMT, S.A. de C.V.	-	50.00	50.00	-	-	24	191	-	215	-	215	-	215	108	-
ASSOCIATES															
Else Park, S.L.	-	50.00	50.00	4,298	-	(861)	25	-	3,462	-	3,462	-	3,462	1,731	3,543
Health Montreal Collective Limited Partnership	-	25.00	25.00	6,241	-	5,134	(8,712)	(5,015)	(2,352)	-	(2,352)	-	(2,352)	(588)	1,560
Nuevo Hospital de Burgos, S.A.	20.75	-	20,75	55,033	-	(77,450)	(6,295)	-	(28,712)	-	(28,712)	-	(28,712)	(5,958)	2,958
Obalovna Boskovice, s.r.o.	-	45.00	45.00	1,579	-	78	115	-	1,772	-	1,772	-	1,772	797	622
Parking Niño Jesús-Retiro, S.A.	30.00	-	30.00	3,651	-	(723)	-	-	2,928	-	2,928	-	2,928	878	1,095
Proyecto Canalejas Group, S.L.	-	50.00	50.00	71,670	-	386,227	-	-	457,897	-	457,897	-	457,897	228,949	127,596
Regena spol s.r.o.	-	50.00	50.00	4	-	467	(3)	-	468	-	468	-	468	234	20
Servicios de Mantenimiento Prevencor, S.L.	-	0.24	0.24	253	-	774	181	-	1,208	-	1,208	-	1,208	3	1

EUR thousand

Appendix IV

Detail of the most significant changes in the scope of consolidation as at 31 December 2022.

Subsidiaries (fully consolidated)

INCLUSIONS		EXCLUSIONS	
COMPANY	REASON	COMPANY	REASON
Denia Senior Living, S.L.	Incorporation	OHL Concesiones Argentina, S.A.	Liquidación
Inversiones Biobio, SpA	Incorporation		
La Manga Senior Living, S.L.	Incorporation		
OHLA Energy, S.L.	Incorporation		
OHLA Gestión Activos, S.L.	Incorporation		
OHLA-OHMG JV Limited	Incorporation		
Sociedad Concesionaria Hospitales Red Biobio, S.A.	Incorporation		

Joint ventures and associates (accounted for using the equity method)

INCLUSIONS		EXCLUSIONS	
COMPANY	REASON	COMPANY	REASON
Concesionaria Ruta Bogotá Norte, S.A.S.	Incorporation		
Mezclas Asfálticas Sostenibles, A.I.E.	Incorporation		
Parking Niño Jesús-Retiro, S.A.	Incorporation		
Rebuilding Agente Rehabilitador, S.L.	Incorporation		



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