

Integrated Report **2021**

Building a
sustainable
future



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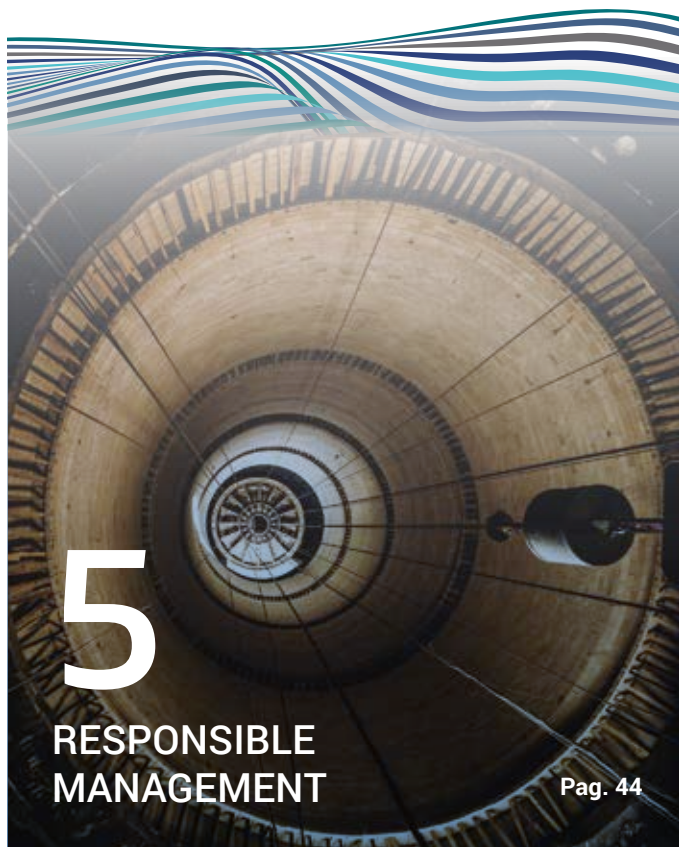
Building a
sustainable
future

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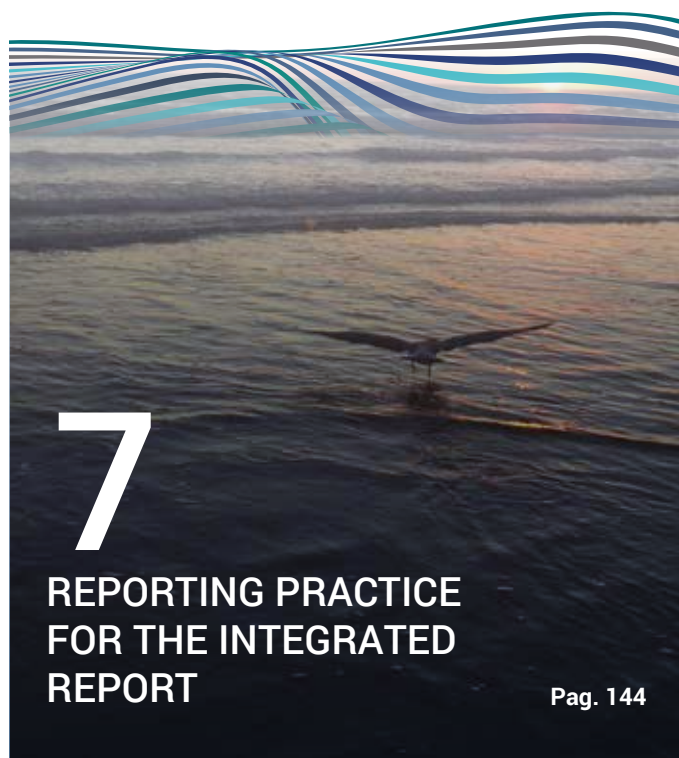


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EXECUTIVE CHAIRMAN'S LETTER

🌐 [102-14]

Dear friends,

For another year, it is a pleasure to present all of you the Integrated Report 2021, which offers a global vision of our activity, with an emphasis on non-financial aspects that we consider strategic, being totally integrated into our decision-making processes.

During 2021 we obtained contract awards amounting to 4,165 million EUR, which allowed us to close the year with a **backlog of 10,519 million EUR**. Among the clients who trusted in Técnicas Reunidas are some as remarkable as Orlen, Qatargas, and ADNOC. We close the year with a solid and diversified backlog.

All these awards are **high value-added projects**, within which we have an opportunity to accompany the clients, who so wish, from a very early phase of their investments by providing services and supporting projects and FEEDs (Front End Engineering Design) management to start-up and final delivery of the plant.

We, **as a world leader in the engineering sector**, have an ability to contribute to the fulfillment of the Sustainable Development Goals, being this way **an ally of our clients for the development of their sustainability, energy transition and decarbonization policies**.

To do this, in this era of unprecedented disruption driven by innovation and sustainability, at the forefront of technology, we provide innovative solutions in our main areas, such as the development of clean fuels, petrochemicals, natural gas, hydrogen, carbon sequestration and storage, as well as circular economy.

These solutions allow our clients having **efficient and environmentally friendly** facilities in the industry, such as power generation, which is intended to be one of the key actors in decarbonization of the economy that makes up one of the most relevant disruptions of the history and requires huge investments for its full development. Due to these reasons, the decarbonization is not only a challenge but also an important source of opportunities.

We have the great advantage that for a long time we in TR has considered **sustainability and the energy transition as essential elements in business development**. This consideration, along with an internal determined commitment to promote sustainable solutions in all areas of action, is one of our main competitive advantages. This is evidenced by our participation in the United Nations Global Compact since 2011, which allowed us surveying a creation of Sustainable Development Goals (SDGs)- today's worldwide benchmark - which we fully identify with.

Developing all these actions in the face of our customers requires us, first of all, to continue being an ally and support for them in their transition towards a sustainable, greener, and more inclusive future. For this reason, it is a pleasure to make public through this letter our **commitment to reduce our emissions by 30% by 2030 and obtain net zero emissions by 2040**. This commitment, which I anticipated you last year, is now a reality. The reduction of emissions is part of a series of goals approved in the **Sustainability Plan of the TR Group**, which involve all the areas of the Group's activity and we will publicly and periodically report on their evolution and compliance in this Integrated Report.

In this sense, I would particularly like to highlight the launching **of the Energy Transition Division**. After it was thoroughly planned in 2021, this new area will allow us to participate in the development of specific decarbonization solutions, while delivering all the qualities and experience of TR, repeatedly proven since its foundation, to these new projects that we have already developed and that we will increasingly develop in the future. Técnicas Reunidas has all the means to allow, thanks to the reduction of their clients' emissions, achieving compliance with the commitments of the Paris Agreement and participating in the public and private investments to be undertaken for this purpose during the coming years.

Another of our strategic pillars is the **investment in R&D&I and the firm commitment to digitization**. Innovation plays a key role to maintain our differentiated position in the market, and to that end we have the José Lladó Technology Center available, a space for the promotion of R + D + i that places the client at the core of its activity and considers innovation as an essential tool to maintain competitiveness. On the other hand, digitization offers major productive improvements thanks to the creation of solutions applied in different businesses, as well as enhancements in communication and global coordination of projects. Digitization has become an essential area of work to keep a leading position in our industry.

Last year I confirmed in this letter that the health and safety of our employees and of all the people with whom we collaborate to perform our projects, was a priority during 2020 as a response to Covid-19. This **priority towards people** has been maintained during 2021. Thanks to this decision and a strong performance of our professionals, in 2021 we have reached leading figures in terms of occupational safety, with an LTIR (*Lost Time Incident Rate*) of 0.011 (target of 0.050), a TRIR (*Total Recordable Incident Rate*) of 0.045 (target of 0.190) and a "severity rate" of 0.001 (target of 0.018) that not only improve the objectives that we had set, but are also a reference in our industry.

All these actions would not be possible without our more than **6,500 highly qualified professionals** of 71 nationalities, to whom I would like to convey my deepest gratitude, since each and every one of them have decisively contributed to the progress of the Company.

Juan Lladó Arburúa
Executive Chairman


2 OUR OPERATION IN 2021


🌐 [102-4]; [102-6]; [102-7]


Técnicas Reunidas is an international contractor providing value-added engineering and industrial plant construction services for the sustainable production of clean fuels, natural gas, and chemicals for a wide spectrum of customers across the globe.


Business areas

Clean fuels 

Natural gas 

Petrochemistry 

Carbon capture and storage 

Hydrogen 

Circular economy 

Main figures for 2021

€2,808
million in revenue
3,521 in 2020 (-20.3 % v. 2020)

€-156.6 million in EBIT
41,5 in 2020
(-477.4 % v. 2020)

100 % attendance
of members at Board meetings

96.8 % in 2020
(+ 3.31 percentage points v. 2020)

6,516 employees
7,458 in 2020 (-13 % v. 2020)

71 nationalities
70 in 2020 (+ 1 nationality v. 2020)

€4.33 million
invested in R&D&I
5 in 2020 (-13.4 % v. 2020)

0.362
accident rate
0.700 in 2020 (-48.29 % v. 2020)

88 % of purchases and
subcontracting to local companies
79 % in 2020
(+ 9 percentage points v. 2020)

€2,124 million in
procurement and subcontracting¹
2,507 in 2020 (-18.2 % v. 2020)

€282,981 earmarked
for social collaboration²
283,895 in 2020 (-0,32 % v. 2020)

€10,519 million portfolio
8,347 in 2020
(+26.0 % v. 2020)

€4,165 million in
awarded projects
2,117 in 2020
(+96.7 % v. 2020)

99 % repeat contracting in
awarded projects
90% in 2020
(+ 9 percentage points v. 2020)

¹ Final figure considering billing dates.

² Partnerships with organizations promoting education, health, socially-oriented business initiatives and schemes involving culture and civil society. This includes contributions made within the social framework of various projects.

TR PRESENCE ACROSS THE WORLD AND MAIN AWARDS IN 2021



Throughout its 62-year history, **Técnicas Reunidas has managed the construction of more than 1,000 industrial plants in over 50 countries, including many state and multinational companies.**

The awards obtained during 2021, diversified and with reduced risk, underpin the growth strategy for the coming years.

Main awards in 2021

- Sasa project for the construction of a new petrochemical plant in Adana, Turkey.
- Expansion of petrochemical complex for PKN Orlen in Poland.
- Advanced Methanol Amsterdam (AMA) project, consisting of a new bioethanol plant for GI Dynamics in the Netherlands.
- Natural gas plant for Qatar Petroleum.
- Petrochemical complex in Turkey for the joint venture Rönnessans and Sonatrach.

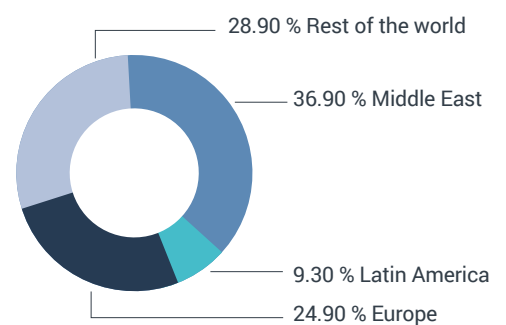
The Company has a robust portfolio in the Middle East, an important geographic area within TR market, with big investments in mega-projects both planned or ongoing.

Técnicas Reunidas has ensured that its portfolio in the Middle East is highly diversified, with projects contracted in various countries in the region (including Saudi Arabia, United Arab Emirates, Oman, Kuwait and Bahrain) with a wide range of clients.

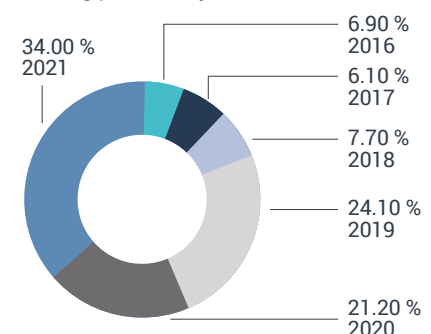
At the same time, the portfolio consists largely of projects awarded by Técnicas Reunidas' repeat clients - a clear indicator of the high levels of quality achieved by the Company in the implementation of its projects. 84 % of customers (87.2 % in 2020) are concentrated in large state or multinational oil companies, while 16 % belong to other types of customers such as private energy companies.

Técnicas Reunidas portfolio in 2021

Projects backlog per region



Backlog per award year



FLAGSHIP PROJECTS

In 2021, the Company has continued implementing such flagship projects as Haradh and Hawiyah (Saudi Arabia), Duqm (Oman) and Ras Tanura (Saudi Arabia). By implementing these projects, Técnicas Reunidas is contributing to the development of strategic industrial energy complexes that will help these countries meet their energy needs, observing compliance with strict environmental requirements and generating a positive socioeconomic impact in the areas where they are located.

Power to Green Hydrogen Mallorca Project

Acciona and Enagás have awarded to Técnicas Reunidas the performance of the engineering works, as well as the procurement services of the Power to Green Hydrogen project. The hydrogen generation plant will be based on water electrolysis, using renewable photovoltaic energy.

This project is a central element of the European Green Hysland project, an initiative through which the European Union will invest 10 million euros to accelerate the implementation of the necessary infrastructures to implement a renewable hydrogen ecosystem in Mallorca.

The project is part of the “Green Hydrogen Roadmap”, approved by the Government of Spain, which seeks to position the country as a technological benchmark in the production and use of green hydrogen.

The scope of engineering services includes the following infrastructures:

- Facilities for the generation, compression, storage, and distribution of hydrogen at the Cemex factory in Lloseta.
- Hydrogen filling station for heavy vehicles of the municipal bus company and recharging services for light vehicles.
- System for the reception of semi-trailers, storage, mixing and injection of hydrogen in the natural gas network currently existing on the island.



Award of a major circular economy project that contributes to the decarbonization of the transport sector in the Netherlands and other European countries

Técnicas Reunidas has signed a contract with the technologist Global Industrial Dynamics (GID) for the Advanced Methanol Amsterdam (AMA) project for the construction of a new biomethanol plant in Amsterdam, which includes detailed engineering and the estimation of the investment in the form of “open books” (FEED-OBE), for its subsequent conversion into an EPC contract (engineering, procurement, and construction).

Based on the treatment of waste and biomass, the Advanced Methanol Amsterdam project seeks to replace fossil fuels with bio methanol produced from non-recyclable waste and biomass, thus complying with the European Renewable Energy Directive³ and local Dutch legislation and contributing to the search for a more sustainable transport and a more circular economy.

With an estimated investment of more than 200 million euros, the commissioning of the future plant is scheduled for 2024. It will have the capacity to produce 260 tons of bioethanol per day and will be composed of high-

temperature gasification units, acid gas and methanol recovery, and will house a test facility, a knowledge center, and a demonstration unit.

By giving a second life to non-recyclable waste currently incinerated or landfilled, AMA will contribute to the circular economy by reusing waste to replace fossil fuels. Additionally, the plant will supply the excess CO₂ to the local greenhouse horticulture and plans to recover solid waste used to make the biocomposite cement filling. In addition, AMA's entire value chain, including suppliers and customers, are located in the immediate vicinity of the facility, supporting employment and the local economy.

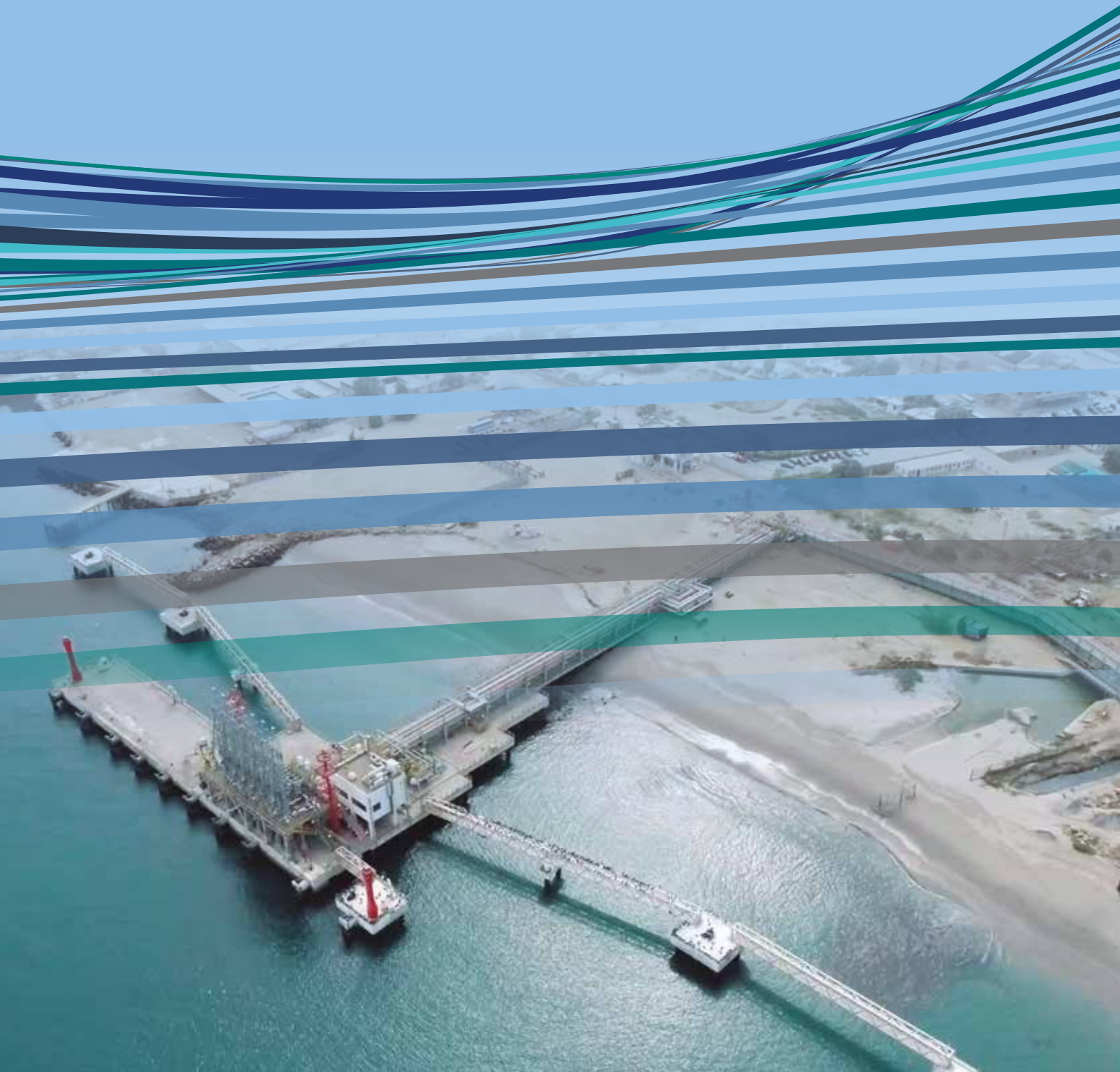
The plant, located in the port of Amsterdam (Netherlands) will be the first, as planned by GID, to be replicated in other parts of the Netherlands, the United Kingdom, and other European countries, in investments that contribute to the decarbonization of transport through the use of waste and biomass recovery.

Bioethanol will be obtained from the gasification of wood waste and non-recyclable household waste, for subsequent mixing with gasoline, thus substantially reducing the environmental impact of the fuel.



³ The Renewable Energy Directive II (REDII) covers the period 2021-2030 and sets an overall renewable energy target of 32% by 2030 and a target of 14% for the transport sector.

3 OUR ACTIVITY



3.1 BUSINESS AREAS

More than 60 years of international experience in designing and constructing industrial plants led to success and leadership of Técnicas Reunidas in the engineering field. Much of its capacity is the result of a global vision of sustainability and the application of efficient and complex technical solutions that meet the expectations of society. The commitment of Técnicas Reunidas in terms of sustainability materializes in splitting its business lines into two main activities: contributing to sustainable growth and mitigating climate change, thus supporting the transition towards decarbonization.

Técnicas Reunidas' contribution to SDGs



CLEAN FUELS [102-2]; [102-6]; [102-7]



The Clean Fuels line provides control, management, engineering, procurement, construction, and commissioning of facilities throughout the value chain for fuels production meeting the highest specifications (Euro V / Euro VI). These facilities allow the Company's customers to produce clean and high-quality fuels, optimizing the use of natural resources while contributing to the fulfillment of the Sustainable Development Goals (SDGs) of the United Nations. In addition, the Company has an extensive experience in designing and constructing these plants, which have the most advanced technologies in clean fuel production processes.

The knowledge of the facilities and their operation allows Técnicas Reunidas offering the possibility of upgrading its customers' existing plants with the aim of improving their efficiency and contributing to the fulfillment of sustainability, decarbonization and emission reduction commitments. Similarly, this line allows the Company's customers optimizing the use of natural resources, thus reducing the unit carbon footprint of the products it produces.

The integration of refining processes has become a growing trend in the sector since energy and resource needs to produce clean fuels are significantly reduced and less investment is needed.

The Company has delivered more than 560 units of clean fuels across the globe, applying its know-how and optimizing carbon emissions and expenses during the operating stage of the plants. Units designed and constructed by the Company include basic refining, desulfurization, deep conversion, octane enhancement units, hydrogen production, and sulfur removal units. In addition, Técnicas Reunidas is closely monitoring future hydrogenation projects for vegetable oils, for the production of clean fuels as well.

The Company offers its customers the design of clean and high-quality biofuels production plants.

Técnicas Reunidas has delivered more than 560 units of clean fuels worldwide to its main customers.



NATURAL GAS 🌐 [102-2]; [102-6]; [102-7]



The natural gas line provides control, management, engineering, procurement, construction, and commissioning of gas facilities throughout the whole supply chain, from natural gas production to regasification terminals.

Natural gas is the cleanest fossil fuel playing a key role in making progress in energy transition and decarbonization targets. This energy resource will allow transiting to renewable energies to be smooth until low-carbon alternatives become accessible to all economies.

Renewable energies need to have alternative sources for intermittent periods and ensure supply during peak demand.

Natural gas plays a key role in the transition to a low-carbon economy.

Advanced natural gas technologies are an optimal solution to these challenges. In addition to significantly reducing carbon dioxide emissions, this fuel decreases the presence of other polluting particles such as sulfur and nitrogen oxides.

The Company employs its capabilities and technologies to minimize the carbon footprint of natural gas.

Técnicas Reunidas has designed and built all kinds of facilities across the globe, from production facilities in natural gas fields to treatment and processing plants, compression stations, liquefaction, storage tanks and final regasification facilities. The Company's designs apply the highest standards and technologies to reduce methane emissions throughout the value chain.



PETROCHEMISTRY 🌐 [102-2]; [102-6]; [102-7]


The petrochemical line of Técnicas Reunidas designs and builds petrochemical complexes by applying the most advanced technologies. Not only the projects are performed from scratch, but petrochemical processes and units are integrated into existing refineries to improve their energy efficiency and reduce the use of resources.

The petrochemical industry is evolving towards more sustainable models, reducing its own carbon footprint and, thanks to its products, also the footprint of the industries using them. Petrochemical derivatives are numerous and widely present, and their demand is expected to grow in the coming decades, especially in developing countries. As a result, these derivatives will be key to ensuring social and economic progress.

These products facilitate supply of drinking water, development of the pharmaceutical industry, prolong food and beverages life cycle, improve insulation of buildings, contribute to the deployment of wind and solar energy, and reduce fuel consumption by lightening the weight of the tires of the main means of transport, among others.

Petrochemical operations are being integrated into clean fuel plants, contributing both lines of business to the efficient and optimal consumption of natural resources.

The petrochemical industry plays an essential role in enabling other industries to reduce their greenhouse gas emissions.

Based on its wide international experience, Técnicas Reunidas has built 100 petrochemical processing units for many world's leading international petrochemical companies. These units include processes for the entire value chain of ethylene, polypropylene and its derivatives, aromatics, urea, and ammonia. In addition, the Company has various advanced technologies for nitric acid, ammonium nitrate, mono- and diammonium-phosphate and NPK fertilizers.

This line of business is evolving and there is a growing number of petrochemical plants using organic raw materials to produce their derivatives. Together with these resources, natural gas will become a fundamental input for industry, which will help to decarbonize the processes necessary to produce petrochemical products.

Técnicas Reunidas covers a wide spectrum of petrochemical processes.



HYDROGEN 🌐 [102-2]; [102-6]; [102-7]



Hydrogen is one of the fundamental pillars for creating a clean, safe, and affordable energy system.

Through this line of business, Técnicas Reunidas actively participates by offering solutions for the different types of hydrogen, helping its customers in the integration of this element in their production processes with storage solutions or mixing it with existing gas networks.

Técnicas Reunidas actively participates in the structuring of green hydrogen projects (produced through the electrolysis of water with renewable energies), blue hydrogen (produced through the capture of carbon in the reforming of natural gas) and green ammonia from green hydrogen.

Depending on its production process, it is classified by color, considering blue (grey hydrogen with carbon capture and storage), green (by electrolysis of water with renewable energy) and pink (electrolysis of water with nuclear propulsion) as means of production of low-carbon hydrogens.

The Company designs and builds hydrogen units in refining processes for hydrotreating clean fuel production streams and has experience working with hydrogen at high pressure and temperature. It also collaborates with other companies in the development and scaling of various water electrolysis technologies for the production of hydrogen.

More than 30 units of hydrogen delivered in our plants around the world.

The Company provides consulting services for the different applications of hydrogen.

The versatility of hydrogen allows its use in various industries. It can be stored serving as a battery to generate energy during shortages or high demands in the renewable energy sector. It is also used as a low-carbon fuel by energy-intensive sectors such as long-distance transport and heavy industry or converted into ammonia, by the shipping industry or as an input for fertilizer production.

Técnicas Reunidas Projects

Consultancy services and design and construction of green hydrogen plants.

Consultancy services and design and construction of blue hydrogen plants.

Transformation of hydrogen and captured carbon into synthetic gas and fuels, ammonia, and methanol.

Consultancy services and design and construction of green ammonia plants.



CARBON CAPTURE AND STORAGE [102-2]; [102-6]; [102-7]



The Carbon Capture and Storage (CCS) line helps energy-intensive industrial companies such as the steel, chemical, cement, and paper industries reduce carbon emissions from their assets. High-intensity industrial installations are complex, with space and operational limitations that make it difficult to install new processes. Faced with these challenges, Técnicas Reunidas accelerates the energy transition of its customers towards a zero-emission future by implementing carbon capture technologies in its industrial processes. Once captured, carbon dioxide is either permanently stored or subsequently converted into synthetic fuels.

The market outlook is positive as one-fifth of global carbon dioxide emissions come from industrial-intensive sectors and according to the International Energy Agency, the CCS will contribute 15 % of the total emission reduction by 2050.

Técnicas Reunidas has experience in this field thanks to the design and construction of amine facilities, one of the technologies used to capture and store carbon. The Company has already built these facilities for the treatment of acid streams in natural gas processing plants and refineries. In addition to these types of sites, Técnicas Reunidas plans to incorporate these types of installations on a recurring basis in the combined cycle power generation plants it runs for its customers.

Energy-intensive industrial sectors will need CCS to decarbonize their activities.



CIRCULAR ECONOMY 🌐 [102-2]; [102-6]; [102-7]



Within this line of activity, the Company provides services to produce biomethane and convert biomass and waste into fuels (biodiesel, bio-kerosene), chemicals and the generation of energy and steam. Técnicas Reunidas actively participates in structuring of projects that use these technologies and their integration into existing value chains.

Bioenergy has a key role to play in reducing carbon emissions. Within this line, a biomass stands out - a resource replacing fossil raw materials in the energy sector and refining and petrochemical

processes, and which generated electricity already plays an important role as a renewable energy source in the energy mix. As for refineries, they are being increasingly included in the production processes of biofuels for aviation, maritime transport, or heavy trucks. Regarding its use in petrochemical plants, biomass replaces fossil fuels in the production of bioethylene, bio-methanol or bionaphtha.

Another important resource is biomethane since it can be mixed with natural gas systems in existing plants and infrastructures, as well as in combined cycle power plants. The use of biomethane and its mixture with natural gas allows to reduce the carbon content of the systems. In addition, it is used as fuel for vehicles that run on natural gas, both light and heavy.

Técnicas Reunidas is committed to the circular economy, including its bioenergy and biochemistry projects within this line of business.



3.2 OPERATING ENVIRONMENT

Técnicas Reunidas operates in a complex and constantly changing market environment to which the Company must adapt. For this reason, it relies on its capabilities to manage complex projects, control risks, maintain high quality and environmental management standards, and develop and apply new technologies.

Técnicas Reunidas' contribution to SDGs



MARKET ENVIRONMENT

Técnicas Reunidas operates in an everchanging environment marked by increased energy demands from emerging countries, ongoing adaptation to new environmental standards and the need to develop clients' production units following more sustainable, complex, and profitable models.

At the same time, this operational context is becoming more challenging due to increasingly stringent sustainability criteria, the development of new technologies and increasing competition. Therefore, Técnicas Reunidas' projects are becoming increasingly complex, with highly demanding contractual terms with respect to technical specifications, timeframe, scope, and implementation.

In 2021, market conditions have been influenced by the COVID-19 pandemic. The emergence of COVID-19 in China at the end of 2019 and its global spread during 2020 and 2021, with new variants such as Delta and Omicron, has had a significant impact on the execution of the Company's project, which always prioritized the health of its employees, in perfect coordination with its clients. The measures implemented have affected and still affect the pace of execution of projects, slower than initially expected, given that some clients decided to reschedule the awarding or execution of projects. Nonetheless, Técnicas Reunidas became a successful bidder for several important projects in 2021, for top-level clients and with an order portfolio at the end of the fiscal year above 10.000 EUR millions.

This year's contract awards fall in line with the forecasts of international organizations, who conclude that global demand and energy consumption will continue to grow in the medium term and long term. To meet this increasing demand for energy and to ensure that it is sustainable- investments are needed to construct, update, and improve the efficiency of existing installations, a field in which Técnicas Reunidas is proficient and has the credentials required by investors, the technical skills required and ample international experience, particularly in the regions where most investments are expected to happen.

Similarly, Técnicas Reunidas has an advantageous position, thanks to its leadership in the face of climate change, to tackle diversification of its activities, and adapt to new trends beyond mere normative requirements. All of this will allow the Company to utilize the opportunities that will be derived from an increase in environment-related regulatory pressure, as it has the proper technology and solutions to enable its clients to face these growing environmental demands. This diversification of activities revolves around collaboration with clients for environmental improvement of their facilities: production of clean fuels, natural gas and chemical products, and a wide variety of solutions related to sustainability, circular economy, energy transition and decarbonization (renewable hydrogen, biofuels, valuation of residues, CO₂ capture, etc.).



A challenging and constantly evolving market environment

MARKET ENVIRONMENT IN 2021

The year 2021 has been characterized by economic recovery after the COVID-19 pandemic, which has led to a 5.9% increase in global GDP (IMF, 2022).

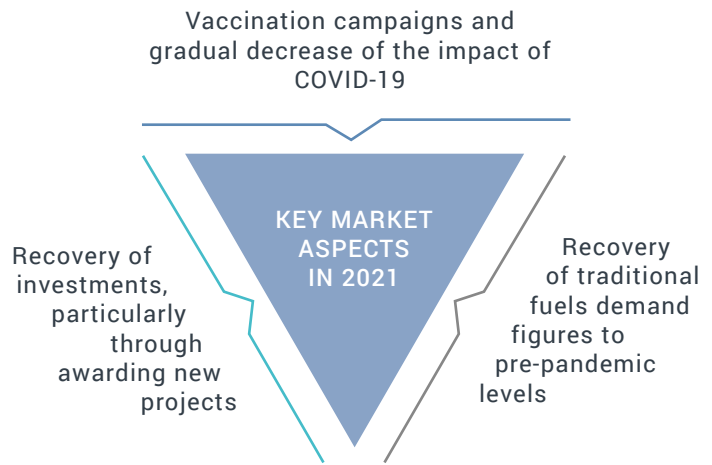
The energy industry has achieved oil demand figures comparable to pre-pandemic values after receiving a painful blow as a consequence of decreased mobility in 2020. Moreover, gas demand has recovered thanks to the energy development of emerging markets.

The price of Brent crude oil started the year at around \$54/barrel, reaching pre-pandemic levels throughout the months, with its value peaking in October and ending the year with prices slightly above \$74/barrel.

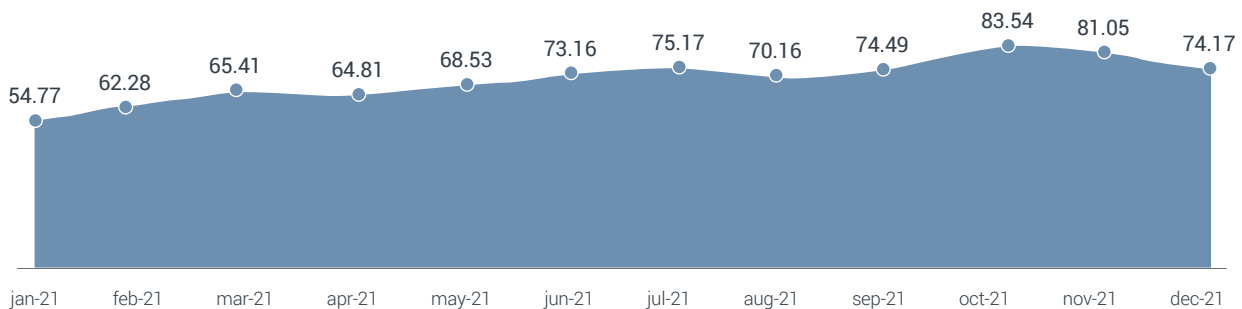
At the sectoral level, this recovered demand restarted investments in the refining and gas industry, both in existing and new projects, that had been stopped during 2020.

The increased demand of energy, the mismatch between supply and demand of traditional fuels in some markets, and the apparent lower-than-expected impact of the pandemic have led to a rise in prices.

And according to the reports of several analysts, this price level is expected to last in the years to come. This is increasing the investing activities of energy companies.



Growth in Brent crude oil price in 2021 (\$/barrel)



Source: Energy Information Administration. (2021). Europe Brent Spot Price FOB (Dollars per Barrel).

A strategy adapted to its environment

Técnicas Reunidas has a diversification strategy in place for both products and geographical areas, which enables the Company to take advantage of the emergence of new opportunities related to its activities.

This strategy has enabled Técnicas Reunidas to maintain high levels of activity over recent years, despite the uncertainty caused by the pandemic. Thanks to its wide business portfolio, the Company has been able to participate in projects related to refining, upstream oil, natural gas treatment and power generation.

Contracting prospects have improved significantly during 2021, especially thanks to the increase in the number of awarded projects. Increased demand in emerging economies, investments to improve the profitability of existing refineries, adaptation of petroleum products to the strictest environmental standards, and the growing role of natural gas mean that investments in refining and gas remain essential.

At the same time, factors driving investments in petrochemicals include human and urban development, the motorization of emerging economies and the integration of petrochemical plants into refining processes to optimize operations.

Técnicas Reunidas has upheld its commitment to providing services for its clients during all project development phases, from conceptual analysis, through services for basic engineering of unit processes -including FEED (Front End Engineering Design) and PMC (Project Management Consultancy) to full implementation.

These types of services help strengthen relationships with clients, allowing them to find the technological solution that best fits their business model (see box below). The Company is strengthening its strategy to carry out more projects of this type.

Through its know-how, flexibility, commitment to innovation and extensive experience, Técnicas Reunidas brings added value that is essential for both market confidence and credibility, and its ability to meet the needs of its clients.

Project Business Management and Controller Division

This new Division has developed a series of actions to reinforce the Project Control Systems within the Operations Division and to make the economic KPIs of a project (margin and cash flow) decisive in the decision making process during the execution of the project.



Técnicas Reunidas' involvement in FEED projects

As part of its commitment to creating high added value solutions, the Company carries out numerous conceptual designs, feasibility studies, basic engineering and FEED (Front End Engineering and Design) studies that enable it to work with clients right from the initial stages of project implementation. Projects of this type awarded in 2021 include:

- The FEED OBE of the project Advanced Methanol Amsterdam (AMA), to execute detail engineering and estimate the investment of a bioethanol plant for G.I. Dynamics in Amsterdam.
- Pre-FEED for a natural gas generation plant with carbon capture in the United Kingdom.
- Engineering services for Enagás and Acciona for transport decarbonization.
- Expansion of the petrochemical compound for PKN Orlen, in Poland. Técnicas Reunidas will carry out the project jointly with Hyundai Engineering, taking care of engineering, procurement, construction, and commissioning. Both companies carried out the FEED of the project in the past.

ENERGY TRANSITION

The year 2021 has seen increased commitment to a low-carbon energy supply, with the aim of achieving a zero-emissions global energy supply by 2050. The oil and gas industries are taking a very active role in the transition to this low-carbon energy supply, starting significant investment lines.

Técnicas Reunidas' business activity in the context of energy transition has been very intense in 2021, with multiple portfolio opportunities linked to the value chain of hydrogen, investments in carbon capture and storage, and circular economy projects. In most of these opportunities, clients are opting for new technologies or businesses, with engineering requirements to define their projects.

GLOBAL ENERGY CONSUMPTION

Forecasts point to increased energy consumption in all scenarios, with special emphasis on the total final consumption (TFC), which varies drastically depending on the possible scenarios, from reaching its peak in the 2020s to less favorable scenarios which would see this figure peak in the mid 2040s.

At the same time, the structure of demand is changing, with fossil fuels losing their predominance and renewable energies gaining an increasing share.

All projected scenarios (see graph) forecast a drop in demand for oil due to increasing efficiency and electrification of transport, while the outlook for gas consumption is more resilient due to broader demand until the 2030s. On the other hand, wind and solar power will lead the rapid growth of renewable energies and the use of hydrogen will increase from 2030 onward.

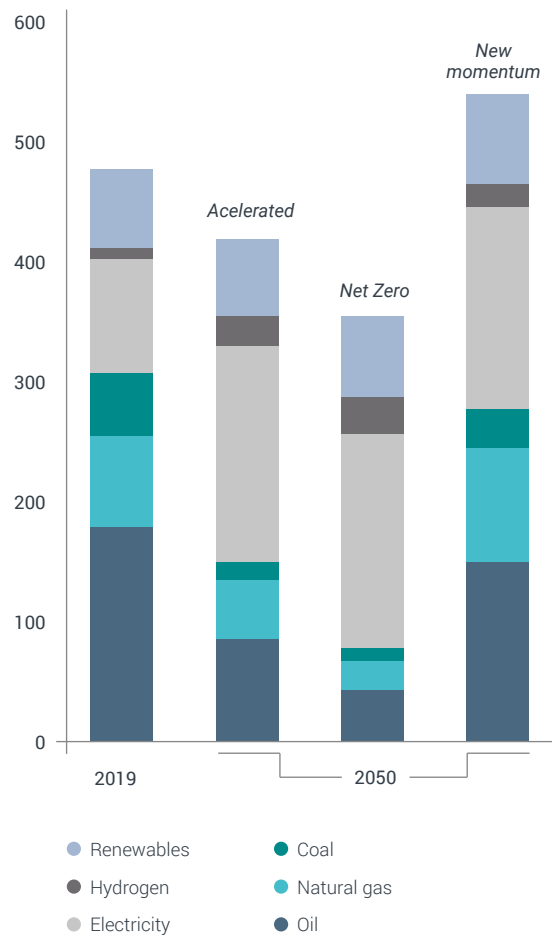
ENERGY INFRASTRUCTURES

Current forecasts point to a significant increase in investments in wind and solar energy in the medium and long term, with an estimated installed power by 2050 between 9 and 15 times higher than the value for 2019.

By contrast, falling demand for oil and natural gas, along with the energy transition process, will cause a slowdown in the pace of investment, mainly due to the growing investments in renewable energies and the addition of electricity to several industries such as road transport.

Fuel composition of final consumption

Energy demand (EJ)



Source: BP Energy Outlook 2022. BP. 2022.

DEVELOPMENT OF ENERGY TRANSITION PROJECTS

Técnicas Reunidas devotes many resources to the research and development of technologies related to energy transition. Proof of this commitment is the increasing proportion of projects related to energy transition within the total activity of the Company.

The year 2021 has brought with it an acceleration in energy transition, the move toward a greater share of low-carbon primary energy sources in the energy mix and the launch of investments with the aim of achieving a zero-emissions global energy supply by 2050.

Leading global institutions, multilateral agencies, industrial companies and financial institutions have shown their commitment to contributing to this zero-emission scenario. The oil and gas industry does not stand apart from this movement. On the contrary, Técnicas Reunidas' clients have taken a proactive approach to participating in the energy transition, starting significant investment lines.

Along these lines, Técnicas Reunidas created the Energy Transition Committee, under the guidance of the Steering Committee, which coordinates and supports the development of Company projects linked to this new energy setting. The Committee has continued developing its activities during fiscal year 2021.

The Company's strategy regarding energy transition is divided into five sections:

- Position Técnicas Reunidas in the financing markets as an active and relevant company for the energy transition. For this purpose, Técnicas Reunidas laid out a financing framework associated with energy transition in 2021, applying the most demanding standards in the market. By the end of 2021, approximately 30% of Técnicas Reunidas' portfolio was part of this financing framework.
- Establish permanent monitoring of the technologies required for the transition, aimed at identifying additional business opportunities and areas for improvement regarding capacity.
- Define a business offer that allows for maximization of the activities of Técnicas Reunidas in this new technological environment.
- Perform an in-depth analysis of the execution methodology of these projects, minimizing costs to ensure competitiveness.
- Structure a communication policy to communicate the capabilities of Técnicas Reunidas to the various stakeholders and its new commitment with the new technological environment.



INDICATORS¹

INDICATORS	2021 FIGURE
Professionals dedicated to energy transition (equivalent figure).	32
No. of bids/proposals in the field of energy transition.	23
No. of energy transition projects.	9
Projects Presented for financing of Next Generation, Horizon, Misiones, PERTE funds, among others.	25
Projects Selected for financing of Next Generation, Horizon, Misiones, PERTE funds, among others.	5



¹ The indicators shown in this chart have been reported for the first time in 2021. Therefore, it is not possible to compare them with previous years.

As a result of this commitment, the business activity of the company has been going strong in 2021, with multiple opportunities in the portfolio linked to green hydrogen, carbon capture and storage, and circular economy projects. Thanks to its deep knowledge of these technologies, Técnicas Reunidas is taking part in projects and tenders for the decarbonization of other energy-intensive industries, such as steelworks and cement production.

Técnicas Reunidas' involvement in energy transition projects

The primary energy transition engineering services and strategic agreements implemented in 2021 have been:

- The FEED-OBE to execute detail engineering and estimate the investment of a biomethanol plant for G.I. Dynamics in Amsterdam. This plant will be capable of replacing fossil fuels with biomethanol produced from non-recyclable waste and biomass.
- Agreement with Repsol to develop decarbonization technologies and promote circular economy.
- Feasibility studies for a major oil company for the decarbonization of its refinery assets with green hydrogen.
- Engineering services for Enagás and Acciona for transport decarbonization.
- Pre-FEED for a natural gas generation plant with carbon capture in the United Kingdom.
- Economic and technical assessment of the roadmap for the decarbonization of Acerinox installations in Southern Spain.
- Feasibility study for a new second-generation biofuel plant in Spain.
- A concept study for a green ammonia project in Southeastern Spain.
- Concept engineering for a green hydrogen plant for GNL Quintero in Chile.



This way, Técnicas Reunidas has started to develop its energy transition activities in the last few years through three main lines: research, consulting, and development of more conventional projects. For this purpose, several objectives related to current and future Técnicas Reunidas' projects are maintained:

- Development of business activities aimed at the decarbonization of current Técnicas Reunidas' clients and other non-traditional industrial activities (steelworks, cements, etc.) in order to achieve their decarbonization goals.
- Execution of consortiums and alliances in strategic projects for the development of technologies or the integration of different technologies.
- Identification and structuring of IPCEIs (Important Projects of Common European Interest) for scalable energy transition technologies that can be replicated in all of Europe.
- Defining the service and strategy for recurrent services related to energy transition.

Along these lines, Técnicas Reunidas upholds its strong commitment to research, development, and escalation of new technologies focused on energy transition. During fiscal year 2021, an observatory has been set up to supervise the internal and external initiatives associated with energy transition, continuing the activities of the Energy Transition Committee. Moreover, at the start of year 2022, a specific Energy Transition Division has been created.

Moreover, Técnicas Reunidas, as proof of its commitment to energy transition, has developed a series of objectives for future years such as:

- Continue advancing and increasing the number of research projects in the field of energy transition and submitting project proposals for financing in the calls for the PERTE, Horizon, and Innovation funds, among others;
- Collaborating with a team of national and international technology experts with which to reach collaboration agreements, and with the sales team of Técnicas Reunidas to seek active opportunities, such as consultancy services in the field of energy transition, aiming for both quantity and diversity, attracting new companies outside the oil and gas industry and clients outside the traditional scope of Técnicas Reunidas.
- Promoting the image of Técnicas Reunidas through its participation as experts in forums or other platforms to increase awareness of technologies and businesses associated with the energy transition.
- Participating in tenders for energy transition projects and bidding for an EPC project (Engineering, Procurement, and Construction) related to green or blue renewable hydrogen.

Main achievements related to energy transition projects in 2021

- Execution of projects associated with energy transition (AMA, green hydrogen in Majorca, carbon capture, etc.).
- Provision of consultancy services to clients in the field of energy transition.
- Development of concept engineering projects for traditional Técnicas Reunidas' clients related to energy transition (green hydrogen).
- Communication and participation of Técnicas Reunidas in several forums, promoting the activities of the Company in the field of energy transition (among others, the circular economy event in November 2021).
- Development of differentiated business lines in R&D&I projects in the field of energy transition.
- Selection of an energy transition project with the participation of Técnicas Reunidas with European funds Horizon and others (P2O and Shinefleet projects).

THE IMPORTANCE OF INNOVATION AND DIGITAL TRANSFORMATION

Innovation is a strategic lever for the digital transformation of Técnicas Reunidas. It is the key to success to improve our efficiency and productivity and to be more competitive, as well as to create new digital services and products that contribute to energy transition.

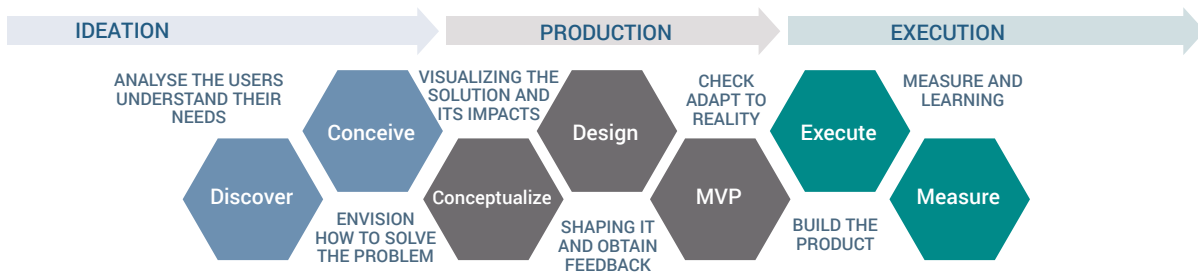
For this purpose, the Company has defined its governance bodies at different levels, whose main objectives are, among others: define the digital transformation strategy, establish the corporate action plan, prioritization and follow-up of use cases, provide resources, control budgets, and ensure that targets are met. Moreover, the execution bodies have also been defined,

comprised of the ITCS and Operations areas, to lead all initiatives related to digitalization and new technologies, with a corporate and intersectional nature. Thus, Técnicas Reunidas proposes a collaborative innovation model to accelerate the digital transformation process structure around several transformation axes.

INNOVATION CULTURE

The Company has evolved its digital innovation strategy in 2021, to make it more comprehensive and inclusive, aimed at improving its efficiency and productivity, as well as responding to its client's needs with new products and services. The Company's innovation ecosystem has been strengthened, implementing a collaborative model for internal innovation, in-house entrepreneurship, and open innovation. This ecosystem generates a constant flow of ideas and solutions to the Company's challenges. The most remarkable activities in this field are:

- **Innovation methodology.** LeaDIn, Lean Development Innovation, is the name of the Digital Innovation methodology developed by Técnicas Reunidas that covers the life cycle of the initiative from the moment where the idea is created to its incubation, implementation, and escalation. Técnicas Reunidas' innovation methodology is inspired in the Design Thinking, Lean Start-up and Agile approach.



- **Innovation workshops.** Development of innovation workshops to identify challenges and brainstorm, with design thinking technology, in the business areas.
- **Initiatives portfolio.** Identification of initiatives throughout the supply chain and development of the portfolio with over 60 identified and evaluated use cases.
- **IndesIA.** Técnicas Reunidas is a sponsoring partner of the IndesIA association, the national industrial association for the promotion of data economy and artificial intelligence. The Company actively participates in the round tables of the platform (use cases, training, acceleration) to promote innovation through the development of data and artificial intelligence usage in the Spanish industry.
- **Open innovation challenges with students.** Técnicas Reunidas has participated in an Innovation competition with college students from all around the country. First-year college students of different universities and fields have been presented a technology challenge for them to come up with possible solutions to a challenge in the field of Energy Transition.
- **Digital innovation.** With the support of its ecosystem, the Company has explored and experimented with technologies in proofs of concept to provide a response to its challenges, particularly: augmented reality for engineering model review projects on-site, construction supervision and control, NLP (Natural Language Processing) for the classification and detection of entities in technical documentation, and expert engineering AI system.

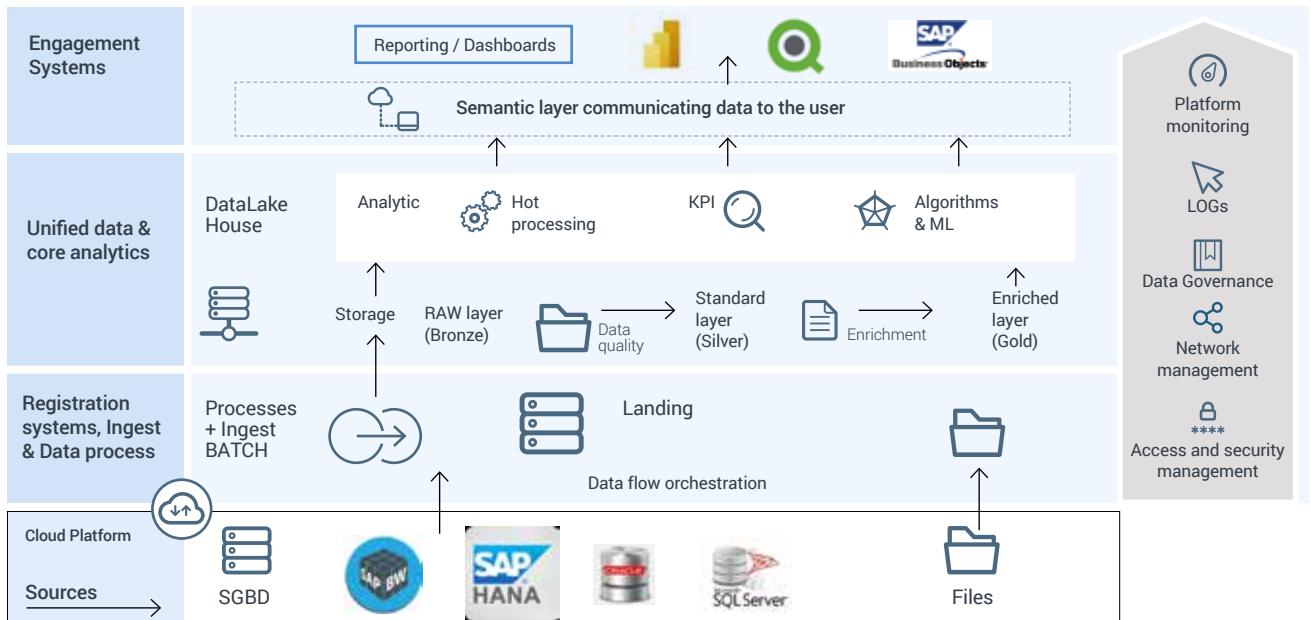
DATA DRIVEN

Data are key for Técnicas Reunidas' digital transformation. Maximizing the value of data within the company, guaranteeing data governance and ensuring data quality, promoting and facilitating use cases in all areas. The most remarkable activities in this field are:

- **Data strategy.** Development of a data driven corporate strategy. Definition of work lines and a roadmap for each of them: data office, platform, governance model, operating model, data consumption and analytics.



- **Data platform:** Agreement with Microsoft Azure to develop a pilot project to implement a corporate data platform.



The Company has improved productivity significantly through digitalization by creating solutions applicable to its different businesses and improving communications and global project coordination. Digitalization has become a key work area for keeping Técnicas Reunidas in a leading position in its industry.

From a business perspective, implementing digital processes improves overall project coordination. On the one hand, communication between Técnicas Reunidas and its clients, employees and subcontractors is more efficient, and they can work faster and more productively. On the other hand, it enables real-time, secure access to project information while providing greater analytical ability and strengthening efficient project management.

In the operations area, mobile technologies, cloud applications, and artificial intelligence technologies are providing the Company with a range of opportunities and solutions that allow it to improve project execution and establish key performance indicators (KPIs) for better performance monitoring.

Técnicas Reunidas is aware of the importance of promoting a culture change in the organization to make the most of the advantages that digitalization can bring to its business. Therefore, the Company is working continuously to promote the use of digital communications among its employees and provides specific training on the use of new technologies and tools.

For this purpose, in line with its transformation process, the Company created the Operations Digital Transform area in 2020 as part of the Strategy and Efficiency Division. This unit is in charge of all initiatives related to digitalization and new technologies, with an intersectional nature, as well as the implementation of projects in all the companies of the Group within Operations.

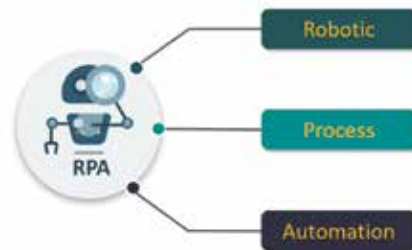


Featured case

RPA, Robotic Process Automation

RPA services were identified in 2019 as key elements to improve efficiency in many processes of the Company. Therefore, an agile service model has been implemented to robotize processes with UiPath. The main characteristics of this service are:

- **Automatization of desktop applications.** The purpose of this tool is to automatize repetitive tasks and thus minimize user intervention.
- **Removes the need for manual work** with no added value by the employee and thus increases productivity.
- **Interprets data and triggers responses,** and communicates with other systems to perform repetitive tasks.



During 2021, the Company has continued increasing the number of robotic processes; currently, over 3,400 robot hours have been carried out.



Featured case

RXana, analysis of X-ray images with artificial intelligence

In industrial projects, the analysis of welding X-ray images is a critical and necessary process carried out by highly qualified personnel. Any delays or errors in the detection of defects may entail major consequences in the projects. Because of this, Técnicas Reunidas is developing an artificial intelligence model to help experts detect faults.

RXana is an application that can be used to upload X-ray images. The application then predicts possible defects, and shows the results graphically so the expert can approve this prediction. It also provides certain tools to improve process productivity.

The first model has entered production now and it will be re-trained to improve the accuracy of the predictions.





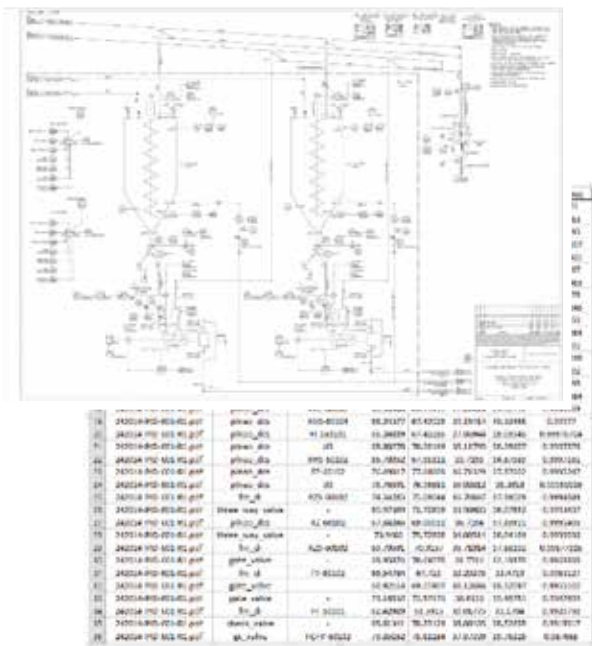
Featured case

Automatic detection of symbols in process diagrams

Técnicas Reunidas receives a lot of documentation from third parties. Particularly, the process and instrument diagrams require a lot of effort before being used by the engineering systems of the Company. It has been identified that automating the recognition of symbols in process diagrams improves the efficiency of the process significantly.

To approach this challenge, the Company is developing an artificial intelligence model capable of recognizing symbols in the same way a technician would, and add them to an inventory for future processing.

The proofs of concept have already been completed and the conclusion is that escalating this model would be feasible.



Featured case

Connected Work Site

Técnicas Reunidas has partnered with companies experts in GPS tracking of objects to develop connected works applications. This technology allows optimization of various processes on the site, and provides the following advantages, among others:

- **Equipment monitoring:** Tracks the exact location of objects at all times, to prevent loss and improve real-time analysis of their status.
- **People monitoring:** Improves access control, for improved health and safety efficiency, work group supervision, and monitoring of working hours.
- **Virtual access control to restricted areas:** Allows access control by selecting an area delimited by GPS coordinates. It activates control alarms in the event of unauthorized access to an area.
- **Site sensors:** Implemented using IoT (Internet of Things) sensors to allow communication between objects (such as machinery, scaffolding, and access points) on a site and the site personnel.

This system is already implemented in projects such as Marjan and Crisp, where they are currently contributing to improve the control and security of the project.





Featured case

ATR, Technical Remote Assistant

Swift communication and being able to solve technical incidents on-site is of vital importance for Técnicas Reunidas. For this reason, the ATR (Technical Remote Assistant) service has been commissioned. It serves the purpose of improving communication between technicians on site and engineering experts or suppliers using mobile devices and augmented reality goggles.

- **Mobile devices:** this service can be used with corporate smartphones or tablets, along with augmented reality goggles. Augmented reality goggles are used mostly for activities that require technicians to have more freedom with their hands.
- **Communication platform:** specific collaborative platform for industrial environments that allows for swift and easy communication between experts and technicians along with augmented reality technology to improve efficiency.



Featured case

Vendor App

Fully aware of the importance of the relationship and communication between providers and bidders, Técnicas Reunidas has developed the Vendor App, a tool aimed at digitalizing coordination with providers:

- **Centralized optimization and management:** Used to organize and manage the actions required by vendors and licensing bodies in projects from a centralized position.
- **Time management:** Schedule management and control of providers, enabling better coordination between departments and accurate times to call the vendor.
- **Budget control:** The application can be used to preserve and improve the cost of projects. Allows for real-time control of the budget versus the actual cost.



Featured case

KPI App

KPI App is a tool that can be used to gather information from different data sources and consolidate it in order to generate a history which can then undergo a performance, trend, and forecast analysis, as well as create reports:

- **Data collection and storage:** One of its features is automated data collection, calculation, storage, and traceability, and analysis of the data with PowerBI.
- **Intersectional work methodology:** Establishes a unique and intersectional methodology to measure performance indicators for all the areas and phases of an EPC project.
- **Analysis and reporting:** The tool can be used to calculate, issue reports, and store KPIs by project.





Featured case

DTWIN or Digital Twin

To meet the demands of its clients and to improve project handovers, as well as to be able to provide continuity in the operations and maintenance phase, Técnicas Reunidas needs a Digital Twin from the early stages of a project.

In this situation, the Company is implementing this technology in the SWS and Qatargas projects, within a framework of collaboration and support with Hexagon and Aveva. This implementation requires an effort for the standardization and governance definition of the data that different applications provide to DTWIN, so a data lake model is very useful.



Featured case

TRIA, Técnicas Reunidas' Artificial Intelligence

Técnicas Reunidas is working on the creation of TRIA, a digital human that is the core of an Artificial Intelligence that helps control projects based on Industry 5.0 concepts.

The main duties of TRIA are accelerating repetitive tasks and decreasing the cost of projects, conducting mass-analysis of projects using natural language. TRIA has evolved to an almost human-like appearance to make its interactions with people smoother.

Processes such as voice recognition, text-to-voice conversion, forecasts, classification, anomaly detection, and analysis of text such as contracts, correspondence, lessons learned and Golden Rules are centralized in a hub that manages a project intuitively and with an instant search feature. TRIA learns from the company's information and evolves as it uses it.

If a user issues a verbal or written question, TRIA understands it, analyzes the context, and provides results.

Its main duty is being cooperative. Maintaining good interdisciplinary communication is key for a successful project.



Featured case

PCMT, Purchasing Cycle Management Tool

Overall View Summary provides an overview of the situation of a project's requisitions, both globally and field-specific. Analyze the entire purchasing cycle, with a focus on:

- Information about milestones reached the previous week.
- Milestones expected the following week.
- Information on activities with temporary slip (and their situation).
- KPI of the purchasing cycle, to retrieve information about the deviation between the estimated duration of each part of the cycle and the actual time it took, which serves to identify bottlenecks.

Overall View shows information on each of the planned requisition supplements and can be used to:

- Create specific comments for a requisition supplement. These comments can be personal or shared with the rest of the staff involved in the project.
- Generate status reports on Excel, which is a fast and comfortable way of knowing whether there were any issues in any part of the purchasing cycle of each requisition.





Featured case
ESAM

Técnicas Reunidas has developed the collaborative portal with subcontractors within the ESAM application, which can be used to optimize all interactions with subcontractors in the implementation stage of a project, through the use of collaborative environments that optimize work flows along with the exchange of data and documentation.

Currently, the Company is developing the FEWOs management module (SFR). This portal is expected to include additional modules to manage digital communication and correspondence with the subcontractor, along with certificates, work reports, subcontracting scope reviews, etc. It will also include digital signatures to legitimize this digital relationship.



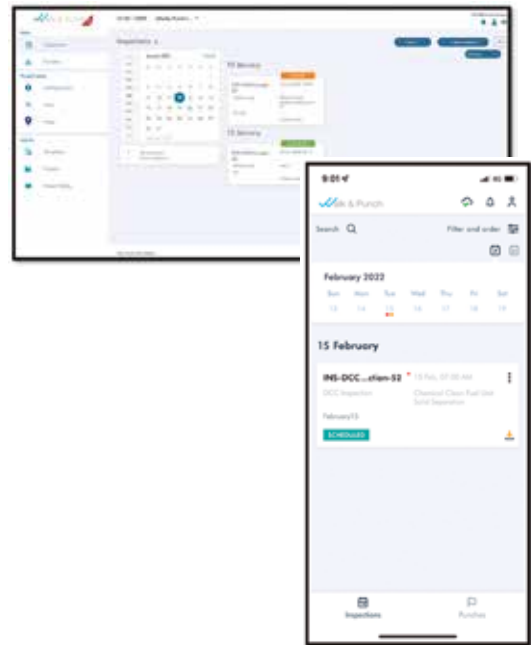
Featured case
Walk & Punch

Walk & Punch is used by Técnicas Reunidas' users, as well as subcontracted staff and clients, to manage faults in the project during an inspection.

It allows for planning and generation of system delivery walkthroughs for the client by digitalizing the elements to be checked and fault reporting using multimedia content (such as photographs with text or audio notes).

Inspections and walkthroughs are planned on the web application and any faults are managed from the mobile application during the inspection process itself.

Separate and configurable templates can be used to manage any faults during the entire execution of the EPC project, configuring fault transfers between phases in order to optimize traceability among different areas.





Featured case

SQMS, Site Quality Management System

An application in the Quality area to manage quality activities on a site.

It manages the definition and implementation of the Quality activities plan (ITP) to carry out with the various subcontractors selected for the project and with the client. The execution of these activities is recorded on the assigned QC forms, which can be filled in with a mobile device.

The main features are:

- Scheduling of testing and inspection (tasks)
- Management of test packages
- Planning Inspection requests (RFI)
- Execution of inspection and RFI closing process
- Automation of tasks based on closed RFI
- Reports



Featured case

ALEP, Project Equipment List Application

ALEP is divided into three modules:

Equipment List. With the following features:

- Connection with SPmat, which reports the status of the pieces of equipment in the list on Marian, whether they are in BOM, requisitioned, or purchased. Generates the file to import the equipment list into SPmat, after conducting the verifications required to minimize loading issues.
- Comparison report of the equipment list based on cut-off points generated by the project engineer. This report provides information about the trends of the values in different fields throughout the life cycle of the project.
- Mass-updating of data via Excel dumping.

Substances, which serves to manage the substances in the equipment. This module can also be used to generate comparison reports based on the cut-off points defined by the project engineers.

Hazardous, manages the danger level information of the equipment and has the following features:

- Enter danger level data for the equipment, both for a piece of equipment or for a substance/equipment combination (leak sources).

- Report: list of leak sources, list of noisy equipment, list of fire and gas, etc.
- Comparison reports of the values throughout the life cycle of the project.

A new application is being developed to manage and create data sheets of mechanical equipment (eDatashet), which in the future will communicate with ALEP in order to synchronize the data between both applications and generate technical tabulation from the application itself.



Main digitalization projects in 2021

Throughout 2021, Técnicas Reunidas has continued the development and implementation of several digitalization projects, the most important being:

<p>WPA Application (AdvanceWorkPackage)</p>	<p>SC360 (Smart Construction 360)</p>
<p>Monitoring of engineering documents grouped at “workpackage” level, filtering documents and reporting their issuance status. This tool can be used to adapt project execution to a work methodology widely followed by international clients.</p>	<p>Captures project progress and production using last-gen smartphones on site with geolocation information.</p>
<p>Walk & Punch</p>	<p>Task Intelligence</p>
<p>Planning and generation of system delivery walk-throughs for the client by digitalizing the elements to be checked. Reporting the faults detected with multimedia content (such as photographs with text or audio notes).</p>	<p>Task management by activating the departments involved using predefined workflows.</p>
<p>Vendor Apps</p>	<p>KPI APP</p>
<p>Optimization and centralized management of actions required by vendors and licensors in projects. Real-time monitoring of actual costs against budget.</p>	<ul style="list-style-type: none"> • Data collection from already implemented data sources and transformation of the data into a history that can be used to calculate and analyze performance, delays, trends, and forecasts. • Obtains data from Engineering and Procurement tools (IsoEdit, MCA, SPMA), Planning tools (PPA, Plan 4E, Primavera P6), and Production tools (PCS, SCA, PCA, EICA).
<p>Cost App</p>	<p>BI ACCESS POINT</p>
<ul style="list-style-type: none"> • Cost control of projects and generation of corporate reports. • Exclusive information organization system in a common model for intersectional analysis at different levels within the entire Company. 	<ul style="list-style-type: none"> • Tool for organization and publication of PowerBI reports with permission control and distribution groups. • Optimization of report organization by departments, groups, and labels, through a single access point for PowerBI reports, thus eliminating the need for individual user licenses.

Strengthening of information and communication systems to face the impacts of Covid-19

One of the most significant challenges facing Técnicas Reunidas during the pandemic and post-pandemic has been to keep its business going while ensuring health, safety and productivity by enabling the entire workforce to work remotely. All of this has been done while maintaining high quality standards, guaranteeing secure connections so as not to endanger the Company's information, and providing staff with collaboration tools to enable them to continue working in a remote and decentralized way, such as from their homes. In 2021, taking into account that the work-from-home option has been available for employees, new protection tools for secure browsing have been implemented for users when they are not covered by the security measures of the corporate network. This has allowed for a better control of the use of corporate devices by Técnicas Reunidas' employees, and a higher level of security against risks related to the use of online services.

Along these lines, there has been some progress in 2021 in a workplace virtualization project that will allow Técnicas Reunidas' employees to work from anywhere in the world, thus decreasing the demands for new devices and the effort for maintaining the systems (devices connected to a centralized virtual server). This project is also a step towards sustainability, as it will improve the useful life of desktop computers and laptops.

Within the context of the post-pandemic, Microsoft Teams has become the main collaboration tool at the Company to conduct work activities from any location using enabled mobile devices, either laptops, smartphones, or tablets, allowing employees to collaborate with their colleagues securely during the current pandemic. In 2021, over 200 employees have done specific training in the use of this tool.

Collaboration with clients and subcontractors to enable business continuity through the implementation of new technologies


- Participation with three different clients (INEOS, QATARGAS, and SAKARYA) for the creation of three Digital Twins aimed at implementing different types and obtaining a standard Digital Twin for Técnicas Reunidas that can be adapted to different clients. This would generate a custom-made methodology for Técnicas Reunidas to face new projects and provide a more reliable and trusted Digital Twin.
- Collaboration with EXXON for the analysis of the implementation of augmented reality technologies in different stages of the CRISP project, such as construction studies, construction phases, and delivery.



OTHER ASPECTS RELATED TO THE OPERATING ENVIRONMENT

Regardless of the evolution of the market, the activities of the Company may be affected by other factors related to other aspects of the activities.


Adaptation of Técnicas Reunidas to the trends in different fields related to its activities

	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	SECURITY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
<p>TRENDS</p> 	<ul style="list-style-type: none"> Contracting models that delay collections from clients (billing by milestones instead of progress, decrease in advance payments, delays in responses to claims, change orders, and increased volume of performance bonds). Increased fiscal pressures from governments to compensate deficits. Volatility of certain emerging currencies. Evolution of the USD, main currency of Técnicas Reunidas. Increased perceived risk by financial entities in the engineering industry. Uncertainty regarding the evolution of the economic cycle. OCDE regulation on taxation (BEPS). Clients' cashflow preservation policies. 	<ul style="list-style-type: none"> Uncertainty about the price of crude oil, which impacts investment decisions and the execution of projects. Uncertainty derived from the increased price of raw materials and transportation costs. Supply chain uncertainty due to logistic aspects (closed ports), lockdowns in specific areas (China), and difficulty procuring certain items, such as microchips. Geopolitical uncertainty. The Middle East, Russia, the United States, China, the United Kingdom, Latin America, and Northern Africa. Clients choosing turnkey projects often, which entails a greater risk for the contractor. Increased competition in turnkey projects. Increased litigiousness from clients and subcontractors. New client demands in project execution structures (e.g., joint ventures or revamping). Postponing critical negotiations with clients and providers to the later stages of a project. Clients' need to seek for funding for their projects. Commitment to process units with highly efficient designs, oriented to carbon capture, minimizing emissions, and reusing waste. Rescheduling of ongoing projects as a result of the pandemic and the increase in oil prices. Tendency to prioritize gas over oil. Commitment of some countries to the petrochemical industry and circular economy proposals. Increased use of digital technologies as a more efficient alternative to conventional in-person work. 	<ul style="list-style-type: none"> Adaptation of occupational safety requirements by countries in which construction projects are taking place. Greater demands from clients regarding the qualifications and requirements for on-site staff with health and safety responsibilities. Need for on-site practical training programs. Addition of new technologies for a better performance and follow-up of health and safety conditions in projects. Adaptation of safety and prevention requirements from health authorities in each country in relation with COVID-19. 	<ul style="list-style-type: none"> Increasing concern of clients regarding requirements of projects related to sustainability. More stringent environmental and social requirements from clients, the World Bank, financial entities, and ECAs. Increasingly demanding assessments by financial entities of social and environmental requirements. Increased regulatory pressure. Commitment to process units with highly efficient designs, oriented to carbon capture, minimizing emissions, and reusing waste, supporting a circular economy model.

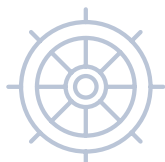
HOW HAS THE COMPANY PREPARED?



	FINANCIAL ENVIRONMENT	OPERATING ENVIRONMENT	SECURITY REQUIREMENTS	ENVIRONMENTAL REQUIREMENTS
	<ul style="list-style-type: none"> Maintenance of financing lines. Management of clients and providers (payment and collection deadlines, discounts, confirming). Development of policies aimed at allocating profits to the countries in which they are generated (BEPS). Exchange rate coverage policy via forward contracts. Development of a highly diversified pool of banks, with a strong presence of local banks. Negotiation of specific financing lines with the Spanish Association of Industrial Shares (SEPI). Rescheduling of implementation timetables and creation of margins. Expansion and diversification of sources of liquidity. 	<ul style="list-style-type: none"> Continue to monitor the optimization actions of the TR-ansform Plan aimed at optimizing the structure and improving efficiency. Diversification of products and geographical areas. Experience in sustainable markets. Selective management of potential projects. Greater integration with clients from the initial phase. Technical capabilities and proven experience to perform highly complex designs. Knowledge of local markets where the company carries out its projects, including relevant providers and dealers. Partnerships with competitors on specific projects. Support to clients in the search for financing including bank financing and insurance financing for export credit by Export Credit Agencies (ECAs). Renewal of the Risk Control System of the Company to have predictive analyses for key decision-making aspects, simplifying the methodology of the Risk and Opportunities Management System, which has gone from 227 categories in 4 levels to 93 categories in 3 levels (L1, L2 and L3), based on predefined criteria that take into account the maturity and probability of occurrence of each risk or opportunity. Boosting the economic approach of the operation and its projects by creating a Business Management and Control Division, the Project Economic Management and the Project Business Manager, with the objectives, among others, of improving the project's margin and cash flow by enhancing opportunities and mitigating risks, supervising project forecasts and providing the Regional and General Operations Departments with key economic information. Simplification and adaptation of the Report and Management Control to the new reality of Técnicas Reunidas, monitoring the economic performance of projects with key profits and loss and cashflow reports, thanks to the integration of two reporting areas, the elimination of reports and the homogenization of the entire reporting process and the unification of criteria in all key information. Creation of specific management control products for each project, such as the Economic Planning Report for Operations and Regional Reports on Objectives, Results and Cash flow, or monitoring and control reports, with ratios and alerts. These reports are issued 8 times a year. 	<ul style="list-style-type: none"> Implementation of a Criminal Compliance system that considers criminal risks. Training for project managers on international health and safety standards. Strengthening of collaboration between Human Resources and the departments involved in construction phases. Acquisition of specific software and transfer of periodic reports. Holding meetings about safety issues with critical suppliers. Linkage of 10 % of executive directors' variable remuneration to health and safety criteria. Continuation of the COVID-19 Monitoring Committee and implementation of specific measures to minimize the pandemic's impact on workers. Boosting the Transition Committee and preparation activities to turn it into a business unit. 	<ul style="list-style-type: none"> Strengthening the system to assess the capacity of local providers for social and environmental matters. Internal audits on environmental and social matters. Identification and monitoring of environmental risks and opportunities. Strengthening the system to assess the capacity of local providers for social and environmental matters. Linkage of 10 % of executive directors' variable remuneration to sustainability criteria. Leading position on climate change and trends in sustainability. Diversification of activities aimed at decarbonization.

	SUPPLY CHAIN AND SUBCONTRACTORS	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
<p>TRENDS</p> 	<ul style="list-style-type: none"> • Increased importance of sharing management processes and techniques along the supply chain with businesses inside and outside the industry. • Reduction in demand, which could reduce capacity and quality in the supplier market, and increasing financial risk, together with increasing noncompliance in quality and supply delays. • Growing geopolitical uncertainty. • Volatility in raw material prices and foreign currencies. • Selection of competitive assembly and construction companies. • Companies' protectionism toward local personnel. • Tendency to litigation by suppliers. • Delays in the global supply chain. 	<ul style="list-style-type: none"> • Importance of digitalization and use of new technologies to increase efficiency, provide faster response to clients, and decrease costs, among others. • Focus on raw materials, particularly certain materials deemed critical or strategic for relevant industries such as telecommunications, defense, and the aeronautical and energy industries. • Sustainability, environmental legislation and the circular economy as a clear business opportunity for the development of technologies related to waste management. • Emissions reduction in relation to greenhouse gases (NOx, N₂O) in regulations governing nitric acid plants. • Improved recovery of effluents with high nitrate levels at ammonium nitrate plants to minimize the risk of soil contamination. • Establishment of lines of collaboration with clients, partners, suppliers and subcontractors. • Increasing importance of energy transition technologies (e.g., green hydrogen and decarbonization). • Use of byproducts derived from energy transition technologies, such as hydrogen-derived green ammonia and ammonia by products, such as nitrate. • Increasing requirements from clients due to the emergence of the "digital twin" concept and the subsequent data standardization. 	<ul style="list-style-type: none"> • Quantitative and qualitative increase in the disclosure of non-financial information. • Classification of global economic activities under the Taxonomy criteria. • Entry into force of the European Taxonomy regulation. • Increased requirements regulatory compliance, including the fight against corruption, fraud, money laundering, and the financing of terrorism. • Impact on diversity in the Company's management bodies. • Increased activity of corporate governance bodies and the need to strengthen internal monitoring systems and risk management, including criminal risks. • Guarantee for equal treatment of shareholders and to take into consideration the concerns of other stakeholders. • Special consideration of sustainability as part of the decision-making process. • Increased requirements from all stakeholders regarding the fight against corruption and fraud, including money laundering and the financing of terrorism. • Demand for highly qualified human resources, who are skilled in management matters as well as client- and result-oriented. 	<ul style="list-style-type: none"> • Demand from clients for increasingly higher qualified human resources, who are skilled not only in technical aspects but also in management, monitoring, safety and quality assurance. • Consolidation of the Company's internationalization. • Increasing demands to maintain employment flexibility and work-life balance criteria.

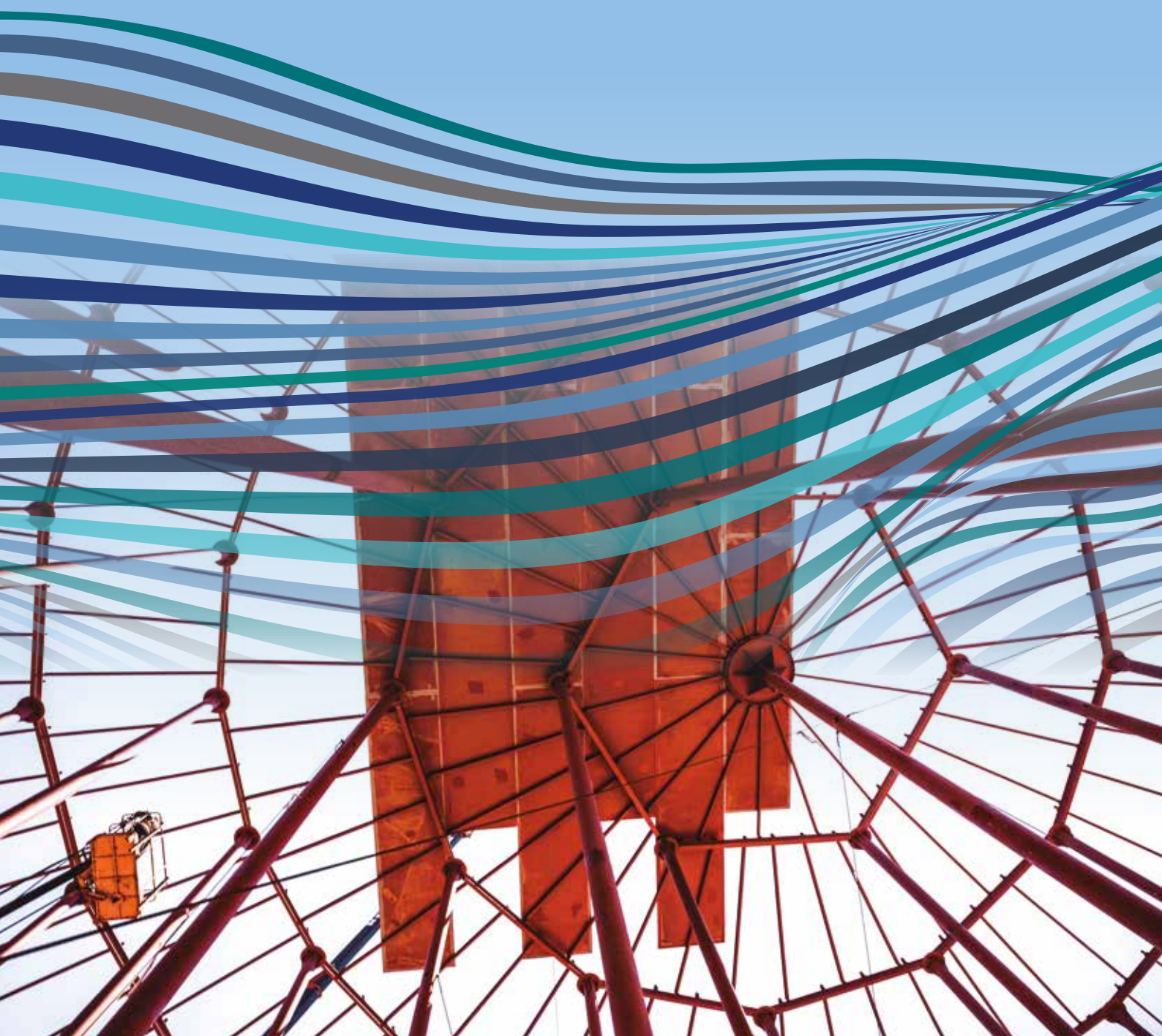
HOW HAS THE COMPANY PREPARED?



SUPPLY CHAIN AND SUBCONTRACTORS	INNOVATION AND NEW TECHNOLOGIES	GOVERNANCE AND SUSTAINABILITY	HUMAN RESOURCES
<ul style="list-style-type: none"> • Development of global technological tools for managing the supply chain, which can be adapted for use by other Group companies in different locations. • Strengthening of the synergy report with a greater focus on the financial status of suppliers. • Inclusion of historical price indicators for materials alongside spot market correction factors during the award procedure. • Optimized use of insurance to minimize raw material price volatility. • Management and monitoring of subcontractors carrying out assembly and construction activities, including micromanagement where required. • Expansion and updating of the Company's global database of subcontractors. • Technical and material analyses to ensure subcontractors' capacity to carry out construction work. • Subcontracting geared toward workshop tasks for priority categories, such as metal structures and pipework. • Incorporation of remote systems that enable the digitalization of processes such as workshop inspections, to reduce costs and time. 	<ul style="list-style-type: none"> • Proprietary developments in all areas of operations and in relation to energy transition (e.g., green hydrogen, carbon capture and CO₂ recovery). • Digitalization strategy for boosting competitiveness, adapting to clients' demands and optimizing processes. • Specialists in the management of R&D&I and expertise in the areas of development. • Provision of optimal technical solutions for the development of efficient industrial plants that enable clients to implement their sustainability and emission control and reduction strategies. • Upgrading of the José Lladó Technology Center, with specialized capacities and resources in strategic areas of research. • Contact with catalyst suppliers in relation to treatments for minimizing greenhouse gases in nitric acid plants. • In-depth analysis of projects in order to plan their management throughout the implementation period. • Introduction of virtual reality in the design and implementation of projects. • Ongoing technology monitoring and Economic Intelligence. • Agreements with electrolyzer technology experts to complement the production chain with proprietary ammonia-derived nitric and nitrate technologies, maintaining an active presence in the business of industrial ammonia plants. 	<ul style="list-style-type: none"> • Approval of new regulatory compliance policies. • Creation of a multidisciplinary European Taxonomy Committee within the Sustainability area to classify all the activities of the Company according to the criteria of this regulation. • Further sustainability actions both at a global level and for projects that are implemented through the Sustainability Policy and the Sustainability Plan, covering both global action principles and multiple coordinated and specific actions between the areas and departments of the Company. • Policies and commitments that strengthen commitment to diversity such as the Policy on Selection of Directors and Diversity for the Board of Directors of Técnicas Reunidas. • Consolidation of the role of the Board's delegated commissions and formal incorporation of the Risk and Management Commission. • Development and ongoing adaptation of internal documentation in line with best practices in corporate governance. • Oversight by governance bodies of fiscal risks and information security. • Strengthening of communication with the main stakeholders. • Reporting and verification of information on sustainability according to the most demanding standards. • Ongoing adaptation of the Management System for Criminal Compliance and the prevention of criminal risks. • Addition of parameters related to sustainability in the variable remuneration system: 20 % of total remuneration, 10 % linked to environmental aspects and 10 % related to health and safety. • Review of third parties to ensure they have a regulatory compliance culture, particularly regarding the fight against corruption and fraud. • Supervision by the Audit and Control Commission of the development and implementation of the Criminal Compliance Management System. • Third-party diagnosis of the suitability of the existing Compliance Management system with proposals for improvement where needed, particularly regarding the fight against corruption and fraud. 	<ul style="list-style-type: none"> • Increased importance of training oriented to management skills and competencies. • Ongoing training in technical aspects, innovation, and know how. • Globalization of human resource management in close collaboration with related departments and projects. • Multi-country management: adaptation of internal policies to local labor and tax regulations, as well as the local culture. • Development of tools to enable continuous analysis of the labor market and location of available high-level professionals. • Allocation of key personnel at the project design stage. • Ongoing analysis of the national and international labor markets to recruit and retain the best professionals in the industry. • More flexible working hours to allow for a better work-life balance, as well as personalized attention to requests to modify working hours due to family-related reasons.

4

BUSINESS MODEL AND STRATEGIC PILLARS



4.1 BUSINESS MODEL AND VALUE CHAIN

Técnicas Reunidas, is one of the leading international engineering companies providing high value-added services for the management, administration, engineering, design, procurement, construction, and start-up of complex industrial facilities in the energy sector, with over 60 years' experience across the globe.

The Company holds a strong position in the value chain of the clean fuels, petrochemical, natural gas, hydrogen, carbon capture and storage and bioenergy sectors, which reinforces its competitiveness and activities' stability. It also has a proven knowledge to perform projects of very diverse scope worldwide. This positioning enables it being situated as a key player in the energy transition, advocating for innovative solutions and technologies that facilitate a sustainable and efficient use of resources.

Its business model is based on the use of differential values such as commitment to sustainability, making the technical and technological capabilities of the Company available to its customers for the development of its own strategies and sustainability plans, customized according to the circumstances of each of these customers and the countries where the Company is present.



Técnicas Reunidas has a wide range of resources...

... which it uses and adapts for activities all along its value chain...

PEOPLE

- Multicultural teams and adaptation to different markets.
- Flexibility, client-orientation, and prioritization of safety.
- Continuous training for employees during all project phases. Established communication and feedback procedures.
- Establishment of communication and feedback processes.

⊕ For more information see the sections 6.2, 6.3 and 6.5

KNOWLEDGE AND TECHNOLOGY

- Experience in managing complex projects.
- Excellent design knowledge collected in standards, procedures, and methodologies.
- Knowledge of the global market of suppliers and subcontractors.
- Golden Rules* for those complex units with extensive experience.

⊕ For more information see sections 6.3 and 6.6

FINANCIAL CAPITAL

- Sound balance sheet.
- Cashflow maintaining policies.

⊕ For more information see sections 5.2 and 6.1

MATERIALS AND ENERGY

- Integration of sustainability and ecological management throughout a lifecycle of the projects.

⊕ For more information see section 6.4

RELATIONS

- A history of relationship with suppliers and sub-contractors and strict approval and monitoring process.
- Smooth and regular dialogue with all stakeholders.
- Establishing greater ties with major suppliers and subcontractors for value chain optimization.

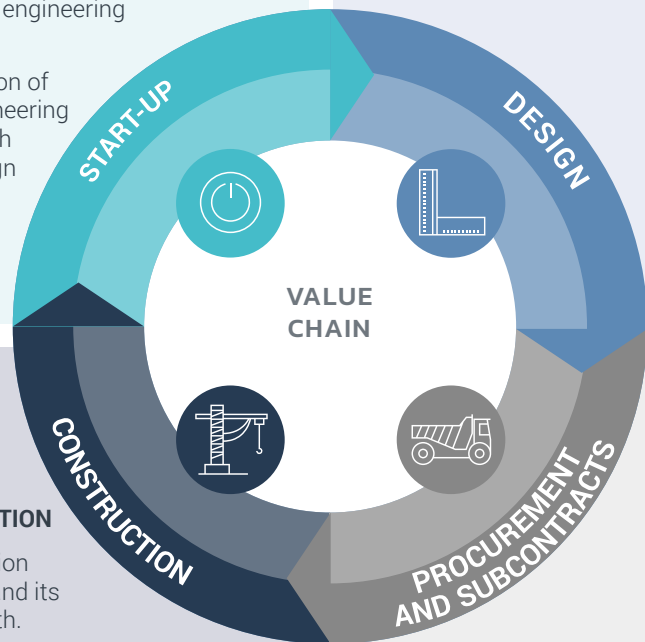
⊕ For more information, see sections 6.6 and 6.7

START-UP

- Delivery of turnkey projects.
- Development of pre-commissioning, commissioning and start up plans.
- Training of the customer to operate the plants.
- Analysis of start-up from the engineering phases.
- Integration of the engineering team with the design team.

DESIGN

- Conceptual engineering
- Basic Engineering.
- Front End Engineering Design (FEED).
- Detailed engineering.



CONSTRUCTION

- Construction planning and its critical path.
- Strategy and planning of critical construction activities.
- Materials management and construction activities.
- Relationship with the customer and economic valuation.
- Management of subcontractors (micro-management).

PROCUREMENT AND SUBCONTRACTS

- Management of procurement and subcontractors throughout the project cycle.
- Improvement processes with suppliers and subcontractors critical for construction.

Differential values of Técnicas Reunidas

- Commitment with sustainability.
- Providing the clients with technical and technological capacity of the Society to develop their proper sustainability strategies and plans.
- Customization depending on the circumstances of each client and the countries where the Society operates.

* The Golden Rules of Técnicas Reunidas are documents for internal distribution that collect the best practices and lessons learned for each Discipline that the company has developed for certain Process Units, in particular those of which it has greater experience. Based on the knowledge accumulated in its more than 60 years of history, the Golden Rules ensure that new projects with Process Units of this type benefit from a maximization of the effectiveness and quality of the works from the very launch of the Project.

... with the aim of generating value for its main stakeholders

SHAREHOLDERS

- Orientation of the activity to the creation of value.
- ⊕ For more information, see sections 5.1 and 6.1

CLIENTS

- Adaptation to their needs and fulfillment of commitments.
- Satisfaction guarantee and repeat business.
- ⊕ For more information, see sections 6.1 and 6.3

LOCAL COMMUNITIES

- Wealth generation in local environments (employment, development of capabilities, opportunities, etc.).
- ⊕ For more information see sections 6.1, 6.6 and 6.7

SUPPLIERS AND SUBCONTRACTORS

- Business generation and promotion of innovation.
- Support for internationalization.
- ⊕ For more information, see section 6.6

EMPLOYEES

- Encouraging their development.
- ⊕ For more information, see section 6.2



SECTIONS OF THE INTEGRATED REPORT REFERENCED:

- | | |
|--|--|
| 5.1 Governance model | 6.3 Innovation |
| 5.2 Risk management | 6.4 Excellence in environmental performance |
| 6.1 Control and management of financial capital | 6.5 Occupational health and safety |
| 6.2 Employees, the Company's most important assets | 6.6 Efficient supply chain management |
| | 6.7 Company relationship with the stakeholders |

SUSTAINABILITY

Commitment regarding sustainability that integrates environmental, social and governance criteria in the organization.

KNOWLEDGE

Making technical capabilities and technology available to customers for the development of their lines of business.

CUSTOMIZATION

Projects are carried out considering circumstances and needs of each client, adapting to the specific circumstances of each country.

4.2 STRATEGIC PILLARS

The Técnicas Reunidas Group's strategy is based on four fundamental pillars: methodology, diversification, quality, and safety.

TÉCNICAS REUNIDAS' 4 STRATEGIC PILLARS



Methodology and know-how

The methodology is based on the development, systematization, and correct use of all the knowledge (know-how) that Técnicas Reunidas has acquired since 1960 and is continuously acquiring in projects carried out across the globe.

This commitment to methodology makes it possible to develop the efficiency of work processes, an aspect in which the Company has been influencing in recent years.

In this pillar, both the excellent human capital of the Company, with highly trained professionals, and the innovation and digitization of work methodologies are essential, so are the aspects integrated into the Técnicas Reunidas' DNA, which makes it possible to have the precise technical solutions and human capital necessary to provide its customers with high added value services. They allow them meeting their sustainability objectives, in particular those related to the reduction of emissions from their production centers.



Diversification

The Company diversifies its customers, products, and geographical areas, contributing to sustainable growth and an effective energy transition.

Likewise, the Técnicas Reunidas has clients of recognized prestige that contribute to the consolidation of its presence in the market and that present a high recurrence rate.



Quality

Técnicas Reunidas has an impact on quality in all its processes (for which a correct selection of its suppliers and subcontractors is essential) to execute its projects in accordance with the requirements established in each case, and thus meet the needs of its customers, in particular with regard to sustainability aspects.



Safety

The Company promotes the creation of a specific corporate culture in occupational safety and health, promoting training processes for the workforce and encouraging their participation in the tasks of prevention and treatment of working conditions, promoting co-responsibility at the different levels of the organization.

STRATEGIC OBJECTIVES

The four strategic pillars aim to achieve the following objectives:

1 International presence of Técnicas Reunidas

The Company has focused in 2021 on consolidating its international presence in emerging and unripe markets, thus strengthening its competitiveness, and strengthening its reputation worldwide. The geographical diversification of Técnicas Reunidas increases its resilience in the face of complex market conditions, constantly evolving, and possible eventualities. It also allows to contribute to the well-being and development of local communities in all the countries in which the Company operates.

2 Risk mitigation

Risk reduction has always been key in the strategy of Técnicas Reunidas. The projects that the Company develops and executes are increasingly complex and demanding and, therefore, the risks it assumes. One of the lines of action has focused on reducing construction risk through robust internal protocols and the involvement and participation of strategic partners in certain regions.

3 Leadership in the energy transition

The Técnicas Reunidas projects provide essential products for the well-being of society with technologies that contribute to the decarbonization of the economy. The Company's commitment to the energy transition has accelerated the identification of new sustainable business opportunities and their growth as the development of plants that produce clean fuels, hydrogen and biochemicals and process natural gas.

4 Boost digitization and promote efficiency

The integration of digitization in the Company allows to improve the management and coordination of projects and the organization thanks to the use of technology and artificial intelligence, always with the highest ethical standards. On the other hand, analysis of the processes and their continuous improvement, establishing the annual targets aimed at performance improvement, as well as searching for synergies between the different areas is critical to create efficiencies and optimize the Company's processes, facilitating decision-making at all times.

5 Development of Spanish technological Hub

Técnicas Reunidas is committed to its center of excellence in Spain as an engine for the development, consolidation, and export of technologies to the rest of the world. Its technical knowledge and experience, introduced by both its employees and systems that form part of the Company, reinforce the leadership and competitive advantage of Técnicas Reunidas in the engineering sector. Therefore, during 2021, investment in the development of green technologies, the adaptation of methodologies to the digital world and the capture and retention of talent have been part of the Company's strategy.

5

RESPONSIBLE MANAGEMENT



5.1 GOVERNANCE MODEL

During 2021 Técnicas Reunidas has continued reinforcing its corporate governance model through important progress in the development of internal regulations. The Company follows best practices and has a transparent, strong, and effective governance system in decision-making which plays a key role for its stakeholders and long-term sustainable growth.

The Company has also generalized the use of videoconferences for meetings of its various governing bodies.

Técnicas Reunidas' contribution to SDGs



MAIN INDICATORS

INDICATOR	2021 FIGURES	PROGRESS 2020-2021
Independent directors (%)	50 %	=
Good Governance Code recommendations adopted (%) ¹	94.6 %	+ 1.7 p.p.
Business units analyzed from the perspective of ethics and integrity (%) [205-1]	70 %	=
Votes against items on the agenda of the Annual General Meeting (%)	1.5 %	+ 0.1 p.p.
Percentage of issues raised through the whistleblowing mechanism that have been resolved	77 % ²	+ 11.8 p.p.



MILESTONES 2021

- Consolidation of the videoconferences for meetings of the governing bodies and the holding of the General Meeting.
- Maintaining 50% of independent directors.
- Approval of the Sustainability Plan.
- Approval of the specific regulations of the delegated commissions of the Board of Directors.
- Maintain a high percentage of vote in favor on the agenda items of the General Meeting of Company's Shareholders.
- Modification of the Articles of Association, General Meeting and Board Regulations.
- Development of TPDD policies and procedures (integrity analyses for third parties including clients, partners, and suppliers).
- Review and disclosure of the Supply Chain Code of Ethics.
- Implementation of a whistleblowing tool, replacing the mailbox, which offers greater security and allows a complete management of the complaint and its documentation.
- Continue with the criminal compliance function deployment in those geographical areas when required by scope and business continuity and extend the due diligence procedures on the integrity of the operations on site.



2022 GOALS

- Implementation of the Sustainability Plan, in particular those actions to be developed in the short term.
- Approve policies for the development of the Company's Corporate Governance system.
- Maintain a high percentage of vote in favor on the agenda items of the General Meeting of Company's Shareholders.
- Increase the percentage of Female Directors of the Company.
- Approve a new Remuneration Policy for the Company's Directors.
- Establish a methodology or model for the quantification and management of environmental, social, and governance (ESG) risks, which allows having a map of ESG risks based on their impact and probability of occurrence.
- Review the materiality matrix of Técnicas Reunidas.
- Review and update the policies of the criminal compliance management system for its adaptation to international standards and best practices, based on the internal diagnostic work carried out in 2021.
- Updating the Corporate Code of Conduct according to the best practices of the Company's activity sector.
- Update of the Code of Corporate Conduct based on the best practices of the Company's sector of activity.
- Establishment of a global Anti-Fraud Policy.
- Obtaining the UNE 19601 Criminal Compliance Management System Certificate.

¹ Percentage of recommendations from the Good Governance Code for Listed Companies issued in 2015 by the National Securities Market Commission with which the Company fully or partially complies. Recommendations that do not apply to Técnicas Reunidas are excluded from the calculation.

² The remaining issues are under investigation.

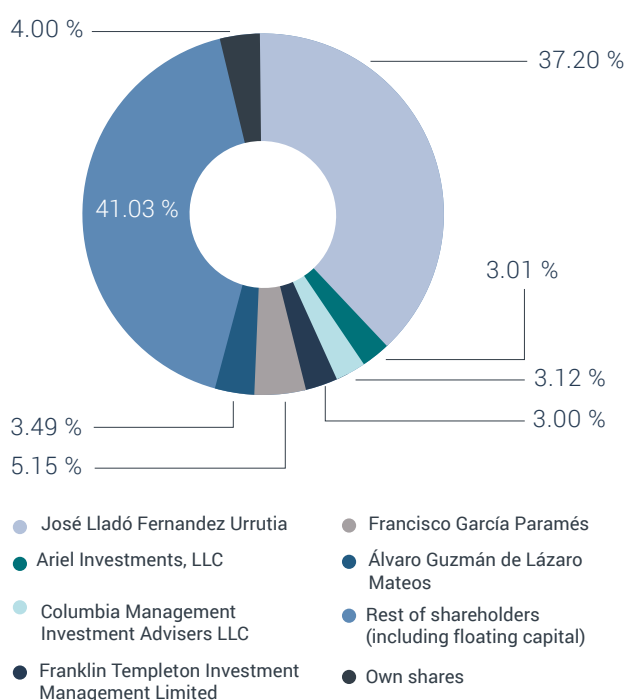
OWNERSHIP STRUCTURE

🌐 [102-5]

Técnicas Reunidas' share capital consists of 55,896,000 shares. 45.036 % corresponds to minority shareholders. The Board of Directors, meanwhile, holds 0.06 % of the shares, maintaining stability in the capital structure over recent years.

Técnicas Reunidas shares are listed on the Stock Exchanges of Madrid, Barcelona, Bilbao, and Valencia.

Técnicas Reunidas' capital structure
(as of 31 December 2021)



COMPOSITION AND FUNCTIONING OF GOVERNING BODIES

🌐 [102-18]; [102-22]; [102-23]; [102-24]; [102-26]; [102-28]; [102-29]; [102-30]; [102-33]; [405-1]

GOVERNANCE STRUCTURE

The main bodies that make up the governance structure are the General Shareholders' Meeting, the Board of Directors and its three delegated committees: the Audit and Control Committee, the Appointments and Remuneration Committee and the Management and Risk Committee. All these bodies have developed an intense activity during the 2021 financial year.

During 2021, Técnicas Reunidas has standardized the telematic format for holding meetings of these bodies. In particular, with regard to the general meeting, the Company has the corporate regulations, technical means, and procedures to allow the exclusively face-to-face, exclusively telematic or mixed format of the meetings, depending on the circumstances.



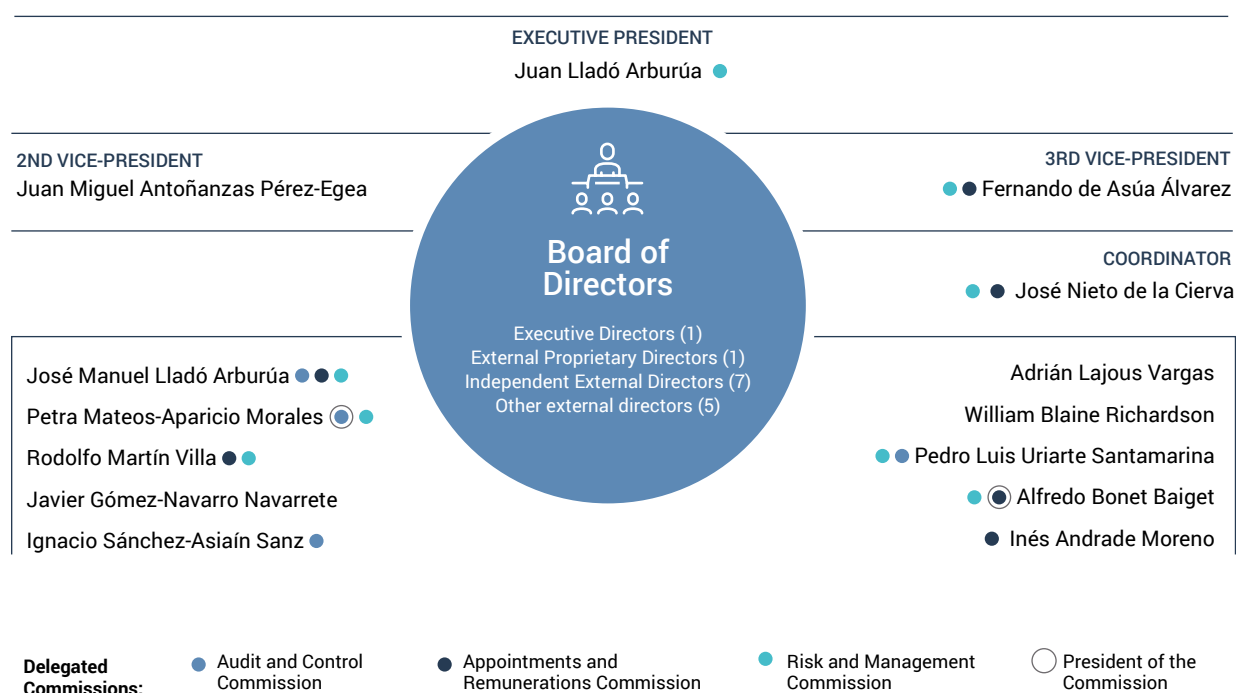
Annual Shareholders' General Meeting 2021. Main Agreements Adopted.

On June 29, 2021 Técnicas Reunidas held its Annual General Meeting via videoconference.

The main adopted agreements are the following:

- Re-election of PwC and Deloitte as auditors of the company and its consolidated group.
- Amendment of the Articles of Association and Board Regulations to adapt their content to the provisions of Law 5/2021.
- Delegation to the Board of Directors of the power to increase the share capital.

Composition of the Board of Directors of Técnicas Reunidas



The Board of Directors of Técnicas Reunidas has maintained its level of independence at 50 %.

BOARDS MEMBERS	POSITION	STATUS	FIRST APPOINTMENT	LAST APPOINTMENT
Juan Lladó Arburúa	President	Executive	5/10/2006	6/25/2020
Juan Miguel Antoñanzas Pérez-Egea	Vice-President	Other external member	5/10/2006	6/27/2018
Fernando de Asúa Álvarez	Vice-President	Other external member	5/10/2006	6/27/2018
José Manuel Lladó Arburúa	Director	Proprietary	5/10/2006	6/25/2020
Javier Gómez-Navarro Navarrete	Director	Other external member	5/10/2006	6/27/2018
William Blaine Richardson	Director	Other external member	6/22/2011	6/25/2020
Pedro Luis Uriarte Santamarina	Director	Independent	6/22/2016	6/25/2020
Petra Mateos-Aparicio Morales	Director	Independent	2/29/2016	6/25/2020
Adrián Lajous Vargas	Director	Independent	6/29/2016	6/25/2020
Alfredo Bonet Baiget	Director	Independent	6/27/2018	6/27/2018
José Nieto de la Cierva	Director	Independent	6/27/2018	6/27/2018
Rodolfo Martín Villa	Director	Other external member	6/26/2019	6/26/2019
Inés Andrade Moreno	Director	Independent	6/25/2020	6/25/2020
Ignacio Sánchez-Asiaín Sanz	Director	Independent	6/25/2020	6/25/2020

Técnicas Reunidas continuously adapts its corporate governance model to the latest legislative developments and best practices and recommendations in this area.

More information on the profile of each Board member is available at this link:
<https://www.tecnicasreunidas.es/sustainability/corporate-governance/board-of-directors/>

Self-assessment of the Board of Directors [102-28]

Técnicas Reunidas carries out an annual self-assessment of the performance of the Board of Directors and its Delegated Commissions, which allows us to know the details of its operation, consolidate those positive actions and design improvement actions in specific aspects.

In 2021, the evaluation was developed for the first time using the FEDCA approach, which assesses the functioning of the Council and the Commissions from the four axes of Functionality, Effectiveness, Decision and Capacities, where various sections are analyzed within each of these axes.

This evaluation has concluded that the main strengths of these corporate bodies are, among others, the high level of technical qualification and professional experience, professionalism with a deep financial, legal, and business knowledge, the good working environment, trust and recognition in the management team or total safety and assurance in the role of the General Secretariat.

For its part, this evaluation process has also made it possible to identify certain opportunities, among which we can highlight the reduction of its structure to between 10 and 12 Directors, giving greater importance to the independent directors, affecting its diversity, specializing in energy transition issues, intervening in health, environmental, social, regulatory and geopolitical risks, increasing the market and geopolitical competences applied to the business in the Competence Matrix or establishing a dynamic of individual training plans, per Director, according to their needs.



Main issues addressed by the Council and its Delegated Commissions

The Board of Directors and its delegated commissions held a total of 36 meetings in 2021. They had 100% attendance.

Main issues addressed by the Board and its Commissions during 2021:

- Drawing up of the Annual Financial Statements, Annual Corporate Governance Report and Annual Report on Directors' Remuneration.
- Special consideration of the aspects of Sustainability and Energy Transition.
- Analysis of the risks that may affect Técnicas Reunidas.
- Reinforcement of the information reported in the non-financial field and inclusion of a specific Taxonomy report in the Non-Financial Information Statement.
- Continuous monitoring of COVID-19 measures.
- Self-assessment of the Board of Directors.
- Analysis of the management structure of the Company, which led to the appointment of a CEO and a Deputy to the CEO in January 2022.
- Monitoring of the projects, operations, planning, financial efficiency of the Company and its Group and each of its projects.
- Impact of the operations and planning of the Company and its Group.
- Status of the financial efficiency and resources of each project of the Company and its Group. Policies for Investor Relations, Sustainability and Selection of Directors and Diversity in the Board of Directors.
- Analysis of the structure of the Board of Directors and review of the Succession Plan, which culminated in 2022 with the appointment of Vice President I and a new Chairman of the Audit and Control Commissions and preparation for the renewal of the Board at the General Shareholders' Meeting 2022.
- Approval of specific Regulations for each Commission.

Delegated Commissions

The Delegated Commissions play a fundamental role for the Company and its shareholders within the Company's Corporate Governance system.

COMMISSION PRESIDENT

Petra Mateos-Aparicio Morales ●

Pedro Luis Uriarte Santamarina ●

José Nieto de la Cierva ●

José Manuel Lladó Arburúa ●

Ignacio Sánchez-Asiain Sanz ●



For more information on the Audit and Control Commission's main activities during 2021, see the report available at the following link:

<https://www.tecnicasreunidas.es/sustainability/corporate-governance/#documentos>

Main activities in 2021

- Report favorably on the individual and consolidated financial statements, including the non-financial information statement.
- Periodically monitor the audit work progress, with external auditors appearing, where appropriate, to report on such issues as project estimates, the effects of Covid-19, the estimation of project cash flows or the audit work planning.
- Approve the Sustainability Plan.
- Receive regular information about the Company's system for internal control over financial reporting (ICFR).
- Analyze and supervise the efficiency of the internal control systems.
- Supervise the Company's corporate governance system, internal codes of conduct and sustainability.
- Supervise the monitoring, study and analysis of the process relating to the reinforcement of the financial capacity of the Company supported by SEPI ("State Society of Industrial Participations"), derived from the situation generated by Covid-19.
- Unanimously approve the Report on Linked Transactions.
- Receive regular information on the supervision of risk management and control.
- Supervise the operation of the Criminal Compliance Program.

COMMISSION PRESIDENT

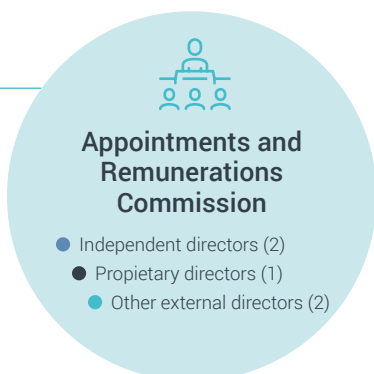
Alfredo Bonet Baiget ●

Rodolfo Martín Villa ●

José Manuel Lladó ●

Inés Andrade Moreno ●

Fernando de Asúa Álvarez ●



For more information on the main activities of the Appointments and Remuneration Commission in 2021, see the report available at the following link:

<https://www.tecnicasreunidas.es/sustainability/corporate-governance/#documentos>

Main activities in 2021

- To evaluate the skills, knowledge, and experience necessary for the Board of Directors and Delegated Commissions' composition.
- Ensure that corporate policies are oriented towards an objective of representation for the less represented gender on the Board of Directors.
- Evaluate in 2021 the variable remuneration of the Executive President for the performance of the 2020 financial year.
- Design the new training plan for Directors, agreeing to include, among others, training sessions on operations, energy transition or digital transition.
- Receive information from the Director of Human Resources of the Company on the situation of the Company's resources within the framework of the evolution and strategy of 2021.
- Raise the issue to the Board of Directors or report on proposals for the appointment of Directors.
- To propose the members to form part of each of the commissions and occupy other positions of the Board of Directors.
- Propose the remuneration policy for directors, general managers and all those who perform executive functions to the Board of Directors.
- Analyze the Group's plans in Human Resources.
- Report compliance with the parameters and indicators of the remuneration of the Executive Directors.

For its part, the Management and Risk Commission, created in 2020, due to its powers and its composition, can be considered an executive commission since it is headed by the Executive President of the Board of Directors and has the presidents of the other Delegated Commissions of the Board of Directors and the independent coordinating director (José Nieto de la Cierva) among its members.

COMMISSION PRESIDENT

Juan Lladó Arburúa ●

COMMISSION VICEPRESIDENT

Pedro Luis Uriarte ●



Petra Mateos-Aparicio ●

Alfredo Bonet Baiget ●

José Nieto de la Cierva ●

Rodolfo Martín-Villa ●

José Manuel Lladó Arburúa ●

Fernando de Asúa Álvarez ●

⊕ For more information on the Risk and Management Commission's main activities during 2021, see the report available at the following link:

<https://www.tecnicasreunidas.es/sustainability/corporate-governance/#documentos>

Main activities in 2021

- Monitoring of the evolution and management of the various projects of the Company.
- Analysis of the market and the opportunities it offers, the potential competitors of the Company and the situation of the contract awards and prospects.
- Study and analysis of Técnicas Reunidas energy transition strategy.
- Follow-up of the Energy Transition Committee.
- Follow-up of the new internal communication plan.
- Follow-up of economic, financial and treasury planning, including MARF programs.
- Monitoring, study, and analysis of the process relating to enforcing the financial capacity of the Company with the support of SEPI (State Industrial Ownership Corporation).
- Follow-up of the 2021-2024 strategic lines.
- Analysis of the Company's assets, management structure of human resources and general services. Periodically review the impact of the operations and planning of the Company.
- Analyse the situation of financial efficiency and resources of the projects undertaken by the Company and its Group.
- Analyse the commercial policy guidelines and the conditions of the most relevant proposals of the Company.
- Regularly monitor the Company's projects, with special focus on those ones which play the most significant role in economic, technical, or reputational terms.
- Develop and monitor the risk map for the Company and its Group.
- Analyse and report on the overall approach and strategy employed by the Company and its Group.
- With respect to all the above points, promoting the regulatory compliance system and related activities of the Company.



REMUNERATION AND PERFORMANCE MODEL [102-35]; [102-36]

Técnicas Reunidas has a remuneration model for the Board of Directors consisting of a fixed component and attendance allowances. Similarly, the model includes a variable component both in the short term, which considers aspects linked to sustainability since 10 % of its amount is related to environmental parameters and another 10 % to health and safety parameters, and another variable component in the long term.


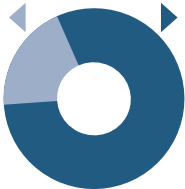
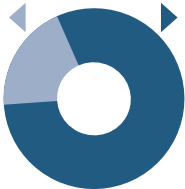
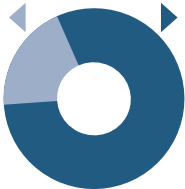

In 2021 Técnicas Reunidas submitted the 2020 Annual Report on Directors' Remuneration, in an advisory capacity, for the consideration of the General Shareholders' Meeting

of the Company. It was approved by the Shareholders with a percentage vote in favor of 99.59 %.

Due to the end of the term of the Directors' Remuneration Policy for the three-year period 2020-2022, the Company will include among the items on the agenda of the Ordinary General Meeting 2022 the approval of a new Directors' Remuneration Policy.


The Shareholders supported the Annual Report on Directors' Remuneration for 2020, with a percentage of votes in favor of 99.59 %.

Company highest governing body and senior executives' remuneration

GENERAL PRINCIPLES OF THE REMUNERATION MODEL	VARIABLE COMPONENTS OF REMUNERATION			
<p>Remuneration for the skills and responsibilities demanded by the role of Director, offering incentives for commitment without compromising its independence.</p>	<div data-bbox="927 976 1190 1048">  SUSTAINABILITY </div> <p>The Directors' Remuneration Policy incorporates sustainability criteria into the variable short-term component of the remuneration applicable to Executive Director, with the following parameters:</p> <div data-bbox="651 1173 1453 1361"> <table border="0"> <tr> <td data-bbox="651 1173 927 1272"> <p>Non-financial targets (20 %):</p> <ul style="list-style-type: none"> • Health and Safety (10 %) • Environment (10 %) </td> <td data-bbox="970 1173 1155 1361">  </td> <td data-bbox="1161 1173 1453 1301"> <p>Financial targets (80 %):</p> <ul style="list-style-type: none"> • Consolidated income (20 %) • Backlog (30 %) • Margin/EBITDA (30 %). </td> </tr> </table> </div> <p>The inclusion of non-financial objectives reinforces the commitment of Técnicas Reunidas to integrate environmental, social, and governance criteria in its business model.</p>	<p>Non-financial targets (20 %):</p> <ul style="list-style-type: none"> • Health and Safety (10 %) • Environment (10 %) 		<p>Financial targets (80 %):</p> <ul style="list-style-type: none"> • Consolidated income (20 %) • Backlog (30 %) • Margin/EBITDA (30 %).
<p>Non-financial targets (20 %):</p> <ul style="list-style-type: none"> • Health and Safety (10 %) • Environment (10 %) 		<p>Financial targets (80 %):</p> <ul style="list-style-type: none"> • Consolidated income (20 %) • Backlog (30 %) • Margin/EBITDA (30 %). 		
<p>Remuneration for service as a director.</p>	<p>LONG-TERM VARIABLE REMUNERATION</p> <p>The new Directors' Remuneration Policy has introduced variable long-term remuneration for the Executive Director, which improves alignment between his interests and the long-term interests of Técnicas Reunidas, while following the best practices of corporate governance and aligning the remuneration package for Executive Director with market practice in peers.</p>			
<p> For more information on the Remuneration Policy of the Directors of Técnicas Reunidas, please visit: https://www.tecnicasreunidas.es/wp-content/uploads/2021/05/PDF-7-Remuneration-Policy-of-Directors.pdf</p>				

The Company continues studying to introduce environmental, social, and governance criteria in the evaluation of the performance and variable remuneration of the members of the Management Committee (5-20 % of the weight), adapted to each area of responsibility.

		MEN	WOMEN
Directors' average remuneration	2021 (€) – Executive Directors ⁴	894,132.00	N/A
Directors' average remuneration	2021 (€) – Non-Executive Directors	174,477.37	147,670.00

⁴  For more information on the Remuneration Policy of the Directors of Técnicas Reunidas, please visit: <https://www.tecnicasreunidas.es/wp-content/uploads/2021/05/PDF-7-Remuneration-Policy-of-Directors.pdf>

MANAGEMENT MODEL FOR THE GOVERNANCE OF THE COMPANY

Técnicas Reunidas' governance model is based on the Group's corporate standards, including the Articles of Association, the Regulations of the Annual General Meeting, the Regulations of the Board of Directors, the Internal Code of Conduct in the Securities Markets, and the specific regulations of each of the Board's delegated commissions.

Técnicas Reunidas has gone to great lengths in 2021 to develop this regulation thanks to the approval of specific regulations of the Delegated Commissions, reflecting the importance that the Company and its Board of Directors give to corporate governance and sustainability.

This governance model considers, in addition to the applicable regulations, existing best practices, in particular those contained in the Code of Good Governance of Listed Companies.

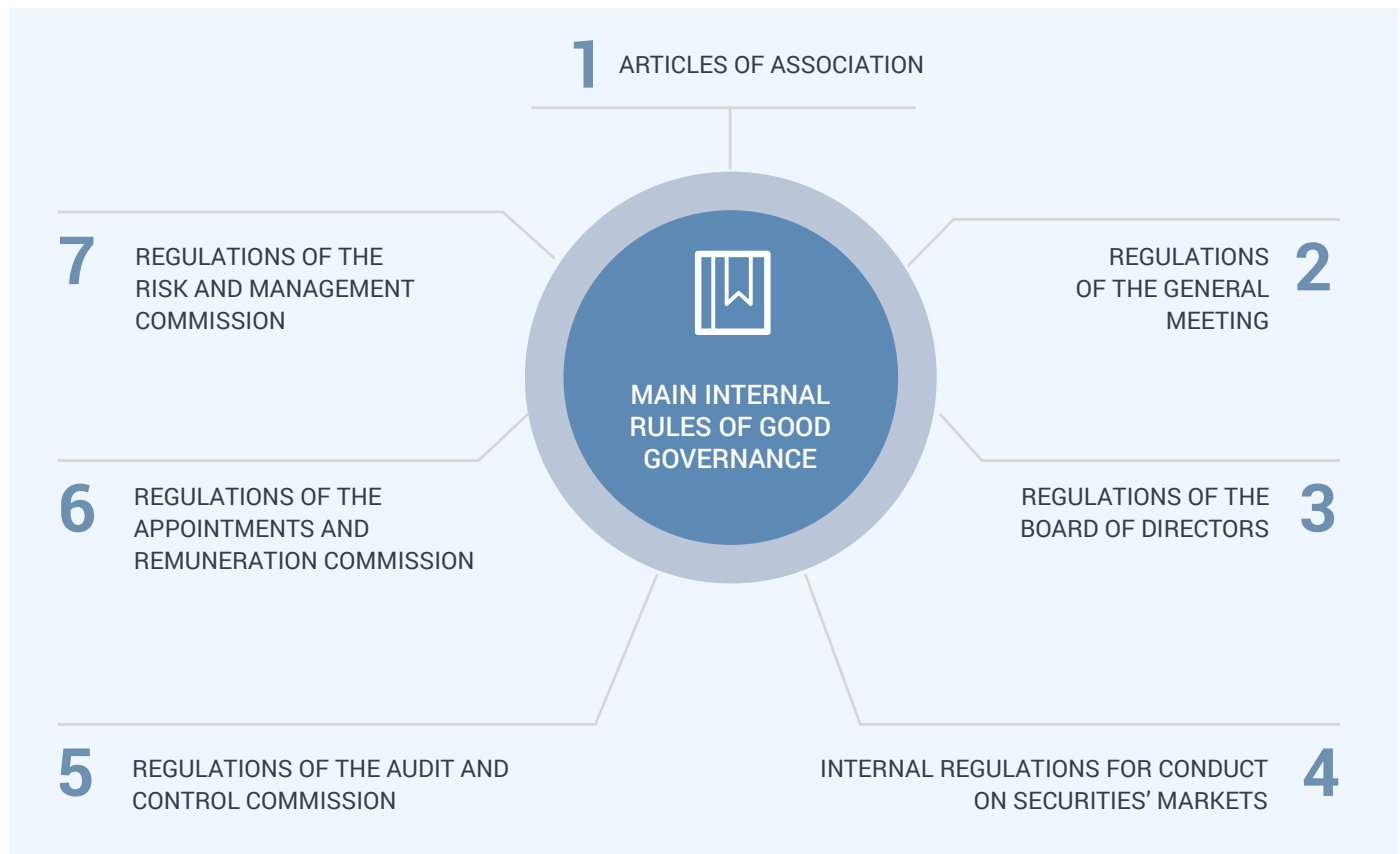
These regulations and powers are coordinated with the profile of the Company's Directors, which allow to analyze in details the Company's strategy in such key areas as sustainability, energy transition or digitization, to which both the Board of Directors and the Delegated Committees have paid special attention during the 2021 financial year. In particular, this year the Board of Directors has approved a Sustainability Plan that includes in

a coordinated manner the main actions of the Company in this field and specific commitments to be developed during the coming years, incorporating the commitment to reduce emissions by 30 % by 2030 and net zero emissions by 2040.

Both the corporate governance system of the Company and the actions developed during 2021 by its governing bodies are aimed at responding to the needs of its main stakeholders.

In the face of new year, the Company plans to increase the gender diversity of corporate bodies and approve new corporate policies, deepening these actions in the development of its governance model.

Both the corporate governance system of the Company and the actions developed during 2021 by its governing bodies are aimed at responding to the needs of its main stakeholders.



ESG ANALYSTS

Técnicas Reunidas is committed to a variety of initiatives that show its clear commitment to sustainability. In 2021 It was evaluated by various analysts and prestigious agencies, evidencing a clear improvement in its performance in ESG (environmental, social and governance) matters and information presented to shareholders and other stakeholders.

Among the rating agencies Vigeo Eiris stands out, whose scope of analysis exceeds 5,000 companies worldwide; Gaïa, a leading French rating agency in terms of sustainability and MSCI, which evaluates the performance of companies in terms of sustainability to help investors understand the ESG risks and opportunities.

In its turn, Técnicas Reunidas aims to increase the number of ESG analysts who will assess the company in the coming years. One can also highlight the commitment to national and international initiatives and alliances promoted by third parties in the field of sustainability.

During 2021 Técnicas Reunidas has been identifying the third parties which provide opinion or issue ESG ratings to investors regarding the Company's ESG performance, and which are

the main ESG indexes in which the company is eligible, prioritizing participation in the most relevant ones for its investment base and developing internal actions to improve its results in such actions. The Company has prioritized the response of analysts, agencies and ESG information providers that are more relevant to the company's current and desired investment base and that have greater impact or laid the foundation for responding to most of these indexes in 2022. Finally, Técnicas Reunidas has developed a plan for adherence to national and international initiatives or alliances promoted by third parties in the field of sustainability, determining participation criteria and carrying out an analysis of potential initiatives that are added to those that currently exist, such as the Global Compact or Club of Excellence in Sustainability. Thanks to its Sustainability Policy, the Company considers various actions related to ESG risks as a methodology to quantify and manage them, a map that classifies them based on their impact and probability of occurrence, the definition of specific management and mitigation plans for these risks and an evaluation procedure in the relationship with counterparties.

ESG ENTITIES WITH WHICH TÉCNICAS REUNIDAS COLLABORATES



ESG ANALYST	2020 OUTPUT	2021 OUTPUT	PROGRESS 2020-2021
Vigeo Eiris (0-100)	41	55	↑+14 percentage points
Gaïa (0-100)	60	77	↑+17 percentage points
MSCI (CCC-AAA)	N/A	A	N/A
CDP (D- a A)	(B/A)*	(B/A)*	=

* Climate change / Supply chain

INTEGRITY AND COMPLIANCE [102-16]; [102-17]; [103-2]

Técnicas Reunidas' Code of Conduct is one of its fundamental tools for preventing behaviours and activities that are contrary to its principles.

In order to strengthen integrity in its supply chain, the Company has a specific Code of Conduct for suppliers and subcontractors, detailing the minimum ethical, social, and environmental requirements.

It is the Regulatory Compliance Area that is responsible for disseminating, supervising, and improving the Criminal Compliance Management System, including the adoption of criminal prevention systems, as is the case with the management of the complaints channel.

The prevention of conflicts of interest within the Company has been one of the relevant aspects in the prevention tasks, annually collecting declarations of Conflicts of Interest from those employees or managers who play a key role from the point of view of compliance with the policies, rules, and laws applicable to the company.

The Company has a regulatory framework that includes policies and procedures that set the guidelines to be followed for its activity to comply with the highest standards of ethical conduct. Standards that go beyond what is legally established, and that are part of the Técnicas Reunidas' culture of compliance.

On the corporate website, a specific space has been enabled which embodies the codes of conduct and some of the basic elements making up the Criminal Compliance Management System.

During the 2021 financial year, the Company has been moving forward to a draft on Human Rights Policy in line with international best practices in this area, in order to proceed with its approval during the 2022 financial year. Likewise, through its Regulatory Compliance department, the Company has identified potential opportunities for improvement in the Company's Code of Conduct, considering the most prominent rankings in this regard and developed a plan to capture the opportunity for improvement in the coming years.

Técnicas Reunidas has a number of internal procedures and management tools to reinforce the commitments and responsibilities of the Company and all its employees.



For more information on the Supply Chain Code of Ethics: <https://www.tecnicasreunidas.es/wp-content/uploads/2021/10/PCN-008-001-04-Supply-Chain-Ethics-Code.pdf>



For more information and documents on ethics and conduct: <https://www.tecnicasreunidas.es/sustainability/ethic-compliance/>

Ongoing improvement of the Crime Prevention System

Since 2017 Técnicas Reunidas has had a Criminal Compliance Management System developed based on the principles and values contained in its Code of Conduct and the establishment of different policies, procedures and controls aligned with the highest standards in terms of detection, prevention and mitigation and capacity to respond to non-compliance risks, including criminal risks.

During 2021 financial year, the Due Diligence procedure regarding the integrity of third parties has been reinforced.

In addition, training sessions have been held on the criminal liability of the legal entity and administrators.

In this context, in order to adapt to the situation caused by Covid-19 and for the possibility to give continuity to training as a basic pillar of the dissemination of the criminal prevention system, several reforms of the training model have been implemented. To this end, online courses have been developed and migrations to operating platforms from the point of view of e-learning have been made.



WHISTLEBLOWING CHANNEL

🌐 [102-17]

During 2021 financial year and with the aim of adapting to the European Directive on the protection of the Whistleblower and best practices in this matter, the Company has made available a new, safer, and more integrated tool that allows, among other issues, the submission of anonymous complaints. This tool has been made available to both employees and third parties with whom Técnicas Reunidas is related and can be accessed through its website.

In the period 2021, a total of nine complaints have been received through this channel, of which seven have been resolved to date, the rest are under analysis and investigation.

None of the complaints was related to respect for freedom of association, the right to collective bargaining, discrimination in terms of employment and occupation, forced, compulsory or child labor, and there was no impact on the Company, given that they have all been duly managed.

⊕ For more information on the Complaints' Channel of Técnicas Reunidas, please visit: <https://www.tecnicasreunidas.es/sustainability/ethic-compliance/>



SPECIAL CONSIDERATION ON TÉCNICAS REUNIDAS' SUSTAINABILITY

The 2021 financial year has allowed Técnicas Reunidas consolidating sustainability as one of the Company's strategic pillars, prioritizing activities that contribute to the achievement of the Sustainable Development Goals, in particular those in which the Company has a greater potential for contribution.

The technical and technological capabilities of Técnicas Reunidas make it an essential actor to promote sustainable development, both in terms of its own activity and through its relationships with its stakeholders, such as its customers.

Indeed, the Company's Customers need to develop their own sustainability and transition policies, with efficient facilities. The Company can meet these Customers' needs thanks to its high technical and technological qualification, proposing sustainable, efficient solutions in all areas of energy production, including areas that will have a great development in the coming years such as hydrogen production or carbon dioxide capture.

Another essential element in Técnicas Reunidas' activities is its contribution to communities in the Group's operational locations, an area in which the Sustainable Development Goals provide the most important benchmarks for decision-making processes (see next subsection).

The Sustainability Policy, approved in 2020, has served as a framework for the development in 2021 of a Sustainability Plan that coordinates the action of all areas in this field and establishes short- and medium-term goals on which the Company will report in a timely manner. Among these objectives, it is worth mentioning the creation of a specific Sustainability unit, integrated into the Board of Directors Secretariat.

Finally, the work of continuous improvement and development of the Sustainability Plan carried out by Técnicas Reunidas is relevant, for its adapting to those changes that the company may experience, seeking especially to meet the expectations of the main stakeholders.

In 2021 Técnicas Reunidas approved a Sustainability Plan with specific actions in all the areas.












TÉCNICAS REUNIDAS' COMMITMENT TO THE SUSTAINABLE DEVELOPMENT GOALS

The technical and technological capacity of Técnicas Reunidas allowed identifying Goals 7, 9 and 13 as priority: the ones where its performance brings more meaning, they refer to ensuring access to affordable and clean energy; building resilient infrastructure, promoting inclusive and sustainable

industrialization, and innovation, as well as fight against climate change, respectively.

In the same way, the Company's activity allows impacting other objectives, as indicated in the following table.

CONTRIBUTION TO THE ACHIEVEMENT OF THE SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals and Objectives	How is Técnicas Reunidas contributing to their achievement?	Key messages on Técnicas Reunidas' contribution in 2021
<p>1 NO POVERTY</p>  <p>"END POVERTY IN ALL ITS FORMS EVERYWHERE"</p>	<ul style="list-style-type: none"> Promoting contracting with local subcontractors and suppliers with the aim of creating a positive socio-economic impact in the areas where it operates. Incentivising and training suppliers and subcontractors in order to improve their performance and enhance their competitiveness, contributing to better business opportunities in the future. <p> For more information, see section 6.6 Efficient Supply Chain Management.</p>	<p> 1,870 million EUR in purchasing from local suppliers and subcontractors in 2021.</p>
<p>3 GOOD HEALTH AND WELL-BEING</p>  <p>"ENSURING HEALTHY LIVES AND PROMOTING WELL-BEING FOR ALL AT ALL AGES"</p>	<ul style="list-style-type: none"> Making a decisive commitment to occupational health and safety as a strategic pillar. Helping to minimise occupational accidents and diseases by means of a sound Occupational Health and Safety System which extends to subcontractors and is certified to standard ISO 45001. Establishing annual occupational safety targets which are increasingly demanding and ambitious, reaffirming Técnicas Reunidas' commitment in this area. Providing occupational health and safety training for employees and subcontractors and reinforcing the Company's safety culture through awareness campaigns. <p> For more information see section 6.5 Occupational Health and Safety.</p>	<ul style="list-style-type: none">  Maintenance of accident rates below the Company's objectives.  Successful completion of the first follow-up audit based on the ISO 45001 standard of the Occupational Health and Safety System of Técnicas Reunidas.
<p>4 QUALITY EDUCATION</p>  <p>"ENSURING INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTING LIFELONG LEARNING OPPORTUNITIES FOR ALL"</p>	<ul style="list-style-type: none"> Offering training adapted to employees' needs in order to help them maximise their skills and boost their professional development. Establishing agreements with universities and research centres to offer internships to students, optimising their employability and aiding their integration into the labour market. Supporting institutions and initiatives which promote education in the field of sustainable development and the efficient use of energy. Carrying out specific training actions in STEM matters. <p> For more information, see section 6.2 Employees, the Company's most important assets and section 6.7 Company relationship with the stakeholders.</p>	<ul style="list-style-type: none">  13.29 average annual training hours per employee.  Collaboration with various institutions in the fields of culture, science, research, and education.

CONTRIBUTION TO THE ACHIEVEMENT OF THE SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals and Objectives	How is Técnicas Reunidas contributing to their achievement?	Key messages on Técnicas Reunidas' contribution in 2021
<p>7 AFFORDABLE AND CLEAN ENERGY</p>  <p>"ENSURING ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE, AND MODERN ENERGY FOR EVERYONE"</p>	<ul style="list-style-type: none"> • Developing efficient energy infrastructures for our clients which enable them to provide clean, affordable energy supplies. • Collaborating in R&D&I projects which help to achieve a more efficient use of energy resources and which promote the development of low-cost environmentally friendly batteries for electric vehicles. • Offering solutions in the field of energy transition that allow decarbonizing the economy such as the development of hydrogen production facilities. • Increasing the use of renewable energy in offices. <p> For more information, see section 6.3 Innovation.</p>	<ul style="list-style-type: none"> ▶ Upgrading of industrial plants for optimisation and sustainable operation. ▶ R&D&I projects focused on sustainable action (ZINCEX™ y PHOS4LIFE™).
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>  <p>"PROMOTING INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND EFFICIENT EMPLOYMENT, AND DECENT WORK FOR EVERYBODY."</p>	<ul style="list-style-type: none"> • Offering job opportunities to engineers and other STEM profiles. • Adopting a global approach to the management of human resources in order to align the policies implemented by the Company. • Encouraging the development of local business networks, promoting local purchasing, and subcontracting within the framework of projects and training professionals from the local community to enhance their employability. Promoting inclusive and sustainable economic growth and decent work for everyone. <p> For more information, see section 6.2 Employees, the Company's most important assets and section 6.7 Company relationship with the stakeholders.</p>	<ul style="list-style-type: none"> ▶ Over 42,300 people, mainly from subcontractors, worked on the Company's projects. ▶ 74 % permanent contracts within the Company. ▶ About 5 interns hired.
<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p>  <p>"BUILDING RESILIENT INFRASTRUCTURES, PROMOTING SUSTAINABLE AND INCLUSIVE INDUSTRIALISATION, AND FOSTERING INNOVATION"</p>	<ul style="list-style-type: none"> • Developing technologies and processes that optimise the sustainable performance of industrial plants and have less environmental impact by means of reduced greenhouse gas emissions, efficient use of resources and optimisation of generated waste. • Having its own technological center and collaborating with third parties in R&D&I projects related to the mass storage of energy, the recovery of metals from waste or petrochemicals from biomass. • Promoting the decarbonization of the economy. <p> For more information, see section 6.3 Innovation.</p>	<ul style="list-style-type: none"> ▶ More than 4 million EUR dedicated to R&D&I. ▶ 47 professionals dedicated to R&D&I.
<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>  <p>"MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE"</p>	<ul style="list-style-type: none"> • Encouraging circular economy activities. • Reducing the environmental impact of waste generated and air quality. • Promoting the preservation of cultural and natural heritage. • Developing technologies to make cities more resilient (e.g., with innovation projects in the field of energy storage). • Promoting effective waste management. <p> For more information, see section 6.3 Innovation and section 6.4 Excellence in Environmental Performance.</p>	<ul style="list-style-type: none"> ▶ Reduction of CO₂ emissions by 30 % between 2019 and 2030. ▶ Net-zero in 2040. ▶ Exclusive consumption of energy from renewable sources in all offices in Spain.

⁵ The calculation of emissions takes into account the Company's Scope 1, 2 and 3 carbon footprint.

CONTRIBUTION TO THE ACHIEVEMENT OF THE SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals and Objectives	How is Técnicas Reunidas contributing to their achievement?	Key messages on Técnicas Reunidas' contribution in 2021
<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p>  <p>"ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS."</p>	<ul style="list-style-type: none"> • Ensuring sustainable production patterns. • Making a commitment to the circular economy. • Promoting the responsible use of natural resources among employees, suppliers, and subcontractors. <p> For more information, see section 6.4 Excellence in Environmental Performance.</p>	<ul style="list-style-type: none"> ▶ Certified Environmental Management System (ISO 14001:2015) implemented for 100 % of business processes.
<p>13 CLIMATE ACTION</p>  <p>"TAKING URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS"</p>	<ul style="list-style-type: none"> • Developing proprietary technologies for reducing the NO₂ and NO_x generated during the nitric acid production. • Optimizing the use of energy resources in the Company's activities through actions such as energy audits, preventive maintenance of machinery, and energy-efficient lighting and IT equipment. • Delivering transparency in the Company's reporting on its performance with regard to climate change and participating in initiatives such as CDP-Climate Change. • Promoting the need to combat climate change in all corporate areas. <p> For more information, see section 6.3 Innovation and section 6.4 Excellence in Environmental Performance.</p>	<ul style="list-style-type: none"> ▶ Participation of Técnicas Reunidas in the Shine-Fleet project, whose objective is to develop the technologies used for the supply of hydrogen generators for the heavy transport industry. ▶ Score of A- and B in CDP (supply chain and climate change), with which the Company continues to demonstrate its firm commitment to fight against climate change.
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>  <p>"PROMOTE JUST, PEACEFUL, AND INCLUSIVE SOCIETIES"</p>	<ul style="list-style-type: none"> • Adhering to a Code of Conduct that reflects the Company's commitment to acting in accordance with the law, human rights, and internationally accepted ethical practices throughout its operations. • Developing and applying the Criminal Prevention Management System in all its activities. • Providing a specific whistleblowing mechanism through which anyone can report activities which contravene the Company's ethical and regulatory framework and other applicable legal requirements. 	<ul style="list-style-type: none"> ▶ 100 % of employees are informed about the Code of Conduct. ▶ Code of Conduct in place for Suppliers and Subcontractors.
<p>17 PARTNERSHIPS FOR THE GOALS</p>  <p>"REVITALISING THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT"</p>	<ul style="list-style-type: none"> • Cooperating with global experts on sustainability. • Aligning the Sustainability Policy with the SDGs. • Commitment to continue enforcing the monitoring of its contribution to the SDGs over the coming years and define new actions toward their achievement. <p> For more information, see section 6.7 Company relationship with the stakeholders.</p>	<ul style="list-style-type: none"> ▶ Active collaboration with entities such as the Global Compact, SERES, CDP, or the Club of Excellence in Sustainability.

5.2 RISK MANAGEMENT [102-15]

Técnicas Reunidas has procedures and tools that help it to identify, prevent, minimize and manage the risks associated with its activity.

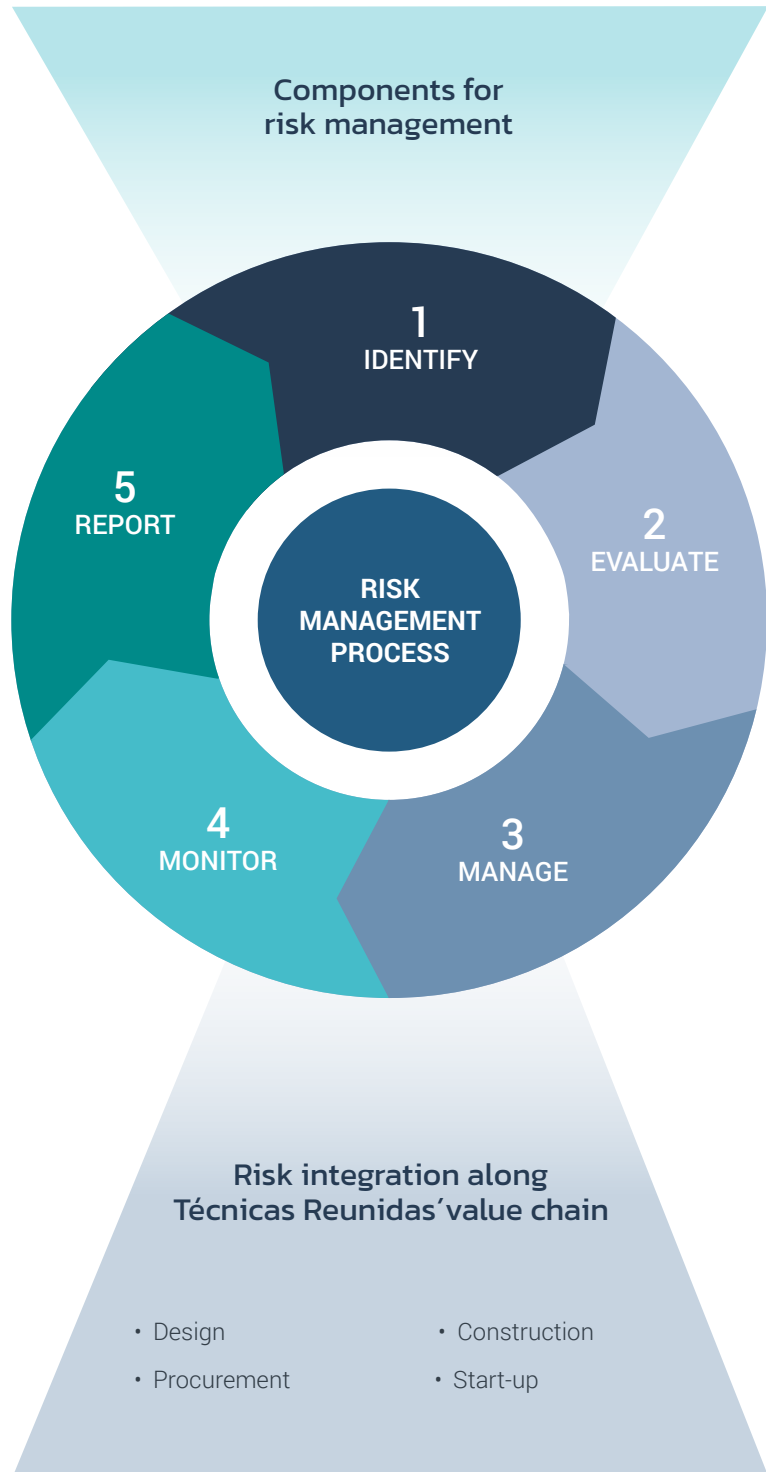
The comprehensive methodological framework of risk management covers all areas and projects of the Company, thus improving the monitoring and control of these risks.

Using this comprehensive framework, a catalogue of key risks has been compiled, identified in accordance with internationally recognised COSO 2013 methodology.

Técnicas Reunidas has adopted a set of management policies for each identified risk, including:

- Procedures to mitigate risks related to the nature of projects - careful selection of projects, policies for diversifying geopolitical risks, policies for maintaining the technical capability necessary to implement projects, policies for sharing project risks with third parties, maintenance of insurance cover and contracting methods which ensure the quality of suppliers, etc.
- Procedures related to the economic management of projects: managing risks of foreign exchange, liquidity and tax.
- Procedures related to Occupational Health and Safety- policies, procedures and regular system reviews.

Below, there goes the description of the main operational risks of the Company, including non-financial areas such as environment, health and safety, personnel and reputation. For each of these risks, the Técnicas Reunidas’s management mechanisms are summarised.



MAIN OPERATIONAL RISKS AND MANAGEMENT MECHANISMS AT TÉCNICAS REUNIDAS

RISK	DESCRIPTION	MITIGATION AND MANAGEMENT MECHANISM
<p>PROJECT COST VARIATIONS</p>	<p>Multiple stakeholders can impact on a variation of cost estimates in turnkey projects (a total price is closed at the beginning while execution costs may suffer deviations), such as the volatility of raw material prices, changes in the scope of projects, the performance on time and quality of construction and assembly subcontractors, the litigation of customers and suppliers, geopolitical decisions with immediate impact or weather conditions, among others. The post-Covid-19 environment has increased the incidence of all these factors.</p> <p>The evaluation of all these factors requires a high level of judgment and estimation.</p> <p>Failure to meet delivery deadlines may entail compensation for the client.</p>	<ul style="list-style-type: none"> • Development of new contracting methods to mitigate risks. • Inclusion of indemnity clauses in contracts with suppliers and subcontractors. • Intensive procurement, during the first months of implementation, of any equipment which is both critical and highly sensitive to changes in the cost of raw materials. • Use of derivatives that enable certain essential raw materials and equipment to be purchased. • Distribution of the execution of the work between several subcontractors and consideration of subcontractors at the early project stage. • Increase in supervision of construction and assembly contractors. • Inclusion in budgets of a contingency for deviations. • Use of guidance from external advisers in the preparation of estimates and judgments. • Close monitoring of project implementation deadlines to detect delays, allowing for the implementation of mechanisms for acceleration and mitigation of the risk of penalties.
<p>CRUDE OIL PRICE FLUCTUATIONS</p>	<p>The price of crude oil is one of the factors that affects decisions on investment, contract procedures and project implementation by the Group's clients, as well as suppliers, competitors and partners.</p> <p>The Group's commercial activity depends on the investment by our clients.</p>	<ul style="list-style-type: none"> • Predominance of NOCs (National Oil Companies) over IOCs (International Oil Companies) in the portfolio (since these companies include factors besides those which are purely economic, such as geopolitical and social criteria, in their decision-making processes). • Diversification of products and geographical areas. • Mitigation of risks with clients and suppliers through the early detection of any issues that might involve modifications to the contract price.



MAIN OPERATIONAL RISKS AND MANAGEMENT MECHANISMS AT TÉCNICAS REUNIDAS

RISK	DESCRIPTION	MITIGATION AND MANAGEMENT MECHANISM
IMPLEMENTATION OF PROJECTS IN MULTIPLE GEOGRAPHICAL AREAS	<p>TR projects are developed in multiple geographical areas, each of which presents a different risk profile to mitigate: political and social tensions, locations with limited access, limited legal certainty, requirements in relation to local content, growth in the tax burden in all the geographical areas where the Group develops its activity or complexity of the margin allocation process in projects developed simultaneously in multiple geographies.</p> <p>The implementation of projects for the first time in a particular geographical area increases the risk of deviations in margins.</p>	<ul style="list-style-type: none"> • Project selection based on a detailed analysis of the client and the country, establishing a local presence before submitting bids, as well as other aspects such as project-specific margins and risks. • Analysis of the tax implications of the projects, always counting on the consulting of reputable top-level firms, and monitoring of the regulations and VAT position of the projects. • Use of modular construction schemes in geographical areas where labor shortage or site conditions allow savings to be made compared to other options. • Inclusion in contracts, whenever possible, of referral of disputes to courts or arbitrators in countries in which Técnicas Reunidas has experience. • Inclusion in contracts, whenever possible, of clauses that allow price revisions in the event of amendments to the law. • Flexibility to adapt to local content requirements. • Development of BEPS policies. • Internal Fiscal Risk Guidelines establishing the Group's tax strategy and internal procedures for fiscal risk management, including training actions and internal investigation plans. • Tax strategies to minimise risk are defined at the bidding phase with the help of local advisors, including within the Group's regular markets. • Tax settlements are monitored during the implementation phase, with the support of local advisors, identifying any unforeseen events or deviations from the initial strategies and making corrections as appropriate with the support of the Operations area.
CONCENTRATION ON A LIMITED CLIENT BASE	<p>The portfolio may at certain times reflect a high concentration on a small number of clients or specific countries or suppliers.</p>	<ul style="list-style-type: none"> • Concentration only in markets where the Group has enough previous experience. • Diversification policy which allows the Company to access to highly disparate markets. • Development of commercial activity with new clients and in markets in which Técnicas Reunidas is not yet active. • Construction fragmentation strategies and diversification in terms of several local and international suppliers.
ENVIRONMENTAL AND SAFETY REQUIREMENTS	<p>The Company performs projects where incorrect implementation could lead to risks with significant impact on environment or sensible risks in occupational health and safety area.</p> <p>Técnicas Reunidas works in its control and minimization collaborating with its clients, subcontractors and suppliers in this area.</p>	<ul style="list-style-type: none"> • Existence of a Sustainability Policy and Plan and implementation of consistent measures. • Existence of an Environmental and Safety Management System as per ISO 45001 certification in Técnicas Reunidas. • Assurance of environmental management from the engineering stage and extension of this assurance to suppliers and subcontractors through audits and training. • Strengthening of safety in processes from the design stage. • Promotion of occupational safety among suppliers and subcontractors. • Updating of the HSE Policy (ISO 45001 and ISO 14001), introducing aspects of sustainability, consultation and participation, as well as health and wellbeing.

MAIN OPERATIONAL RISKS AND MANAGEMENT MECHANISMS AT TÉCNICAS REUNIDAS

RISK	DESCRIPTION	MITIGATION AND MANAGEMENT MECHANISM
ECONOMIC VARIABLES	<p>Certain economic circumstances (changes in exchange rates and interest rates, predisposition to financing or taxation) may impact Técnicas Reunidas' activities and results.</p> <p>Period of geopolitical tensions with a strong impact on economic variables.</p> <p>Increased influence in our clients' decision-making from the entities or organisations that finance their investments.</p> <p>in recent years financial institutions have increased their perception of risk in the sector, being more conservative in their support for the field.</p>	<ul style="list-style-type: none"> • Continuous monitoring of currency-related risks and contracting of exchange rate insurance. • Management of a solid balance sheet and availability of appropriate financing lines, including those for supporting strategic companies managed by the State Industrial Ownership Corporation (SEPI). • Mitigation of the risk of clients' lack of liquidity by means of active participation in the processes of obtaining financing, through banks that support operations involving Técnicas Reunidas, as well as through the use of export credit insurance through these banks and direct contact with clients' financing bodies.
INFORMATION TECHNOLOGIES	<p>With the Group's increased digitalisation, the risk of cybercriminal intrusion into its systems has increased.</p>	<ul style="list-style-type: none"> • Information security management system certified according to ISO 27001:2013. • Training in cybersecurity for employees. • Monitoring by the Information Security Committee of the implementation of the strategic cybersecurity plan, the results of audits and the main risks and measures implemented.
THE LOSS OF KEY PERSONNEL OR DEFICIENCIES IN THEIR TRAINING MAY INCREASE THE RISK OF UNSATISFACTORY IMPLEMENTATION OF PROJECTS	<p>The loss of key personnel or deficiencies in their training may increase the risk of unsatisfactory implementation of projects. In addition, excessive concentration of projects and project delay can lead to inefficiencies in personnel management.</p> <p>On the other hand, the Company is facing the reduced availability of qualified personnel due to the increased demand worldwide in areas such as renewable energies or infrastructures.</p>	<ul style="list-style-type: none"> • Procedures for identifying key employees to be retained and applying policies to help them stay. • Implementation of a flexible human resources structure which can adapt quickly to market changes. • Globalised management of human resources to unify the criteria used in the various subsidiaries.
INTEGRITY AND REPUTATION	<p>Any unethical or irresponsible behavior by employees or by third parties working in partnership with the Company (suppliers and subcontractors) could adversely affect Técnicas Reunidas' reputation and results.</p>	<ul style="list-style-type: none"> • Internal regulations and training to ensure that workers behave with integrity, and implementation of the Code of Conduct and whistleblowing mechanism. • Need for suppliers and subcontractors to fulfill requirements on environmental issues, human rights, health and safety, anti-corruption and anti-fraud.

MAIN OPERATIONAL RISKS AND MANAGEMENT MECHANISMS AT TÉCNICAS REUNIDAS

RISK	DESCRIPTION	MITIGATION AND MANAGEMENT MECHANISM
SUPPLIERS AND SUB-CONTRACTORS	<p>Tensions between countries limit access to suppliers and subcontractors.</p> <p>The pandemic has created a framework of instability and uncertainty that makes it difficult to plan and manage projects efficiently.</p> <p>Increased risk of non-compliance and abandonment of projects due to the implications of the pandemic on the construction sector.</p>	<ul style="list-style-type: none"> • Expansion of lists of suppliers and subcontractors that meet customer requirements. • Subcontractor evaluation processes including compliance and sustainability criteria, and improved financial and HSE evaluation criteria. • Implementation of payment plans with subcontractors to minimize the impact on projects due to non-payment and reinforcement of collaboration with subcontractors in order to establish plans in accordance with the payment possibilities of the projects.
QUALITY IN IMPLEMENTATION	<p>Quality in implementation not only ensures the satisfactory completion of a project but also increases the likelihood of securing similar projects or working with the same client in the future.</p>	<ul style="list-style-type: none"> • Quality monitoring mechanisms in all project phases. • Creation of databases that collect the Group's know-how and best practices. • Elaboration of quality procedures by all affected departments, minimizing the possibility of knowledge lack, and review by the Knowledge Management Department.
CLIMATE CHANGE	<p>Climate change requirements can affect customer needs and the way in which Técnicas Reunidas implements its projects.</p>	<ul style="list-style-type: none"> • The Company has a high level of technical capabilities in engineering, enabling it to offer solutions, such as the upgrading of pre-existing industrial facilities, which allow clients to implement sustainability actions and emissions reduction initiatives. • The Company has advanced technical procedures which allow implementing projects in extreme environmental conditions, as demonstrated in locations such as Saudi Arabia and Canada.
NEW ENERGY SCENARIO	<p>The energy transition is a new reality to which both customers and the Company itself shall adapt in order to meet the decarbonisation budgets and deadlines to which countries have committed.</p>	<ul style="list-style-type: none"> • The Company is therefore increasing resources for the execution of projects in the field of energy transition, helping its customers to adapt to regulatory changes and new market trends. • Técnicas Reunidas has launched a financing framework, called Harvest, to fund its commitment to decarbonization and energy transition.

6

RESOURCES AND RELATIONSHIPS



6.1 CONTROL AND MANAGEMENT OF FINANCIAL CAPITAL

The last two years have posed a great challenge for the entire sector. Técnicas Reunidas has been able to safeguard its most valuable assets, which are its engineering prestige and its clients' trust, as shown by the continuous flow of requests for proposals and awarding of tenders.

Técnicas Reunidas' contribution to SDGs



MAIN INDICATORS

INDICATOR	2021 FIGURES	PROGRESS 2020-2021
Portfolio (million €)	10,519	+26 %
Contracts awarded (million €)	4,165	+97 %
Ordinary income (sales) (million €)	2,808	-20.3 %
EBIT (million €)	-156.6	-477.4 %
EBIT/sales (%)	-1.49 %	-1.2 %
Reported profit after tax (million €)	-192.1	-1,589.2 %
Net cash position (debt/treasury)	-76	-138.6 %
Work in progress (million €)	2,081	+14.5 %
Guarantees (million €)	4,500	-10.6 %



2021 MILESTONES

- Renewal of bond issue programs in the Alternative Fixed-Income Market (MARF), focused on energy transition.
- Monitoring of the implementation of the TR-ansforma Plan to identify efficiency measures.
- Preservation and reactivation of the portfolio affected by Covid-19, without any cancellations.
- Extension of the deadline and grace period for ICO-COVID lines of financing and restructuring of the existing debt.
- Negotiation of 340 million euros financed by the Strategic Company Solvency Support Fund (FASEE), managed by the State Company of Industrial Participations (SEPI).
- Extension and renewal of bilateral and syndicated lines of guarantees for the execution of contracts that matured in 2021.
- Negotiation of a Prior Agreement with the Tax Administration.



2022 GOALS

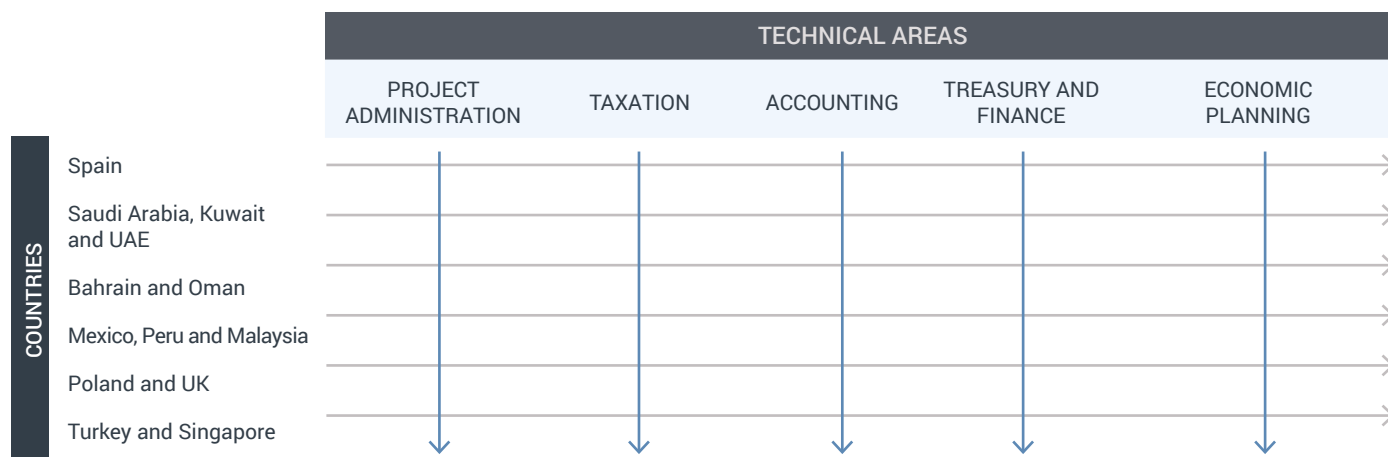
- To secure the mechanisms of liquidity associated with European Union plans, the Covid-19 crisis and energy transition.
- To continue negotiating the bilateral and syndicated lines of guarantees to be used in new or ongoing contracts, whose execution deadlines are affected by the pandemic or the current conflict in Europe.
- To strengthen proactive communication with the market.
- To monitor the process for the implementation of the Company's Efficiency Plan.
- To continue searching for mechanisms to sell non-core assets to reinforce the Company's liquidity and using them for energy transition and digitalization activities.
- To continue searching for mechanisms to strengthen the Company's liquidity and levels of solvency.
- To align business segmentation with the sustainability and energy transition lines of activity.

MANAGEMENT APPROACH [103-2]

Técnicas Reunidas has a specialized division for financial management, structured as a matrix with two intersecting axes: one for technical areas and the other for the main countries it operates in.

Alongside its internal functions, the Finance division provides support to the Company's clients in obtaining financing for their contracts (as described in the case outlined below).

Matrix-based organisation of Técnicas Reunidas' financial management



MAIN FINANCIAL FIGURES

The unexpected outbreak of the pandemic in December 2019 and the subsequent variants of the virus continue to affect economic, goods and services and financial markets. The challenges and uncertainty associated with the efficacy of the vaccine and the new outbreaks continued throughout 2021, which generated uncertainty in the economic outlook in general and specifically as regards the gas and oil industry. The uncertainty caused by the pandemic continued generating a slowdown in project implementation, gradual re-launching of certain projects that have been re-programmed at the request of our clients and the delay in final decisions with regard to new investments. All of the above has resulted in a temporary delay in the sales expected for 2021, which has affected the results of operations and the cash position of Técnicas Reunidas.

Bearing in mind the need to mitigate previous impacts and to prioritize the health protection of its employees, Técnicas Reunidas has continued to carry out the activities it began in 2020. This effort has aimed to strengthen the implementation of the projects in its portfolio, to consolidate the efficiency plan in place since financial year 2019, to secure new contracts and to improve its liquidity position. It should be noted that,

as regards portfolio projects affected by Covid-19, Técnicas Reunidas has concluded price and deadline negotiations with its clients, and that only a minor percentage of its portfolio affected by Covid-19 continues to be negotiated.

The net effect during the pandemic of Covid-19 resulted in losses of 230 million euros, of which, as per degree of progress criteria, 210.1 million euros had been recorded at December 31, 2021, corresponding to 112.6 million euros of direct and indirect costs not recoverable from our clients and 97.5 million euros associated with the Teesside project and its termination by the client in April 2021.

With respect to the Company's results, sales in 2021 fell by 20.3% to €2,808 million. The Group's operating income was €-156.6 million. The Group's net income was loss of €-192.1 million.

The changes in results can be ascribed to reprogramming of the implementation of 40% of the portfolio starting in 2022 and the slowdowns on ongoing projects. In addition to lower sales, there have been cost overruns derived from the efficient management of Covid-19.

MARKET ENVIRONMENT

The market environment in which Técnicas Reunidas has operated has been affected by various external factors over the past year, which has forced the Company to adapt its financial management, as shown below:

Market environment. External factors that have impacted on Técnicas Reunidas



Prices of oil and derivatives and gas

- The increase in oil prices after the drop in 2020 led to a price of \$74.17 per barrel in December, an increase of 50.8% compared to the close of 2020 (\$51.22).
- In this context, Técnicas Reunidas has adapted to the new scenario, by establishing an agile organizational structure that is closely aligned with project implementation. It has also committed to digitalizing project implementation processes and activities, which allows better control over the risks and cost overruns involved in implementation.



Financial environment

- The pandemic has heightened risk perception by financial institutions with respect to the engineering sector and uncertainty regarding the evolution of the economic cycle and cash preservation policies on the part of some clients.
- In order to adapt, Técnicas Reunidas is developing a highly diversified pool of banks, in which local banks occupy a central role, while maintaining current lines of financing and diversifying their source.



€/€ Exchange rate and interest rates

- The depreciation of emerging countries' currencies and the volatility of the dollar against the euro impact heavily on the results of companies such as Técnicas Reunidas, with almost all its business outside of Spain.
- In order to mitigate this risk, the Company has a policy in place for continuous monitoring of currency-related risks and contracting of exchange rate insurance.
- The Company manages interest rate risk with debt in euros, referenced at fixed interest rates in approximately half of its debt-servicing financial contracts, whereas the other half is referenced at variable interest rates to the Euribor at 3, 6 and 12 months.



New contracting models

- Developments in contracting models over recent years have meant that projects are increasingly billed by milestones rather than progress payments. This has led to extended collection periods, complicating the financial position of the Company, which must continue to meet its obligations to its suppliers or employees.
- To mitigate this effect, Técnicas Reunidas has maintained its policy of managing a solid balance sheet and adequate lines of financing to ensure the solvency necessary for implementing its projects. It has also designed specific actions to align collection periods with payment periods to suppliers.



Direct negotiation of disputes with third parties

- The Company has detected an increasing tendency by certain clients and suppliers to give less weight to direct negotiation with Técnicas Reunidas when resolving disputes, leading to an increase in litigation.
- This circumstance means that the Company has to estimate the expected outcome of these disputes, based mainly on the criterion of its legal advisors in the preparation of estimates and judgments.



Importance of a solid financial structure

- Técnicas Reunidas has replaced its syndicated lines of financing with a single line whose maturity is aligned with its needs.
- Técnicas Reunidas has developed new lines of financing through the MARF (Alternative Fixed-Income Market) in order to diversify its sources of financing outside the banking sector, seeking long-term, competitive terms. While financing by means of syndicated lines of credit has enabled the Company to achieve better financing terms at competitive prices, it requires compliance with determined balance sheet ratios and results.

OPERATING INCOME FOR 2021

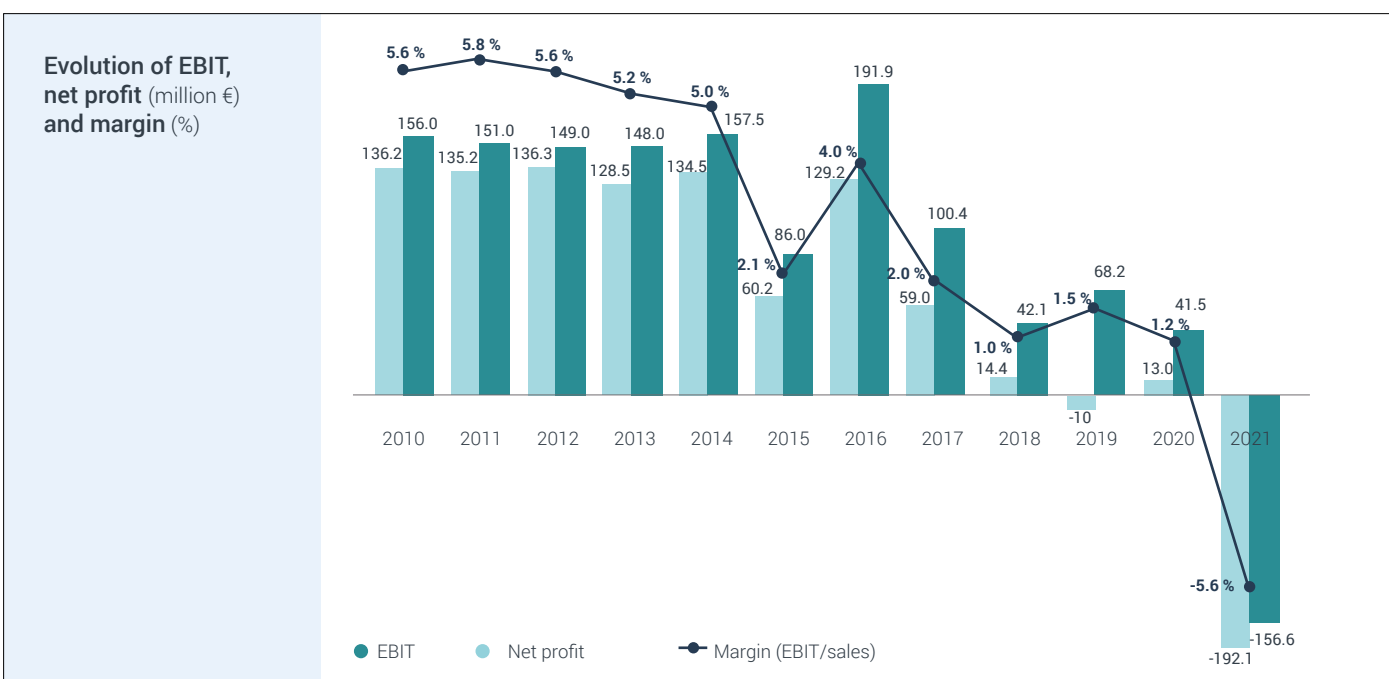
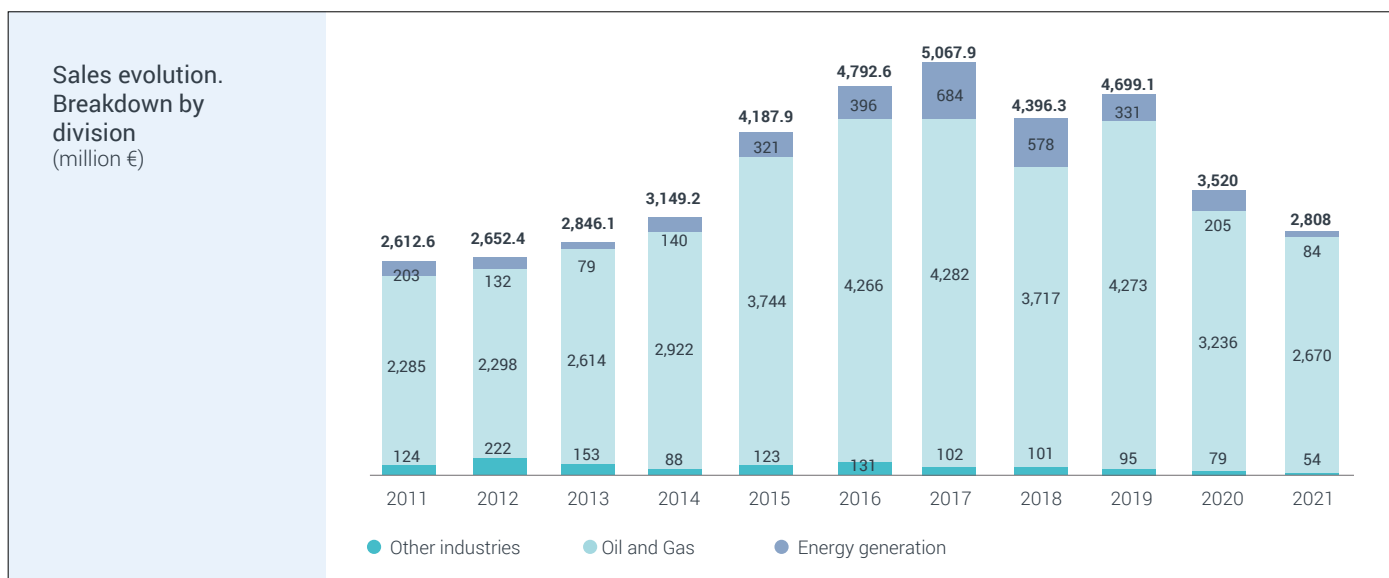
The pandemic has had a significant impact on the Company's main financial figures. Sales in 2021 fell by 20.3% to €2,808 million. Operating income amounted to a loss of €157 million and net income recorded a loss of €192 million..

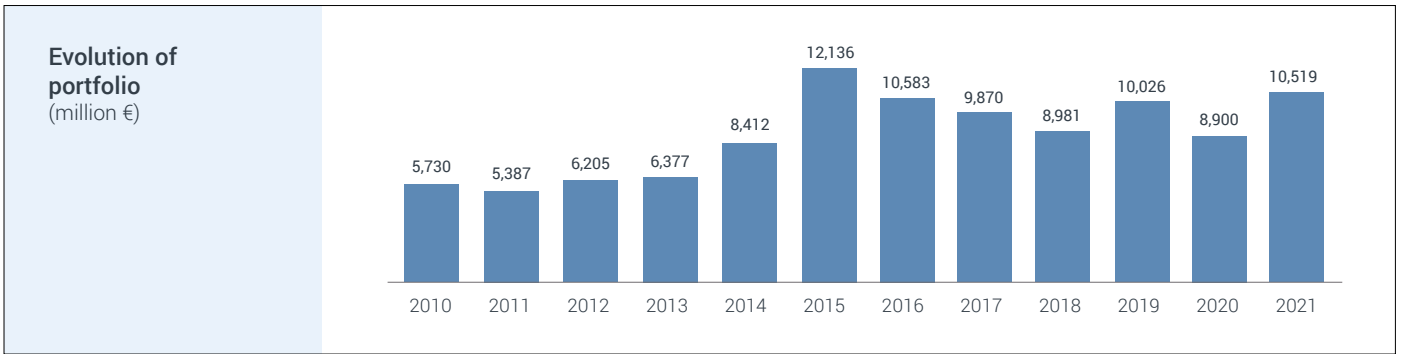
The changes in results can be ascribed to reprogramming of the implementation of 40% of the portfolio starting in 2022 and the slowdowns on ongoing projects. In addition to lower sales, there have been cost overruns derived from the management of Covid-19, which have not yet been recovered.

On the other hand, the termination of the Teesside project when it had reached 99.2% of implementation, had a negative impact on operating income in the amount of 98 million euros. Técnicas Reunidas reported this termination and began an arbitration process in international courts.

Financial year 2021 ended with a net negative debt of €76 million. The slowdowns in the implementation of projects have increased working capital, with the consequent impact on the financial situation of Técnicas Reunidas. Given the slowdowns in project implementation since the beginning of the crisis nearly two years ago, individual treasury management of each project has been key to ensuring the continuity of the supply chain for equipment and subcontractors.

Lastly, it should be noted that the cash position has also been affected by a cash outflow of €103 million derived from the termination of the Teesside project in the United Kingdom.





VALUE GENERATION BY TÉCNICAS REUNIDAS IN SPAIN [201-1]

Técnicas Reunidas’ activities contribute to the creation of wealth not only for its shareholders. Part of the revenues generated by the Company are distributed, creating value for third parties.

The vast majority of the Company’s revenue in Spain, in terms of national accounting, corresponds to total exports, while a significant percentage corresponds to net exports.

The Company’s revenue allows it to procure goods and services from suppliers in the pursuance of operational activity, one of the ways in which it directly contributes to Spanish GDP, creating value that is reflected in taxes and social contributions, remuneration to employees and reinvestment in the Company.

Técnicas Reunidas’ activities also have a positive impact on other important areas such as employment and promotion of R&D&I.

The Company’s activities have given rise to numerous jobs in Spain, in terms of both direct employment and other sectors, associated with payments to suppliers.

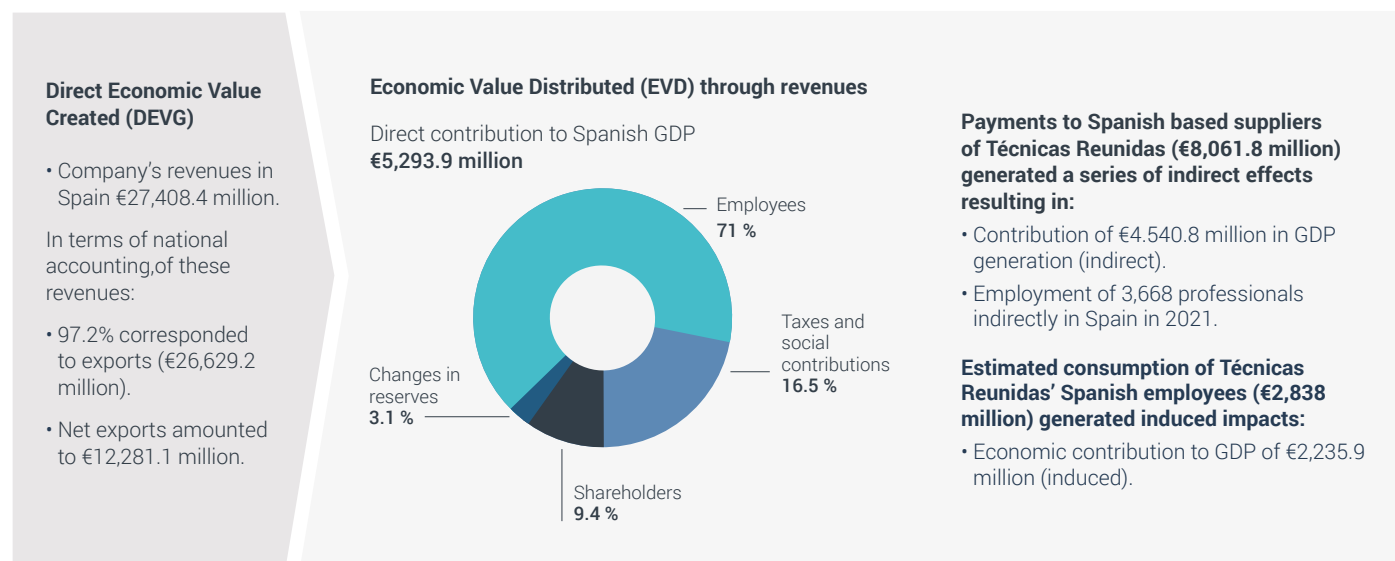
The Company also contributes to boosting R&D&I in Spain. Técnicas Reunidas’ activities offers its clients innovative technical solutions that allow them to develop efficient and sustainable plants. This requires the Company to maintain its position at the technological vanguard, which entails significant investment in R&D&I.

Técnicas Reunidas is focused on overseas activity, making a decisive contribution to the upturn in the Spanish economy’s external sector over recent years.

The quality of the Company’s project implementation and the satisfaction of its clients in different parts of the world have also made an important contribution to the strengthening of ‘Brand Spain’, particularly significant in a cutting-edge technology-reliant sector.



Value generation by Técnicas Reunidas in Spain (2011-2021)



Methodological note

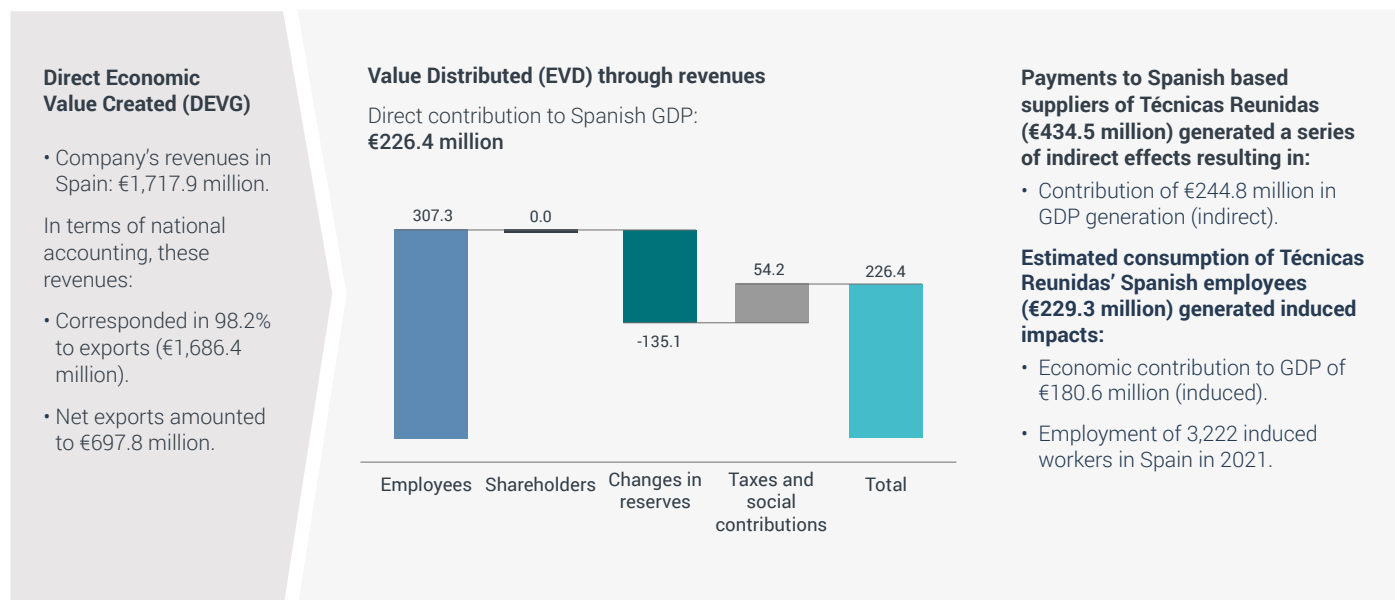
Data for the period 2008-2020 have been obtained from a report drawn up on the basis of the periodic public reporting by the Company and its consolidated group. Direct contribution to Spanish GDP has been calculated as follows:

- 'Taxes and social contributions' includes income tax withholdings, Social Security contributions and corporate income tax.

- 'Employees' includes payment of salaries to employees minus income tax withholdings and social security contributions.
- 'Capital providers' includes dividends paid to shareholders and payment of interest on debt and loans.

In addition, tax payments for the period 2011-2021 amount to €44.7 million.

Zoom 2021: Value generation by Técnicas Reunidas in Spain



Methodological note

Data for the 2021 zoom have been obtained from a Company report containing data referring to Spain. The economic effect has been calculated from operational revenue, excluding the financial result of the same.

Direct contribution to Spanish GDP was calculated as follows:

- 'Taxes and social contributions' includes income tax withholdings, Social Security contributions and corporate income tax.

- 'Employees' includes payment of salaries to employees minus income tax withholdings and social security contributions.
- 'Capital providers' includes dividends paid to shareholders and payment of interest on debt and loans.

In addition, tax payments corresponding to financial year 2021 amount to €5.5 million.

TAX INFORMATION [103-2; 207-1; 207-2]

In recognition of its tax responsibility and the complexity of its operations, Técnicas Reunidas has launched a tax model based on BEPS¹ criteria for the value chain, which seeks the correct application of taxation in jurisdictions where value is created.

In this regard, the Company uses Internal Fiscal Risk Guidelines which set out the tax strategy and corresponding internal management procedures. The guidelines also include training actions and internal investigation plans in this area.

They are drawn up by the Audit and Control Commission and are subject to annual review.

In addition, the Group designs tax strategies at the bidding phase to minimize any risks that might arise. These tax strategies are drawn up in accordance with the applicable legal frameworks, taking into account the Company's business strategy, and with the help of local advisors in all markets, including in the Técnicas Reunidas' regular markets.

Profits, in thousands of euros

Geographical area	2020	2021
America	13,806	13,187
Asia	1,439	4,726
Spain	38,020 ²	28,047 ³
Europe	267	22
Mediterranean	195	989
Middle East	26,210	10,631
Total	79,937	57,604

Profits, in thousands of euros⁴

Geographical area	2020	2021
America	98,562	(9,715)
Asia	22,804	14,443
Spain ⁵	(161,305)	41,513
Europe	(52,676)	(63,214)
Mediterranean	2,668	20,455
Middle East	110,505	(182,212)
Total	20,558	(178,729)



Countries with income during the fiscal year by geographical area

America:

Argentina, Bolivia, Canada, Chile, Colombia, Mexico, Panama, Peru, Dominican Republic, United States.

Asia:

Australia, Bangladesh, India, Malaysia, Singapore, Thailand.

Europe:

France, Finland, Greece, Holland, Hungary, Italy, Norway, Poland, Portugal, United Kingdom, Russia.

Spain: Spain.

Mediterranean:

Algeria, Egypt, Morocco, Turkey.

Middle East: Saudi Arabia, Azerbaijan, Bahrain, UAE, Jordan, Kuwait, Oman.

¹ BEPS, base erosion and profit shifting, refers to tax planning strategies exploiting gaps and mismatches between the different national tax systems, used by multinational enterprises in order to make profits 'disappear' for the purposes of taxation or to transfer profits to locations where there is little or no real economic activity but also low taxation, resulting in little or no corporate income tax, according to the Organization for Economic Co-operation and Development (OECD).

² The amount of corporate income tax paid in Spain in 2020 includes payment in respect of the 2012 and 2014 tax audit reports, equivalent to 39.751 thousand euros and a tax refund for 2019 equivalent to 5.102 thousand euros.

³ The amount of corporate income tax paid in Spain in 2021 includes payment in respect of the 2013 and 2014 tax audit reports, equivalent to 28,047 thousand euros.

⁴ Técnicas Reunidas operates in countries where it may implement a single project or set of projects for a single client, meaning that a breakdown of information might jeopardize the commercial or operational interests of these projects. The data are aggregated by geographical area, following the same criteria used for the various financial indicators presented in the annual consolidated financial statements.

⁵ The data for before-tax profits generated in Spain in 2021 do not include the results for the Spanish companies which make up the Company but which are consolidated through the equity method of accounting. The amounts not taken into consideration correspond to 1,072 thousand euros (675 thousand euros in 2020) in losses.

Contribution to the external sector and the development of 'Brand Spain'

Técnicas Reunidas is focused on overseas activity, making a decisive contribution to the upturn in the Spanish economy's external sector over recent years.

The quality of the Company's project implementation and the satisfaction of our clients in different parts of the world have also made an important contribution to the strengthening of 'Brand Spain'.

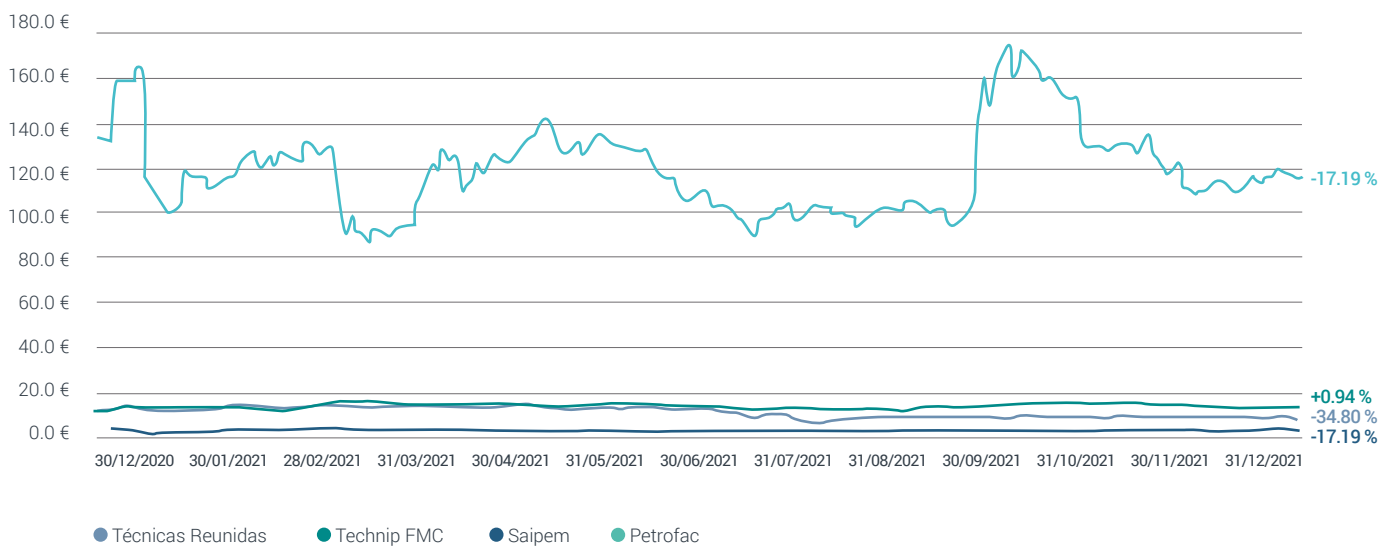
This is particularly significant in a sector requiring high-level technological skills, such as engineering, which contributes still further to the enhancement of 'Brand Spain'.

Stock performance

Shares in the Company depreciated by 34.80% during fiscal year 2021, with share price at December 31, 2021 at 6.95 euros/share and the average price for the year at 10.09 euros/share, with the progress of the Covid-19 pandemic and its effect on stock markets acting as the main factors.

This drop was in line with the general decline seen in the share prices of the oil and gas engineering and construction sector, resulting from re-planning of large projects for future orders caused by the pandemic, of which Técnicas Reunidas was not an exception.

Share price movement for Técnicas Reunidas and major competitors over 2021



Share price movement for Técnicas Reunidas and major competitors over 2021



INVESTOR RELATIONS

The Company manages its relationship with its shareholders and potential investors through the Investor Relations Department.

This department directs its actions through its participation in energy sector conferences and roadshows targeted at locations with a high volume of investors, such as London, New York, Paris, Frankfurt and Milan.

The Company's management team also participates in multisectoral conferences, meetings at Técnicas Reunidas' offices in Madrid and other actions, such as Investor Day and visits to projects under construction.

Despite the outbreak of the Covid-19 pandemic and the subsequent restrictions on holding in-person meetings with investors, the Company has adapted by organizing virtual roadshows and participating in the various online conferences, with its flexibility enabling it to maintain a high level of contact with investors.

During fiscal year 2021, Técnicas Reunidas participated in 11 sector conferences, organized 3 specific events with investors and held multiple meetings with investors. The total number of

investors with whom some kind of activity was carried out in 2021 amounts to 190. The main topics of interest for investors at these meetings in 2021 were as follows:

- Energy market trends over the medium and long term, and how the pandemic affects supply and demand with respect to energy products.
- The impact of Covid-19 on the projects under way, as well as the effect of the pandemic on the schedule of contract awards for new projects for the Company.
- The material impact of the pandemic on the Company's accounts and the possible duration of its effects on the industry.
- The Company's role in the energy transition.
- Visibility about the recovery of margins and the performance of the various balance sheet items over the coming months.
- A clearer view of the effects of the strong volatility of raw material prices on the business.
- Future opportunities in new projects offered by the market in the next 2 years.
- More detailed information about the request for funds to SEPI.
- A better understanding of the competitive environment, focusing on the differences and similarities between the Company and its competitors.

An active communication policy with investors

Through the quarterly webcasts from its Executive Chairperson, Técnicas Reunidas reports on its results and its vision for the future.

Alongside these webcasts, roadshows are organized in cities with a high concentration of investors (London and Madrid), which involve the participation of Company's management.

Through the quarterly webcasts from its Executive Chairman, Técnicas Reunidas reports on its results and its vision for the future.



EUROPEAN TAXONOMY

Context

In March 2019, the EC (European Commission) launched a Sustainable Finances Plan intended to redirect flows of capital toward a more sustainable economy, which established a unified classification of sustainable activities. A series of lines of action in the area of sustainability were developed from that moment on. The result was the Sustainable Finance Taxonomy Regulation (Regulation 2020/852), the first steps of which focused on ensuring that the participants in financial markets use the same criteria throughout the EU to report sustainability information.

The goals of the European Commission's Action Plan to finance sustainable development are to redirect capital flows toward sustainable investment, integrate sustainability in risk management and promote greater transparency and a long-term vision.

Scope of application

In 2021, the European Union published the Annexes of Delegated Regulation 2021/2139, corresponding to the goals of climate change mitigation or climate change adaptation, with the aim of enacting the Annexes related to the rest of the objectives in 2022.

The Taxonomy Regulation sets forth 6 environmental goals: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, protection and restoration of biodiversity and ecosystems, prevention and control of contamination and transition to a circular economy. As regards the first two goals, there are 88 activities eligible for the climate change mitigation goal, while 102 are eligible based on the climate change adaptation goal.

The Taxonomy is a technical dictionary for the identification of potentially sustainable activities (eligible) and effectively sustainable activities (aligned). Eligibility and alignment criteria are developed to classify an economic activity as taxonomic, thereby determining its degree of contribution to climate change mitigation or adaptation.

Taxonomy at Técnicas Reunidas

The Taxonomy Regulation has direct and indirect reporting implications for both non-financial companies and financial institutions. Técnicas Reunidas is a non-financial company and subject to reporting non-financial information. According to Articles 19 bis or 29 bis of Directive 2013/34 (Non-financial Information Directive), it must report how and to what degree its activities are associated with the activities aligned with the Taxonomy, the proportion of billing derived from products and services aligned with the taxonomy and the proportion of CAPEX and OPEX related to assets and processes associated with Taxonomy-aligned activities.

To adapt to this legislation, Técnicas Reunidas carried out a series of activities in 2021, including creating the Taxonomy Group under the Sustainability Area, as a multidisciplinary team with complementary profiles, holding meetings with various areas/divisions/departments to obtain information about their activities, creating a method to obtain data and publication in the NFIR of Técnicas Reunidas' consolidated activities in accordance with the Taxonomy Regulation (published in February 2022).

In this fiscal year 2021, Técnicas Reunidas has assessed the eligibility of each project that has generated turnover during the year. It is important to note that no significant projects corresponding to the Energy Transition Division have been identified.

Técnicas Reunidas is dedicated to providing all manner of industrial plant construction and engineering added value services for the production of clean fuels, natural gas and chemical products and to offering its clients a wide range of solutions associated with energy transition, circular economy and decarbonization (renewable hydrogen, biofuels, waste recovery, CO₂ storage and capture, etc.). Therefore, according to the taxonomy, an important part of activities performed by Técnicas Reunidas to carry out its projects have the potential to contribute substantially to climate change mitigation and can therefore be classified as eligible.

Eligible activities were identified by a comprehensive analysis of each type of project performed by the Company to select those that could be associated with the taxonomy. The eligibility of each potentially eligible activity was confirmed by comparing it with the definitions set forth in Delegated Regulation 2021/2139.

Revenue indicator (invoicing): Proportion of income from products or services related to economic activities considered eligible according to the Regulation.

"Taxonomic" OpEx indicator: Proportion of total expenses for repairs, maintenance, building renovation, R&D and short-term leases related to assets or processes associated with economic activities considered eligible according to the Regulation.

Investment indicator (CapEx): Proportion of total investments (CapEx) related to assets or processes associated with economic activities considered eligible according to the Regulation.

The conclusion reached by the work carried out by Técnicas Reunidas is that the European Taxonomy is a driving force toward a new sustainable context. As a listed company, Técnicas Reunidas is obliged to implement the Taxonomy in its activities successfully. This will require setting up a framework, finding the necessary tools and taking on a challenge to meet its obligation to comply.

It should be noted that the Taxonomy is being updated, given the absence of certain key industries for the mitigation and adaptation goals, the development of the remaining environmental goals and the list of non-green activities and social and governance objectives.

In turn and as a whole, the European Commission's Sustainable Finances Plan attempts to increase financial market and investor confidence through information, by combating greenwashing.

Next steps

The EC is working on developing the Social Taxonomy; it presented a final draft in February 2022 and approval is expected in 2023. This taxonomy will be structured in two dimensions: the vertical dimension will refer to products and services that cover basic human needs and the horizontal dimension will refer to the repercussion of economic activities on stakeholders.

The goals of this Social Taxonomy include enhancing decent employment (value chain), an adequate quality of life and well-being, transforming inclusive and sustainable communities and societies, improving access to basic products and services/ basic economic infrastructure. In addition, the inclusion of activities related to nuclear energy and gas has been approved in principle (pending formal approval).

To adapt to these future steps, Técnicas Reunidas has set up a work group focused on activities such as providing the various business areas with professional information, enhancing the visibility of taxonomic activities, establishing a plan to obtain taxonomic data, holding meetings to review changes in the regulation, automating calculation bases with accurate tools, working on group training and networking and analyzing group activities to pose alternatives that allow certain activities to be considered taxonomic.

Climate change adaptation and mitigation eligibility Steps to take for the business case of Técnicas Reunidas

Técnicas Reunidas has taken three steps to assess the adaptation of its business to the European taxonomy:

- **Step 1:** VERTICAL assessment of eligible projects according to the taxonomy, attempting to find out whether the primary aim of each project is eligible. This is achieved by describing the project (using the 30 codes listed by the entity) and concluding whether the main goal of the project suits the description of an activity included in the Taxonomy, in which case it is eligible and project turnover attributable to Técnicas Reunidas is eligible.
- **Step 2:** HORIZONTAL assessment of eligible units according to the taxonomy. This consists in an attempt to identify process units within each project that may be eligible and concluding that if the unit suits the description of an activity of the taxonomy, it is eligible and a proportion of the turnover is eligible.
- **Step 3:** Assessment of the alignment of eligible projects/units according to the taxonomy. This attempts to identify whether the projects/units classified as eligible (Steps 1 and 2) are aligned and concluding that if the project/unit complies with: 1) Technical selection criteria; 2) Do No Significant Harm criteria; 3) Minimum safeguards (plant/ geographical area), the project/unit is aligned and the turnover identified in Steps 1 and 2 is also aligned.

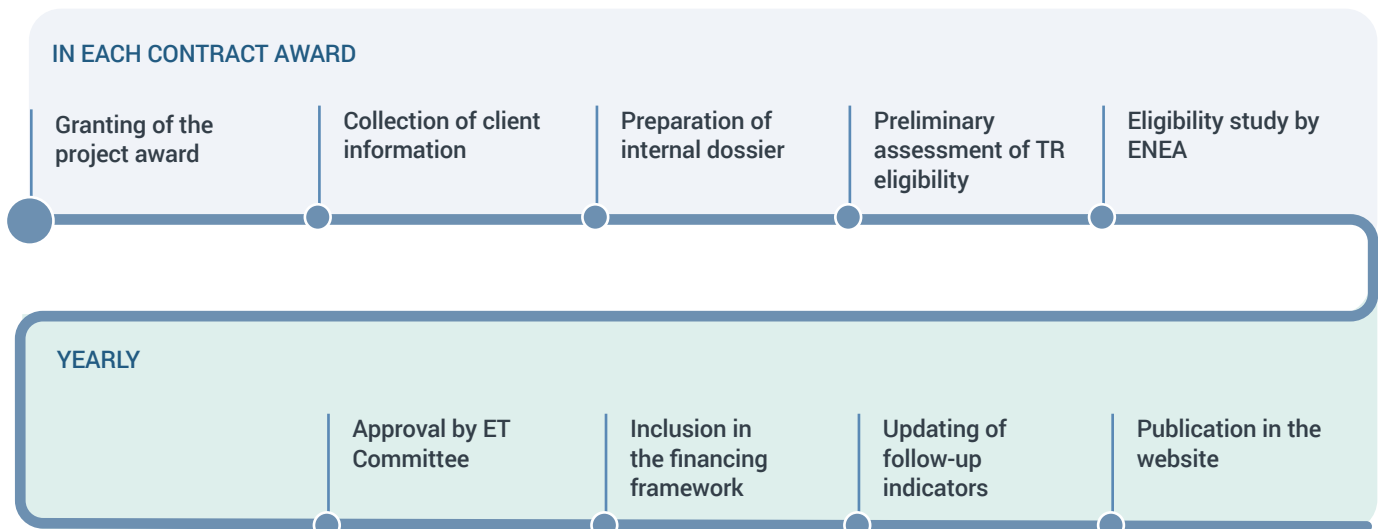
Técnicas Reunidas	Sales	OpEx	Capex	NT	Eligible Activities
2021	7.93%	2.20%	-	5%	4%

SUSTAINABLE FINANCE AND GREEN FUNDS

Técnicas Reunidas has set up a Energy Transition Financing Framework, visible to the public on its website. The framework is used to analyze each project for which the Company places a bid from the tender stage to deem its eligibility to access sustainable financing and green funds. In addition and on a yearly basis, the Company assesses the Energy Transition Financing Framework to update the KPIs of projects linked to these sustainable financing activities. This Framework has been validated by a prestigious third party, ISS Governance, which has issued an external opinion on the same. All the information regarding the Energy Transition Financing Framework is available on the Técnicas Reunidas website.⁶

Sustainable financing is also a pillar of Técnicas Reunidas' Sustainability Policy and integrated in the specific actions described in the Sustainability Plan approved by the Company in 2021. Specifically, the Company established goals such as linking new financing to sustainable instruments or vehicles, setting up a sustainable finance framework and identifying projects that could be financed through sustainable bonds and loans. During 2021, Técnicas Reunidas fulfilled these commitments by developing and implementing its own Energy Transition Financing Framework, which allowed it to identify which of the Company's projects could be financed by these vehicles.

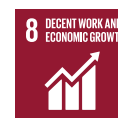
Management of a project to be eligible according to Técnicas Reunidas Energy Transition Financing Framework.



⁶ <https://www.tecnicasreunidas.es/es/wp-content/uploads/sites/3/2021/06/Tecnicas-Reunidas-Energy-Transition-Financing-Framework-Web.pdf>

6.2 EMPLOYEES, THE COMPANY'S MAIN ASSET

Técnicas Reunidas' contribution to SDGs:



The management of our personnel has been considerably impacted by the challenges arising from Covid-19 pandemic and by the constant need for evolution and development of the entity. Técnicas Reunidas is prepared to address all these factors through an HR structure, which is flexible and globalized and facilitates the adoption of solutions on prevention and mitigation of the risks associated with its activity.



MAIN INDICATORS [102-8] [401-1] [404-3]

INDICATOR	2021 FIGURES	PROGRESS 2020-2021
Company's personnel (number) ¹	6,516	- 12.6 %
Female personnel (%)	26.4 %	+ 1.6 percentage points
Permanent workers (%)	74.4 %	+ 20.7 percentage points
Wage gap (%) ²	17.0 %	+1 percentage point
Voluntary employee turnover (%)	4.2 %	+1.8 percentage points
Expatriate personnel (%) ³	8.4 %	- 4 percentage points
Training (total hours provided) ⁴	217,929	+ 38.1 %
Trained persons (number) ⁵	3,167	- 20.7 %
Training (hours per employee) ⁵	13.29	+ 29.4 %
Performance evaluation (number of employees receiving it) ⁶	4,972	-9.4 %



2021 MILESTONES

- Continuous management of the different waves of the pandemic, adapting the presence of the different offices to the national and international health situation with comprehensive monitoring in order to anticipate the response to the impacts of Covid-19, both on people and on the Company's operations.
- Continue restructuring the Company's organization within the framework of the TR-ansforma Plan.
- Continue integrating different divisions or companies of the Group and managing people: adaptation and relocation of positions, levels and categories, definition of functions, talent management, etc.
- Transferring the offices of the headquarters of Técnicas Reunidas, S.A. in Arapiles 13 and 14 and the headquarters of Initec Plantas Industriales, S.A.U. in Sanchinarro to the Adequa business complex in Las Tablas.
- Adapting Directorate of Human Resources and General Services (SS.GG.) to cover the different Regional Directorates and respond to projects needs of resources in all the areas: selection, labor and tax-labor legislation, immigration, travel, security, transport, etc.).
- Implementation of a Sexual Harassment and on the basis of gender and Discrimination Protocol which has been negotiated and agreed with the union representatives of the different companies of the Group.
- Enhancement of conciliation policies, allowing greater working hours flexibility.



2022 GOALS

- Development of new personal work-balance policies enhancing Técnicas Reunidas personnel life quality.
- Recruit and retain talent to meet staffing needs in all areas of the Company and respond to the significant workload of the 2022 fiscal year.
- Implement Equality Plans negotiated and agreed with the employees' representatives, which encompassed all the companies forming part of the Company.
- Continue supporting from HR to the process of operational integration of the different divisions and companies of the Group.
- Expand the scope of the remuneration policy based on a flexible remuneration system and target-oriented management.
- Negotiate and implement the policy of uniform and consensual expatriation conditions which encompasses all companies of Técnicas Reunidas.

1. Subcontracted and self-employed personnel are excluded from the scope. In general, the numerical data included in this section refer only to the internal personnel in Spain and the subsidiaries, excluding external professionals.

2. The wage gap is calculated using the formula: $1 - (\text{average remuneration of women} / \text{average remuneration of men})$.

3. Includes solely personnel in the Spanish expatriate workforce on projects.

4. In 2021, we revised the methodology for calculating the training hours provided to Técnicas Reunidas' employees within the assignments (included in the categories of Graduates/Technicians/Administrative and Technical Training). To ensure the comparability of the 2021 data with that of 2020, the training data of the previous year has been recalculated using the new estimation methodology. This data includes the hours of training of all professionals related to the activity of Técnicas Reunidas. The total hours of training provided to employees were 42,079 hours in 2021, with the remaining amount corresponding to hours of training provided to subcontracted workers (175,851 hours).

5. The increase in total training hours is due to an adjustment in the methodology for estimating external training provided to the employees of Técnicas Reunidas in their assignments.

6. The data corresponds to employees with evaluations started in 2021 and includes employees in Spain and the subsidiaries.

MANAGEMENT APPROACH [103-2]

Técnicas Reunidas uses a globalized management system for its human resources that allows it to optimize control over all the sections linked to this area, provide a set of basic conditions for all employees and optimize HR management time and costs. At the same time, this management system also provides key support to the diversification strategy, in terms of both services and geographical areas.

The SAP Success Factors tool provides a significant boost to the consolidation of the Company's globalized management. Thanks to this tool, Técnicas Reunidas has been able to streamline processes for all employees and facilitate more globalized decision-making in the area of human resources, establishing synergies between the subsidiaries and business divisions.

Throughout 2021, the Company has worked on adapting the HR and General Services Management in order to cover the different Regional Directorates and respond to the increasingly complex needs of each project. These needs include issues related to resource selection, labor and tax-labor legislation, immigration, travel, security, and transport.

Likewise, this year Técnicas Reunidas has consolidated a single system of reporting and corporate control of spending on subsidiaries, countries, and projects in order to adopt general spending control measures in the areas of HR General Services Management GG. Additionally, a specific department has been created in different countries within the HR General Services Management responsible for the coordination of those responsible for each project, thus reducing the costs of contracting services and establishing a common operating model.

On the other hand, within the framework of the transformation process of the Company, Técnicas Reunidas has continued with the integration process of the different Divisions or Group Companies and the corresponding management of people (adaptation and relocation of positions, levels and categories, definition of functions, talent management, etc.), a process in constant evolution that requires management adapted at all times to the needs of the business. In this regard, throughout this year, the Group has transferred more than 4,000 professionals to the new Adequa offices in Las Tablas, joining the headquarters of Técnicas Reunidas and Initec Plantas Industriales. This unification has resulted in significant cost savings as well as savings in the area of resource sustainability.

Complementing the global management approach, Técnicas Reunidas maintains an operational approach that allows it to adapt, depending on the project, its policies, and procedures to the needs of the business and customers.

HR management framework in Técnicas Reunidas



Técnicas Reunidas also has Human Resources Business Partners in each business area, who act as representatives of the Corporate area. There are also specific professionals responsible for managing human resources in international projects who ensure the homogenization of all the Company's processes in this area. In this line, throughout the year, Técnicas Reunidas has worked on the integration of Initec Plantas Industriales personnel processes within the corporate strategies of the Group's human resources department.

Management of the Company in 2021

Since the beginning of the pandemic, the Company's human resources management has been influenced by the need to ensure employee safety and adapt the Company's activities to the situation caused by Covid-19.

Adaptation to the impacts of Covid-19

From the beginning of the pandemic, Técnicas Reunidas launched the Monitoring Committee and different committees by geographical areas to monitor the epidemiological situation and take decisions in order to ensure the safety and health of all employees:

- Monitoring committees. The Group has a global Monitoring Committee made up of representatives of HR and Health, Safety and Environment (HSE) and advised by experts in the area of external health and safety. On the other hand, local committees have been created in the different geographies in order to transmit each country situation to a global committee.
- Promotion of remote working from the start of the pandemic for all employees in Spain, prioritizing those in groups vulnerable to Covid-19 and parents of children under 14 years of age.
- Swift coordination and action in record time by the IT department to provide employees with the equipment, licenses, and access necessary for continuity of operations.
- Implementation of various on-site measures to prevent infection among employees and subcontractors.
- Issuance of safe passage documents and management of mobility permits to allow employees access to workplaces and to encourage the repatriation of expatriate personnel.
- Implementation of a plan for a gradual return to offices in the second half of the year, enabling 50% of the workforce to return safely to in-person working.
- Implementation of a temporary optional remote working system has allowed the establishment of weekly rotating shifts which alternate in-office work with working from home, as well as 6-hour in-person and 2-hour remote work for employees for whom this is possible.

CORPORATE CULTURE [102-16]

Técnicas Reunidas's corporate culture is defined by the four main values (commitment, overcoming, team, and development) which underpin its human resources strategy.

Values underpinning Técnicas Reunidas' corporate culture

COMMITMENT

Commitment from a company with over 50 years' history, positioned among the three leading engineering and construction companies in Europe and among the top ten in the world.

OVERCOMING

Employees show determination in the face of major challenges (design technology, logistics, etc.), enabling the Company to push forward and succeed.

TEAM

Técnicas Reunidas employees are part of a large team in which their voices are heard, boosting the creation of bonds of trust, and providing both personal and professional support.

DEVELOPMENT

Continuous opportunities for development due to capacity to work on large projects, contributing ideas, working autonomously and being part of leading projects across the globe.

A DIVERSE AND INTERNATIONAL TEAM [103-2]; [405-1]

Técnicas Reunidas employee profile*

- ✓ 44 years of age.
- ✓ Average 9 years' employment at Técnicas Reunidas.
- ✓ 94% with permanent contracts.
- ✓ 100% is covered by a collective agreement.
- ✓ 74% are men and 26% are women.

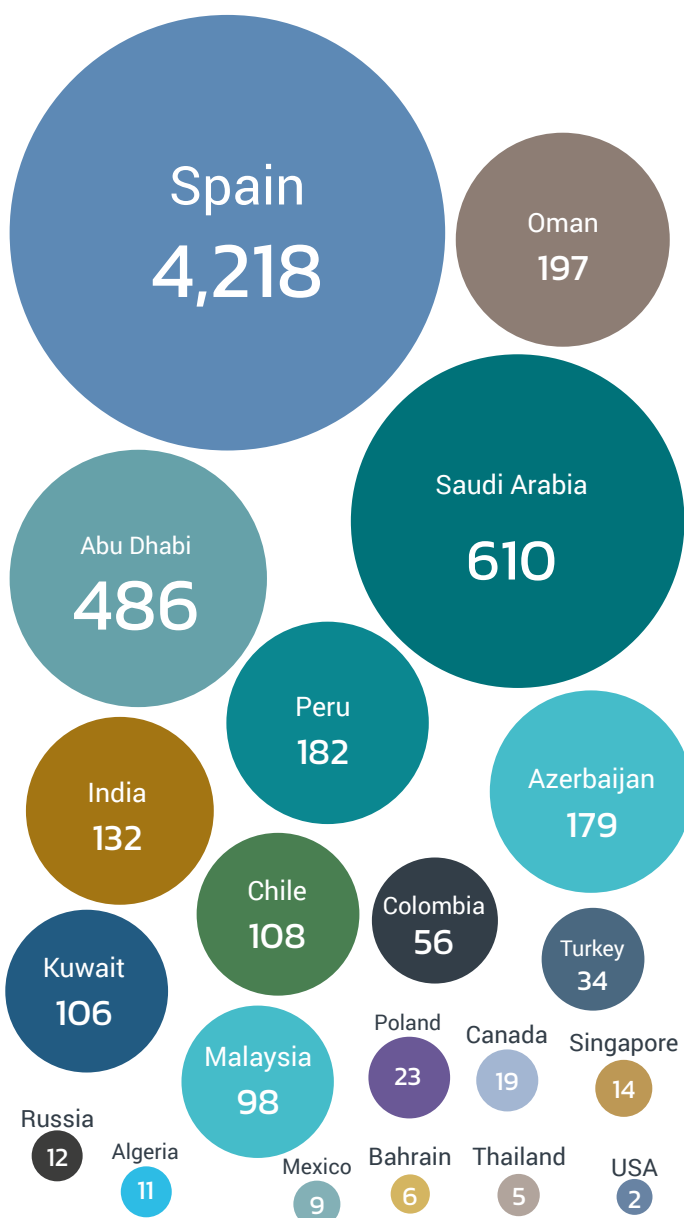
(*) Data as of December 31, 2021 corresponding to the staff contracted in Spain.

At the end of 2021, Técnicas Reunidas had more than 6,516 employees from 71 nationalities. During 2021, there has been a decrease of around 13% of the workforce, due to the objectives of cost reduction and the necessary adaptation of the available resources to the effective workload of the Company. This year Técnicas Reunidas has carried out a restructuring of job positions creating homogenization and efficiencies through the Company.

An important group within this workforce is made up of expatriate professionals in projects that account for 8.40% of total employees.

Ensuring the commitment of these professionals and maintaining their sense of belonging is a key aspect. Therefore, Técnicas Reunidas prioritizes that all its employees, regardless of their location, can have the same conditions and levels of occupational well-being. In this context, the policy on expatriation conditions has been reviewed this year in order to adapt it to new needs and the market, considering motivational aspects and agreed with the workers' representatives. Its implementation is scheduled for 2022.

Distribution of staff by country*



Distribution of staff by category and gender*	2021	
	Men	Women
Executive Directors	0.03 %	-
Top management	0.14 %	0.02 %
First Level of Management	1.06 %	0.18 %
Second Level of Management	5.40 %	1.27 %
Graduates, Technicians, Administrative	64.67 %	24.52 %
Official	1.95 %	0.23 %
Commercial	0.38 %	0.14 %

*Data as of December 31, 2021 corresponding to the internal staff in Spain.

Diversity and equal opportunities are another area that Técnicas Reunidas guarantees in the work environment, promoting a climate in which people are judged and valued for their worth and professionalism, highlighting especially the actions developed for the definition of various objectives in terms of diversity, inclusion and equality following the Sustainability Plan.

The Company's commitment in this area is expressly reflected in its Code of Conduct (available on the website), which establishes that Técnicas Reunidas does not accept any discrimination in the workplace or professional field on the grounds of age, race, color, gender, religion, political opinion, nationality, social origin, disability, sexual orientation or any

* Data as of December 31, 2021 corresponding to the internal staff of subsidiaries.

other circumstance likely to generate discrimination". In this context, the Company has had, since 2020, an Equality Commission in charge of adopting the necessary measures to avoid any type of discriminatory conduct.

During 2021, the Company has continued to maintain and develop various policies on equality, diversity, and sustainability. The new actions have mainly focused on training actions: through training actions aimed at the entire workforce in communication and inclusive language, awareness and communication of workplace harassment protocols, the publication of newsletters that contain specific content in terms of awareness and sustainability or in specific topics in courses for employees with team management responsibility.

Throughout this year, Técnicas Reunidas has been working on the drafting and negotiation of a new Equality Plan for all Company's entities, which is expected to be approved in 2022 and it will include more intense actions of sensibilization and training on equality and non-discrimination. Additionally, this year, a Protocol of Sexual Harassment and on the basis of gender has been implemented that gives continuity to the Anti-Sexual and Occupational Harassment Policy existing in the Company, which has been negotiated and agreed with the union representatives of the different entities of the Company. Likewise, the Company has established contractual labor clauses in different countries to prevent this type of situation.

On a regular basis, Técnicas Reunidas carries out various training initiatives for project managers on diversity and understanding of the culture of local employees.

Thematic dialogue sessions with the Workers' Legal Representations (RLT)

In terms of responsible organization, the Company maintains a fluid and active dialogue with the various Legal Representations of the Workers. In this way, various thematic dialogue sessions are set up and maintained with the RLT, among which the following stand out:

- Training Section.
- Equality Section.
- Expatriation Conditions Section.
- Occupational Health and Safety Commission Section.
- Covid-19 Follow-up Committee Section.

The Company has systems for the representation of workers and collective agreements and complies with the applicable legal regulations, having structures similar to the Spanish union representation in 20% of its international projects. Among the issues agreed in the collective implementation agreements are all those relevant aspects that regulate personnel labour relationships with the employer, as well as policies of equality and compliance of labour rights and the entire personnel benefits.



TALENT MANAGEMENT AND RETENTION

Técnicas Reunidas focuses on two key areas to ensure the creation of a working environment that promotes employees' growth and their commitment to the Company. These areas comprise advanced management of personal welfare and development and knowledge management.

Professional development and personal welfare

Técnicas Reunidas has a skills audit program that allows professionals with team management responsibilities to monitor competences set out by the Company. The Company provides these professionals with the training and specific skills to further the development of employees for whom they are responsible.

These skills audits are conducted jointly by the managers and the team, analyzing overall performance and the development of both general and technical/functional competences. They also include assessment of engagement with HSE culture and regulatory compliance.

In 2021, 4,972 employees received performance evaluations.

With respect to talent retention, the Company strives to offer its employees a working environment that meets their expectations. Técnicas Reunidas provides training to support its employees' professional growth and undertakes to keep them informed about the Company's developments in the area of human resources through a range of activities, including the publication of an internal newsletter.

In addition, when circumstances permit, the Company encourages internal mobility as a means of retaining talent and enhancing employees' professional development, reinforcing their skills and abilities.

In the field of remuneration, Técnicas Reunidas offers its professionals a competitive compensation, as well as a series of corporate benefits such as subsistent allowances, life and accident insurance or the employee's club, trying to create a work environment that promotes the well-being and satisfaction of its professionals. The Company also incorporates employment flexibility and work-life balance criteria into its corporate policies, as well as other social benefits adapted to the country and workplace. In this context, in 2021 it expanded the policies of reconciliation of the HO (Home Office), establishing more flexible entry and exit times.

Técnicas Reunidas also offers specific incentives for its best performing employees. Once they have been identified, the Company offers these employees specialized training and development plans. It also complements these measures with specific remuneration actions over the short and long term. This year, the Company has implemented a remuneration policy based on a flexible remuneration system and objective management that reaches the main management team.

Finally, every two years, Técnicas Reunidas conducts a survey on its working environment to gather information on employees' levels of satisfaction with their jobs and their workloads, and their relationships with the Company and their superiors, on the basis of which it develops action plans. Due to the implications caused by the impacts of the pandemic, Técnicas Reunidas has suspended these surveys, focusing these issues largely on the management of Covid-19. However, the Company plans to resume them from 2022.

Flexible working hours system

Other actions in 2021 include the establishment of a new, and wider Time Flexibility System for better reconciliation at the personal and family levels.



Knowledge management 🌐 [103-2]; [404-1]

The development and sharing of knowledge are a key aspect in value creation, project quality enhancement and Técnicas Reunidas' competitiveness.

Técnicas Reunidas is aware of the importance of recruiting talent through the dissemination of knowledge. Therefore, the Company offers courses to its employees, during their professional career. It adapted training plan that helps them to maximize their skills and enhance their development.

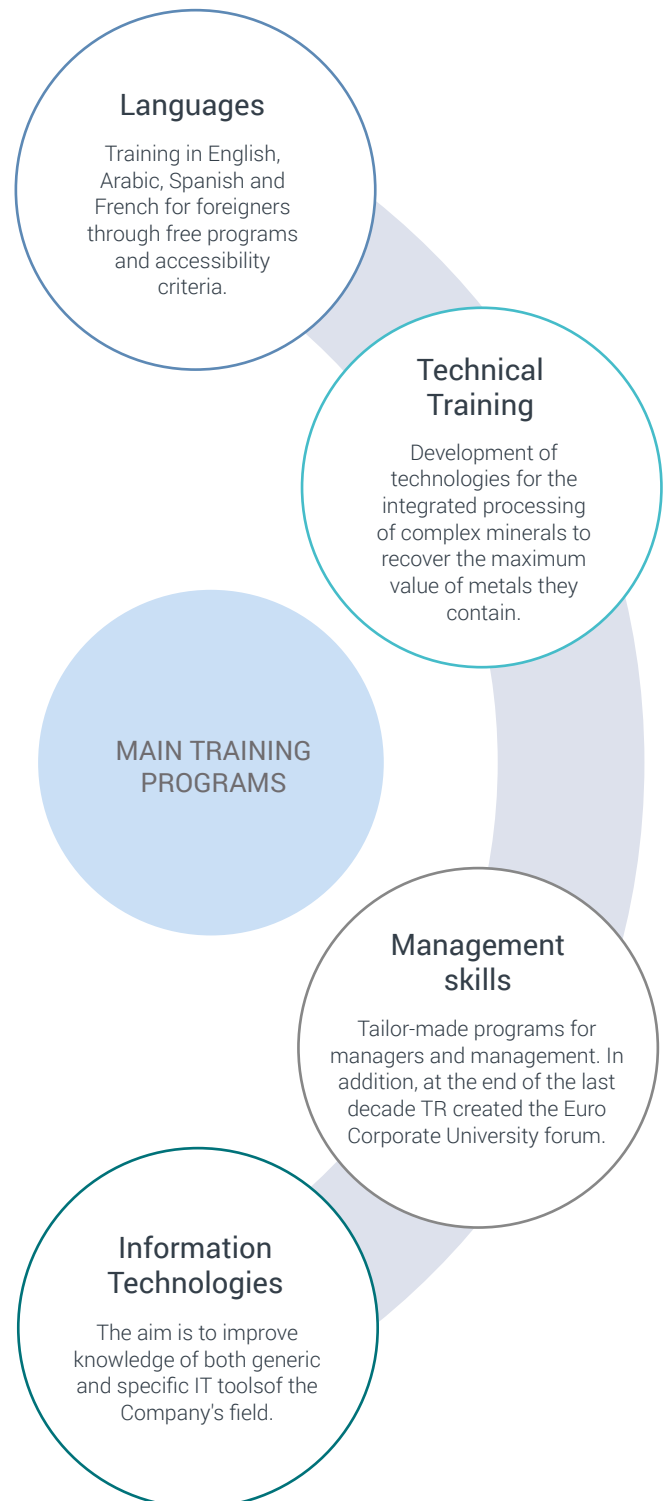
The Company structures the training provided to its professionals in four blocks (see graph) through which it promotes improvement of the works performed by its employees and enhances the achievement of new goals contributing to the fulfillment of the Company's objectives.

As a result of the situation arising from the pandemic, throughout 2020 Técnicas Reunidas observed the need to restructure the training plan, establishing as a key aspect the commitment to digital solutions, followed by the rest of the areas of the Company. In this context three main action lines were established, which have been continuously applied this year:

- **Virtual Classroom Project:** through a corporate tool and the instruction of internal trainers, numerous training actions have been channeled within the Training Plan, both technical and skills.
- **PHAROS Project:** e-learning platform, offering over 350 technical courses in construction, engineering and new technologies, available 365 days a year to all the Group's employees.
- **Own Content Factory:** production of own multimedia material to provide training through the TR Classroom corporate tool, including collaborations with HSE, as well as all kinds of small training modules and workshops.

Finally, the Company is closely watching new areas that may provide business and growth opportunities, such as critical raw materials. One such area is developing technology to extract rare earths in the REMSELAN National Research Project funded by CDTI. In addition, after each training action, a questionnaire is sent to those responsible for the participants to assess the effectiveness of the training provided and identify possible improvements and adjustments.

In 2021 Técnicas Reunidas has provided a total of 217,929 hours of training to employees and subcontracted workers (157,760 in 2020), of which 42,079 hours (44,856 in 2020) were provided to 3,167 employees (3,996 in 2020) in terms of managerial skills, languages, and technical training. The hours of training provided in 2021 have seen a significant increase compared to the 2020 financial year (38% more). This increase is due, in part, to the launch of online training platforms (launched in May 2020) and to the increased use of Virtual Classroom tools, including specific training actions on sustainability. Progressively, training hours are recovering to pre-pandemic levels.



In 2021, the employees and subcontractors of Técnicas Reunidas received more than 217,900 hours of training.

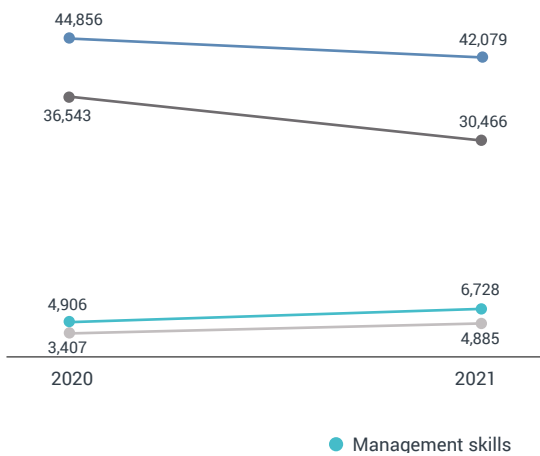
Specific online training on the prevention of Covid-19

In the area of Covid-19, Técnicas Reunidas has launched three specific courses for all company employees in order to safely resume activity and help employees cope with the effects of the pandemic:

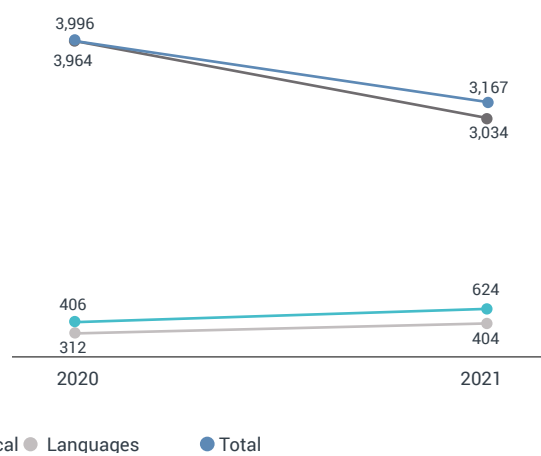
- Preventive measures in the return to the offices.
- General prevention measures.
- Effective psychological coping in the face of Covid-19 confinement.

Training in Técnicas Reunidas. Main indicators⁸ [404-1]

Office employee training hours 2020-2021



No. of Office employees trained 2020-2021



Women: 10.81 h/employee



TRAINING RATIOS
IN 2021
TOTAL: 9.98 H/EMPLOYEE



Men: 8.47 h/employee

Training in Sustainable Development Goals



In an effort to contribute to the achievement of the Sustainable Development Goals (SDGs), Técnicas Reunidas has developed a specific course in this area, available on the TR Aula platform for all employees.

Through this course, it seeks to publicize the SDGs, the Company's contribution to their fulfillment and provide information on the actions that each employee can carry out for their contribution.

⁸ The training data corresponds only to the employees of Técnicas Reunidas Spain.

ATTRACTION AND SELECTION OF THE BEST TALENT

Técnicas Reunidas aims to identify and incorporate the best talent available, including both experienced professionals with the necessary skills, as well as young talent with development potential.

The Company is aware of the risk that the talent gap (deficit of professionals with certain profiles) can pose. For this reason, it has constantly worked during the last years in the retention and attraction of talent to, on the one hand, provide current employees with the necessary knowledge and skills and, on the other hand, increase the knowledge of the Company by professionals in the sector and students, for Técnicas Reunidas to become an attractive option for them to develop their professional career.

The Company has programs aimed at the incorporation of young talent in those countries in which it has a significant presence. In addition, it offers international scholarships for internships in Spain.

Likewise, Técnicas Reunidas also has agreements for internships with around 70 universities, foundations and both Spanish and international organizations. Among the most outstanding are those signed with prestigious centers such as the Imperial College of London (United Kingdom), University of Drexel (USA), Texas A&M University, KTH Royal Institute of Technology (Sweden) and the Spain-US Council Foundation. USA, from which university students such as the Cornell Institute, the Massachusetts Institute of Technology or the Georgia Institute of Technology are received.



Commitment for attracting talent through social networks

The Company maintains an active presence on social networks such as LinkedIn and Twitter that allow it to have a tighter relationship with its stakeholders and, especially, with those professionals and students interested in joining Técnicas Reunidas.

This presence helps the Company to be more effective in attracting new talent through the regular publication of both job offers and the multiple projects it carries out around the world.

Presence of Técnicas Reunidas in social networks

 **+ 196,700** FOLLOWERS @Técnicas Reunidas

 **6.000** FOLLOWERS @TRSA_rrhh



Training of Saudi students within the framework of the Saudization programs developed by the Company

Throughout 2021, the development of the Marjan project's Saudization program has been maintained in a satisfactory manner. This has included the incorporation of 19 recent Saudi graduates as fellows in the Madrid offices, with the aim of training them in the engineering phase of the projects.

After the events of March 2021, the students returned to Saudi Arabia although finally in April 2021 they returned to Madrid after having agreed with the client a new scope of the project and the extension of the engineering phase.

Promoting talent and employability

It is worth special mentioning the collaborative work carried out in 2021 by Técnicas Reunidas with various Spanish Universities and Schools of Engineering at the level of participation in Technical and Competency Training Days and Sessions, Employment Fairs, Sponsorship of Final Degree Works (TFG) and Final Master Works (TFM), teaching collaborations in master's subjects and research projects, among others.

The main universities with which Técnicas Reunidas has worked most closely during 2021 are the Polytechnic University of Madrid, the Rey Juan Carlos University, the Autonomous University of Madrid, and the University of Castilla La Mancha.

In 2021, Técnicas Reunidas offered internships through university agreements to 127 students, some of whom were subsequently hired.

Recruitment and selection principles of Técnicas Reunidas



6.3 INNOVATION

Innovation is a crucial element of Técnicas Reunidas' strategy for maintaining its leadership position and market differentiation. Our efforts to equip the Company with robust information and communications systems are fundamental to guarantee the continuity of operations.

Técnicas Reunidas' contribution to SDGs



MAIN INDICATORS

INDICATOR	2021 FIGURES	2020-2021 PROGRESS
Investment in R&D&I (million €)	4.3	-14 %
Staff working on innovation and R&D&I (equivalent number)	65	-7.1 %
Staff working exclusively on research (equivalent number)	47	-14.5 %
Impact on turnover of technologies developed in exclusively R&D&I projects (million €) ¹	1.5	-15.4 %
Percentage of R&D&I investment devoted to energy transition and circular economy.	82 %	+ 0 %



2021 MILESTONES

- Start-up of the Undergy R&D collaborative project subsidized by CDTI and headed by Naturgy.
- Launch of new critical raw material recovery projects (DUST and RECYCLION).
- Leading the ECLIPSE collaborative project for the "Investigation of New Recycling Technologies and Recovery of Complex Plastic Waste".
- Commissioning of the ammonia oxidation reactor for FMSE in Argentina that uses an N₂O abatement system and catalyst.
- Establishing a new methodological framework for Digital Transformation and Innovation.
- Transfer of the Data Processing Center (DPC) to a specialized center with measures implemented to reduce and optimize energy consumption.
- Use of new computer tools and applications required for the development of state-of-the-art projects in the market (Smart Construction, Task Intelligence, KPI APP, etc.).
- Renovation of communication equipment in the buildings of the Técnicas Reunidas network.
- Implementation of new security measures to combat security problems derived from remote work and to prevent cyber attacks.
- Greater use of cloud computing in the company's operations, with the activation of more than 800 Cloud servers during 2021.
- Membership in the IndesIA Consortium for the development of AI and data economy in the Spanish industrial sector.

1. ESPINDESA is not included for reasons of comparable information. The impact of the rest of the innovation activities (other than R&D&I) with a direct or indirect impact that would amount to millions of € in sales are not included either.



2022 GOALS

- Continue developing the project contracted by the Swiss Zinc company for the future urban waste recycling complex in Switzerland using ZINCEX™ and ECOLEAD™ technologies.
- Develop the basic engineering of a new production line of 150,000 annual tons for the Skorpion plant, as well as the revamping of the current Skorpion plant in Namibia, including LIP4CAT™ and ZINCEX™ technologies in both cases.
- Continue developing the project contracted by the Swiss Zinc company for the future urban waste recycling complex in Switzerland using ZINCEX™ and ECOLEAD™ technologies.
- Develop the basic engineering of a new production line of 150,000 annual tons for the Skorpion plant, as well as the revamping of the current Skorpion plant in Namibia, including LIP4CAT™ and ZINCEX™ technologies in both cases.
- Continue development of technologies for our circular economy strategic priority (solid urban waste, electronic components, plastics, industrial effluents, etc.).
- Development of pyrolysis projects to recycle carbon and glass fiber for wind turbines.
- Continue developing technologies to obtain and/or recover critical raw materials essential for energy transition, such as lithium, cobalt, rare earths, etc.
- Reach an agreement with catalyst suppliers about the possibility of using tertiary high-efficiency N₂O abatement catalysts (greenhouse gas 300 times more effective than CO₂ and common in ammonia oxidation processes, such as nitric acid plants where Técnicas Reunidas has technology through its subsidiary ESPINDESA).
- Continue developing electrolyzer technology for green hydrogen production (AEM and SOEC electrolyzers) and contribute to the de-carbonization of industrial activities using blue hydrogen (Celsa and Arcelor).
- Establishing two permanent innovation hubs and specific work groups with the Operations area.
- Define the launch of the Data Governance project to improve data management using artificial intelligence.



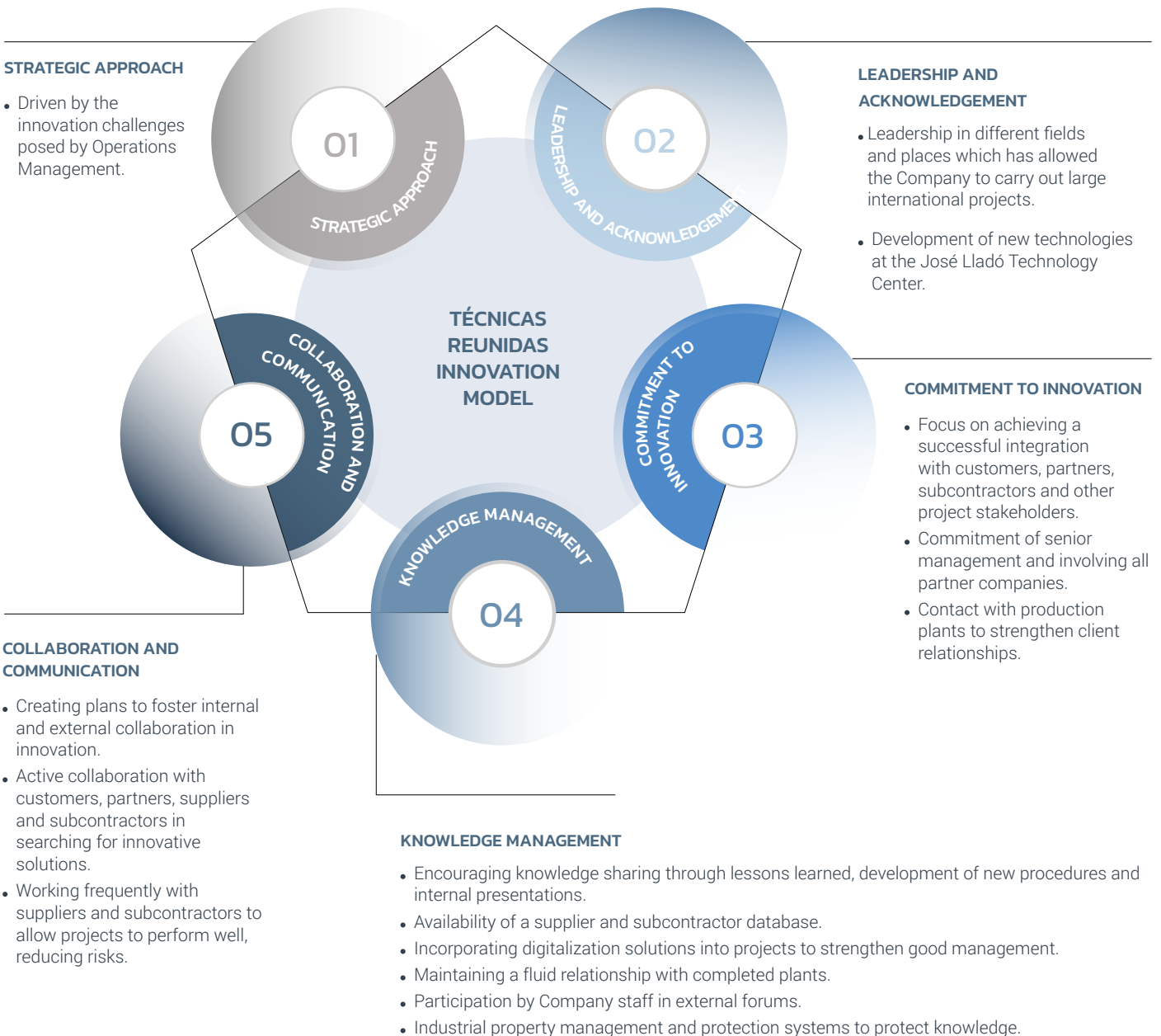
MANAGEMENT APPROACH

Innovation model

Técnicas Reunidas is aware of the change of scenario affecting the sector due to the appearance of new technologies. It is therefore working constantly on improving its productivity and efficiency, building plants that are more and more intelligent and meet the needs of the market and its clients. Since its beginnings, Técnicas Reunidas has devoted a large number of resources to R&D&I for industrial processes and technologies. As a result, it has an innovation model in place intended to implement its projects efficiently and to ensure client satisfaction, while developing new technologies that can

be introduced in the market. Among these, Técnicas Reunidas places special emphasis on the development of technologies associated with digitalization and energy transition.

Some of the pilot projects that had been postponed during the previous financial year were reactivated during 2021. Técnicas Reunidas has noted a recovery in commercial activity and relations with clients and has been able to continue developing the initial stages of various projects focused on promoting new technologies in its industry.

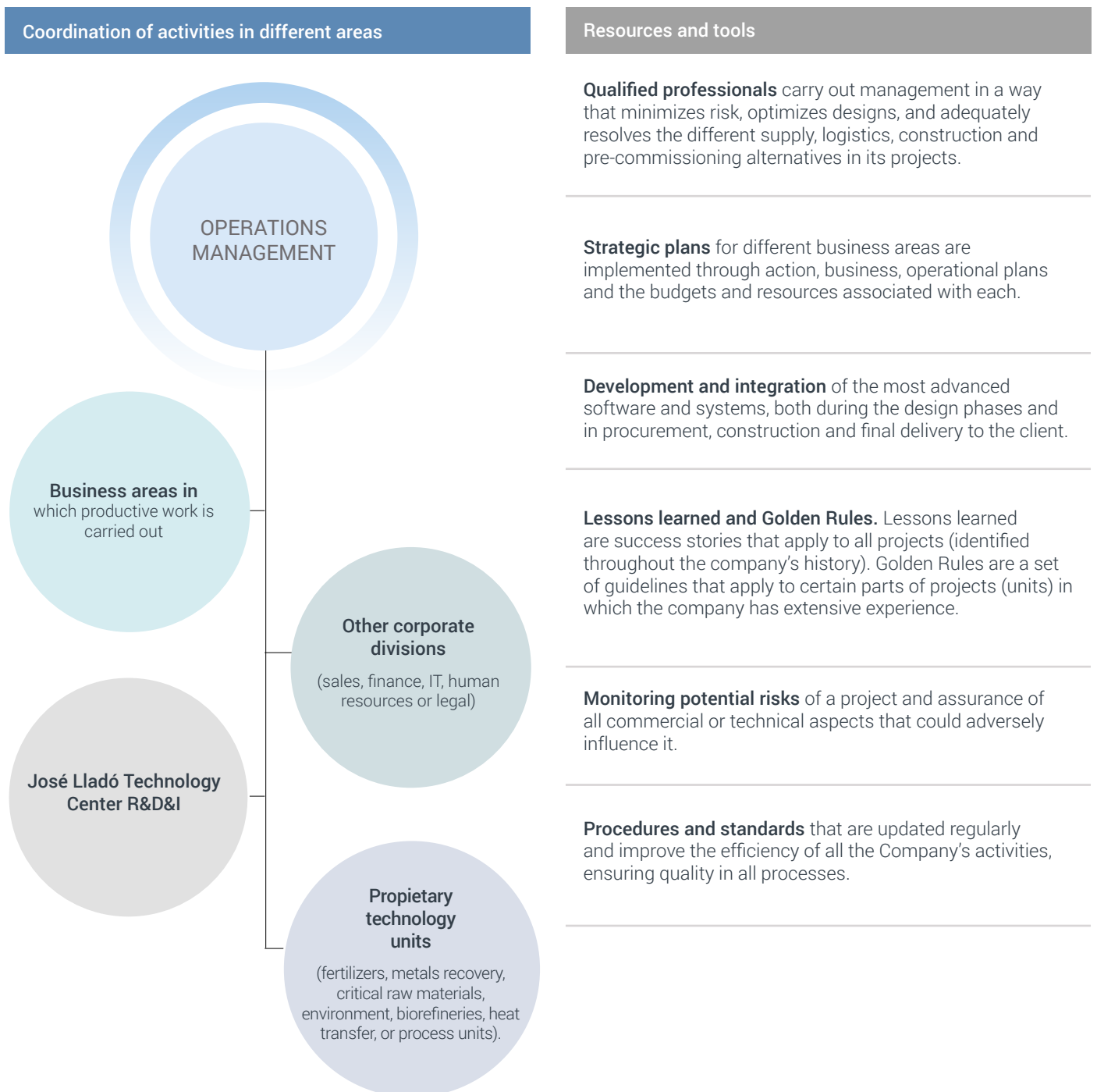


MANAGEMENT STRUCTURE AND TOOLS

R&D&I management at Técnicas Reunidas is carried out in an integrated way through the Company's board, which coordinates the work carried out in different areas.

There is a close relationship between innovation, leadership and customer trust. By integrating these aspects, Técnicas Reunidas can offer customers a wide range of solutions to respond to their needs.

R&D&I Management at Técnicas Reunidas



TÉCNICAS REUNIDAS' INNOVATION STRATEGY

Técnicas Reunidas' innovation strategy is split into three areas:

Growth by identifying business opportunities

- The Company's participation in modular plant design and basic design projects has helped to consolidate Técnicas Reunidas' presence in the global market, positioning it as a benchmark in the sector.

Diversification by developing products and services that can respond to the needs of current and potential customers

- In recent years Técnicas Reunidas has made a significant effort in its search for new clients and markets. As a result, we have executed large oil & gas sector projects in Saudi Arabia, Oman, Bahrain, Kuwait, Turkey, USA, Canada, Peru, Bolivia, Russia, Belgium, China, Mexico and Egypt, among others. In addition, we have also executed large projects involving plastics and nitrate production and electricity generation in Australia, Mexico, France, Dominican Republic, United Kingdom and Norway. Moreover, a great effort has been made to enter markets involved in the chain of phosphate fertilizers, sulfuric acid, ammonia, urea and mining (phosphates, potash and lithium, in particular).
- Concerning R&D&I, Técnicas Reunidas has focused on six business areas: metal recovery, critical raw materials, environment and circular economy, hydrogen production, energy storage and biorefineries. The Company's strategy involves consolidating the technologies already designed and developing new ones in different fields based on the existing knowledge in the organization. In this regard, the technical capabilities that allow us to adapt to new sustainability requirements and policies are increasingly important.

A close relationship with customers, suppliers, subcontractors and other organizations.

- The Company operates in an increasingly globalized business and social context where technological advances drive the development of communications. Our innovation strategy aims to make the Company a leader in the fields in which it operates by entering into the management of emerging areas such as big data, virtual reality applications and artificial intelligence. Management and know-how in these areas allow us to expand cooperation with relevant partners. In addition, it has a positive influence on creating opportunities for making work processes more efficient and developing new technologies that can help the Company grow.

- On the other hand, our progress in improving integration and collaboration and communications with supplying partners and subcontractors has enabled us to distribute workload to each according to its capacity, monitor objectives, and share opinions with their managers.
- Técnicas Reunidas is committed to optimizing the quality of its resources, consolidating its know-how (knowledge acquired from projects throughout the Company's history) and transforming its working methods into a continuous process of searching for excellence.

Greater interaction with innovative companies, research bodies, suppliers, subcontractors and the community generates synergies that enable us to develop new services, processes and technologies and carry out more ambitious projects.

Open innovation: generating new opportunities for growth, diversification and interaction

Técnicas Reunidas also focuses on Open Innovation as a way to grow and generate synergies in this area.

Interaction with innovative companies, research bodies and other external actors is a clear advantage for the development of Técnicas Reunidas services, processes and technologies. This collaboration with the other agents in the innovation system allows us to make more efficient use of allocated resources, minimize risks and speeds up market launch of new services, processes and technologies.

The José Lladó Centre plays an important role in strengthening open innovation. Its facilities are used for collaborations with other companies, as well as other bodies including government-run research centers, technology centers and universities.

SHARING THE COMPANY'S KNOWLEDGE WITH CUSTOMERS

Técnicas Reunidas has led the construction of more than a thousand industrial plants for some of the leading companies in the energy and chemical sectors. This experience has been gained in conventional and modular projects in widely varying geographical environments and climatic conditions.

The Company also places its knowledge and the opportunity to use the most advanced tools at the client's disposal in all phases of its projects. This shows the undeniable value of Técnicas Reunidas' capacity to provide clients with three types of projects of growing interest in the market: process revamping, plant standardization and the licensing of proprietary technologies with associated engineering services.

Técnicas Reunidas is increasingly focused on collaborating with its clients to develop some of its basic tools before project execution, such as conceptual, feasibility and design engineering studies, allowing it to lead consortium projects and offer more competitive solutions.

In developing these solutions, Técnicas Reunidas is not just limited to participating in project execution. It also becomes involved in their operation by providing assistance to clients after delivery. This relationship allows Técnicas Reunidas to access information and identify problems from which to develop new business opportunities in the future.

Collaborating with customers: sharing technical knowledge

A very significant exchange of technical knowledge with clients has taken place over the year, with the aim of improving joint processes and working with greater collaboration. Thus, Técnicas Reunidas is making progress in its goal to reinforce relationships and exert a greater influence in the decisions made by its clients, all in order to increase the value contribution of the latter.

Acerinox and Técnicas Reunidas have reached an agreement to work together to study the de-carbonization process of Acerinox Europa's facilities in Los Barrios (Cádiz). A comprehensive stainless steel production plant that employs over 1,800 workers and boasts a production capacity in excess of one million tons per year.

This project will serve to discover which de-carbonization technologies are the most suitable for each industrial sub-process, with emphasis on electrification using renewable energies, green or blue hydrogen, bioenergies and carbon capture and storage.

Técnicas Reunidas will contribute to the project by providing its ample knowledge and experience in the various technologies associated with energy transition and its integration in complex industrial processes. This joint project with Acerinox is one of Técnicas Reunidas' first steps toward its goal of diversifying the de-carbonization and energy transition actions it has been carrying out in recent years during its normal activities and extending them to other intensive energy consumption industries.



CUSTOMER SATISFACTION EVALUATION AND COMMUNICATIONS

It is essential to know the opinion of our clients and main suppliers to improve the quality of our projects and strengthen the Company's Quality Management System.

The characteristics of our business and the nature of the projects executed by Técnicas Reunidas require an ongoing dialogue with clients throughout the life cycle of all our projects.

To maximize customer satisfaction, Técnicas Reunidas has implemented a Quality Management System based on global project execution indicators. This system quickly provides us with performance progress and the ability to identify possible areas for improvement.

Along with the above and as regards project monitoring, the Company holds EOMs (Executive Operation Meetings) to review a project's situation from the point of view of status, progress, difficulties and opportunities, both internally with all the teams involved (weekly) and externally with clients and partners (monthly). Finally, the Company formally surveys customer satisfaction through a review exercise at the end of each project.

The strongest test of client satisfaction is the high percentage of repeat contracts with Técnicas Reunidas. This fact is particularly noteworthy given the intense competition in the market, especially in particularly competitive markets, as acknowledged by ENR³.



3. In recent years, Técnicas Reunidas has been ranked 10th and 15th in the International Design Companies section of ENR (Engineering News Record).

R&D&I AND PROPRIETARY TECHNOLOGY

Since its beginnings, Técnicas Reunidas has dedicated a large part of its resources to R&D&I in industrial processes and technologies. As well as developing technologies in different business areas, the Company has built up considerable experience and know-how in managing and execution of complex projects and verifying and developing basic engineering data, enabling it to consolidate its international leadership position.

As a result of its R&D&I investment, Técnicas Reunidas has a portfolio of proprietary technologies in different areas of activity and related patents and trademarks. The Company is thus in a position to license the use and marketing of these technologies and all their associated R&D&I and engineering services for industrial implementation.

In this area, the Company has a Proprietary Technologies

Development Division that produces profitable know-how (technologies) that enables it to develop a tangible product. It also has a subsidiary for developing and marketing some of these technologies⁴.

As regards proprietary technologies, Técnicas Reunidas is an international leader in the field of nitric acid, prilled ammonium nitrate for mining, and in the recovery of the base metal zinc using its ZINCEX™ solvent extraction technology.

Marketing of proprietary technologies by ESPINDESA



Española de Investigación y Desarrollo (ESPINDESA) develops and markets proprietary technologies in the fields of fertilizers, nitric acid, nitrates (organic and plastic) and mining. It provides technology to more than seventy industrial facilities. Some of the most noteworthy are:

- **Granular ammonium phosphates** for producing granular di-ammonium and mono-ammonium phosphate (DAP and MAP) from phosphoric acid and ammonia in a tubular reactor.
- **NPK and nitrosulphate complex fertilizers** with several nutrients (nitrogen, phosphorus, potassium and sulfur) based on nitrate, phosphate or nitrosulphate solutions (chemical granulation) as well as on a mixture of nutrients with steam (steam granulation).
- **Concentrated nitric acid** for production of nitric acid up to 98-99% concentration from ammonia and air.
- **Extractive nitric acid distillation** to produce nitric acid at a concentration of 98% - 99% from diluted nitric acid with extractive agent.
- **Porous ammonium nitrate** for obtaining low density pelletized ammonium nitrate from nitric acid and ammonia for use in mining.











⁴ For more information about the technologies developed by the Proprietary Technologies Development Division, visit <https://ddtp.tecnicasreunidas.es/en/> and <https://ddtp.tecnicasreunidas.es/en/technologies/>

Another area of innovation that the Company is engaged in is developing clean technologies. Apart from establishing a close collaboration with catalyst suppliers to reduce nitric acid

emissions of the projects, a joint effort has been made with clients to promote the development of 'dual' plants, capable of optimizing energy consumption.

Technologies and Trademarks owned by Técnicas Reunidas

NAME	FIELD OF BUSINESS	SCOPE
ZINCEX™ 	Metals recovery	Technology for processing leached ores and zinc concentrates that are difficult to treat by conventional methods to produce zinc by hydrometallurgical techniques using solvent extraction.
LIP4CAT™ 		Technology for treating calcines from roasting zinc concentrates to cause zinc leaching.
DATMOS™ 		Technology for treating mineral concentrates unusable in conventional RLE (Roasting Leaching and Electrowinning) process to cause zinc leaching.
ECOLEAD™ 		Technology for recovering lead and silver from secondary raw materials based on brine leaching and subsequent precipitation of the valuable metals.
WALEVA™ 	Biorefinery	Technology for recovery of agri-food waste (which is currently otherwise incinerated) using a chemical process to produce levulinic acid.
PHOS4LIFE™ 	Critical raw materials	Family of technologies: <ul style="list-style-type: none"> • Technology for producing technical grade phosphoric acid from sludge ash from sewage treatment plants. • Technology for producing phosphoric acid from phosphoric rock.
RARE TECH™ 		Technology for producing rare earth concentrates from monazite ores.
HALOMET™ 	Environment	Technology for treating urban waste by incineration to recover zinc and other metals.








Furthermore, Técnicas Reunidas participates in various R&D&I projects, through which it is developing technologies to recover metals from all waste types (such as the European Biorecover project or the DUST project financed by the CDTI for the treatment of steel mill dust and the recovery of the metals contained in it). The Company's work in this area is in line with European environmental policies for more rational use of resources and promotion of the circular economy.

The Company is closely watching new areas that may provide business and growth opportunities, such as critical raw materials. One such area is developing technology to extract





rare earths⁵ (REMSELAN National Research Project funded by CDTI). Rare earths are considered critical strategic metals by Europe, the United States, Japan, China, South Korea and Australia. Another is to recover lithium and cobalt from electrical car battery recycling processes (RECYCLION Project).

Finally, the Company participates in R&D projects focused on developing electrolyzers for the production of green hydrogen (EVER project to develop electrolyzers based on anionic membrane technology).

R&D&I projects for new technologies in which Técnicas Reunidas participates

PROJECT NAME	TARGET
<p>WALEVA TECH</p> 	<p>Development of a new biorefinery process to produce levulinic acid (LevA) and its derivative gamma-valerolactone (GVL) from the C6 sugar fraction of lignocellulose biomass.</p>
<p>BIORECOVER</p> 	<p>Research and development of new, mainly biotechnology-based technologies for selective extraction of critical raw materials from currently untapped primary and secondary sources of rare earths, magnesium and platinum.</p>
<p>SEA4VALUE</p> 	<p>Conversion of brines produced by desalination plants into a complementary source of critical raw materials.</p>
<p>REMSELAN</p> 	<p>Obtaining rare earths (such as Ce, Pr, Nd, La) by separation and purification of lanthanides.</p>
<p>DUST</p> 	<p>Development of flexible and compact technology for the treatment and direct recovery of steel mill dust, waste considered as hazardous because of its high content of heavy metals.</p>
<p>RECUMAN</p> 	<p>Development of technology to recover manganese in industrial plants that use zinc materials as a chemical species that maximizes its sales value.</p>
<p>EVER</p> 	<p>Developing low-cost electrolyzers for the production of green hydrogen based on anionic membrane technologies.</p>

⁵ Rare earths: seventeen elements, so called because they are widely dispersed and not as concentrated as most others. These elements have multiple high added value uses and are increasingly sought after.

<p>RECYCLION</p> 	<p>Developing technology to recycle batteries that have reached the end of electric vehicles' useful life, with special emphasis on their sustainability, economic feasibility and integration in the circular economy of the value chain of lithium ion battery manufacturers.</p>
<p>LEVAPLUS</p> 	<p>Developing efficient and sustainable technology to recover raw materials rich in C6 sugars for the production of carboxylic acids that serve as a chemical base to obtain chemical products, polymers or drugs, among others.</p>
<p>SHINEFLEET</p> 	<p>Shinefleet covers the whole hydrogen value chain, from production to end-use, including developing specific equipment for the haulage industry. In particular, it is developing compact renewable and blue hydrogen generators for the haulage industry.</p>
<p>FUSION FUTURE</p> 	<p>Development of materials, technologies and processes for the components of an experimental nuclear fusion reactor to demonstrate the economic and commercial feasibility of continuous energy production.</p>

Protecting this knowledge once it is developed is critical. Not surprisingly, the knowledge and technological innovation the Company has built up give it a competitive advantage in the markets in which it competes, creating shareholder value.

Técnicas Reunidas has a specific procedure that details how to manage industrial property to protect this knowledge. For each

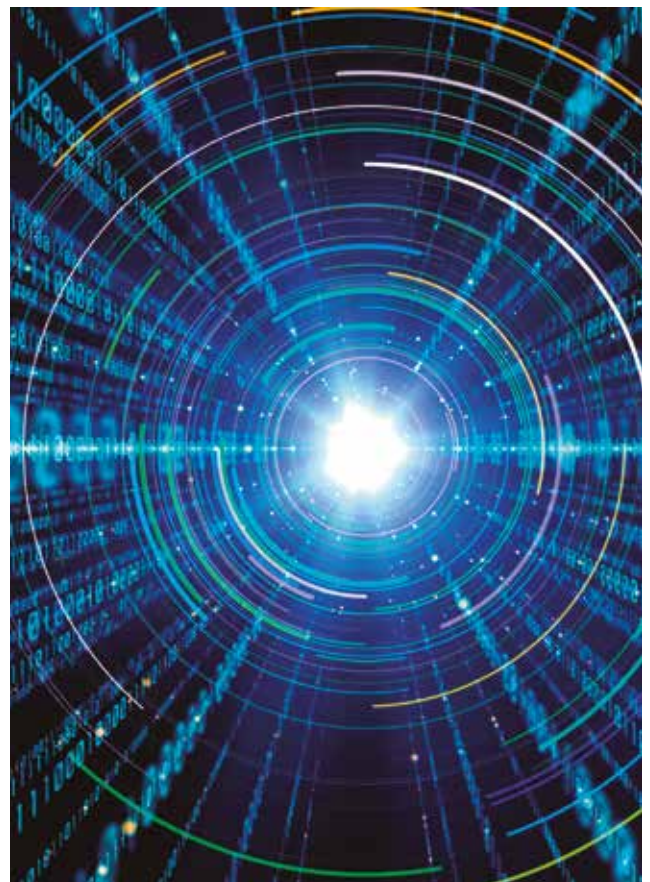
innovation or item of knowledge, the Company evaluates the most appropriate way to ensure its protection. This evaluation takes into account the ultimate objective pursued, the advantages and disadvantages associated with each protection model, as well as the risks deriving from each.

The José Lladó Technology Center, the core of R&D&I at Técnicas Reunidas

Since 1974, Técnicas Reunidas has had a Technology Center within the Proprietary Technologies Development Division. The José Lladó Technological Center is located in San Fernando de Henares and has more than 5,000 m² of space and more than seventy staff.

This center is a space for R&D&I work and acts as a driver for technology transfer and sharing. The center's work is customer-focused and innovation its tool for competitiveness. This Technology Center facilitates and enables the company's participation in innovation processes and R&D activities.

The Technology Center carries out research and technology development projects. It especially focuses on the Company's technology needs, provides technology services and technical assistance and collaborates in the transfer of research results between different publicly-run research centers, technology centers and Técnicas Reunidas. It also promotes and participates in cooperative research between companies.



R&D&I AND CIRCULAR ECONOMY

Municipal Solid Waste (MSW) generated in Europe is a growing problem for which easy solutions have yet to be found. European regulations attempt to prevent this waste from ending up in landfills and to use incineration as one of the technical solutions for its reduction. The ash generated by the incineration of MSW has a high metal content that has to be recovered according to the environmental legislation that is going to be implemented in Europe. MSW incineration is commonplace in some European countries, such as Estonia (59 %), Denmark (53 %), Norway (53 %), Sweden (51 %), Finland (48 %), Switzerland (47 %), Holland (47 %) and Belgium (44 %).

Incineration is also significant (per volume) in other countries, like France (14.7 million tpy of incinerated MSW), United Kingdom (8.5 tpy MSW), Italy (6.1 tpy MSW), Spain (2.9 tpy MSW) and Austria (2.5 tpy MSW), which opens the way for significant opportunities for new technologies.

The ZINCEX™ and ECOLEAD™ technologies have been selected by the Swiss company SWISSZINC as the solution for the recovery of zinc and lead by treating the ash of incinerated municipal solid waste. The first phase of the project has been successfully completed. This phase consisted in the execution of the preliminary engineering of a treatment plant with a capacity for 40,000 tons per year of municipal waste ash. This will result in the generation of 2,800 tpy of zinc and 500 tpy of lead.



Featured case

Circular demolition of the silo at the Los Barrios port terminal

Técnicas Reunidas has participated in a project in the Los Barrios port terminal (Cádiz) in collaboration with the Endesa Group. The project was recognized to have followed good practices by the Ministry for Ecological Transition and Demographic Challenge.

The initiative consisted in the demolition of the silo located at the port terminal near the site reserved for the installation of pressure tanks for Liquefied Natural Gas (LNG). After studying the installations and reaching agreements with the organizations involved in the blasting, demolition and waste disposal operations, the demolition was carried out within the framework of a circular economy project. A plan was prepared to minimize the waste destined to landfills and to reuse the demolition waste in part of the worksite near the LNG bunkering installation.

The machinery needed to segregate demolition waste was installed in the terminal area. The waste consisted mainly of rebar (recovered by external agents) and concrete (crushed on-site for reuse in the work carried out to adapt the port terminal by replacing aggregates and graded aggregate).

As a result, by starting with a circular approach, practically 100 % of the demolition waste has been recovered.



Técnicas Reunidas receives the Retina ‘sustainable ecosystem’ award for its joint project on fiberglass recycling.

In 2021, Técnicas Reunidas and Reciclopedia received the Retina Sustainable Ecosystem award, sponsored by the El País newspaper and the consultancy firm Capgemini for their joint project on the development of technology to recycle fiberglass and reduce the carbon footprint of wind turbines.

The purpose of these Awards, which have been held for the first time, is to recognize the best projects developed by Spanish companies in the areas of struggle against climate change and sustainability by making use of technology. The awards cover four categories: efficient consumption, green generation, intelligent mobilization and sustainable ecosystem.

The project developed by Técnicas Reunidas and Reciclopedia provides a technological solution for an increasingly important problem: the fiberglass waste generated at an increasing rate by the wind turbine blades that reach the end of their useful life, given that their burial in landfills has become an unsustainable alternative.

The solution is intended to obtain clean recycled fiber from wind turbine waste, recover the polymer by obtaining a pyrolysis oil suitable for industrial use, optimize energy consumption of the entire process and sell the recycled composite materials, as a clear case of circular economy.

One of the advantages derived from this technological solution is the fact that using recycled fiberglass avoids the emission of 166 tons of CO₂ per wind turbine throughout its useful life.



6.4 EXCELLENCE IN ENVIRONMENTAL PERFORMANCE

In an increasingly demanding context, Técnicas Reunidas is committed to executing projects that are environmentally responsible, complying with international best practices and standards in the field.

Técnicas Reunidas' contribution to SDGs



MAIN INDICATORS

INDICATOR	2021 FIGURES ¹	2020-2021 PROGRESS
Energy consumption (GJ)	491,077	- 29.7 %
Greenhouse gas emissions - Scopes 1 and 2 (tCO ₂ eq) ²	34,612	- 29.7 %
Greenhouse gas emissions - Scope 3 (tCO ₂ eq) ²	25,863	+ 247 %
Steel consumption (t) ³	27,657	- 70.7 % ⁴
Copper consumption (t)	161	- 82.7 %
Hazardous and non-hazardous waste generated (t)	22,287	- 14.7 %
TEIF (Total Environmental Incident Frequency) ⁵	Target 0.025	Actual 0.031
SSIF (Serious Spill Incident Frequency) ⁶	Target 0.007	Actual 0.002



2021 MILESTONES

- Participate in the design of urban gardens and new green areas at the Adequa offices site.
- Consolidate merger of processes and tools of Técnicas Reunidas and Initec departments.
- Consolidate measurement of materials reuse on construction sites to prevent them becoming waste.
- Definition of the corporate targets for a 30% reduction in emissions by 2030 and carbon neutrality by 2040, within the framework for the implementation of the Sustainability Policy as applied to the environment.
- Achieving the target for the SSIF indicator (0.007) at worksites.
- Achieving the reduction targets: 3.5% electricity consumption and 3% paper consumption.
- Membership in the Spanish Green Growth Group (GECV).
- Obtaining the LEED Certification for Adequa offices in Madrid ('Platinum' category).



2022 GOALS

- Carry out a detailed analysis of the projects to report on their good environmental practices and commitment to the Sustainable Development Goals.
- Achieve the targets set out in the Sustainability Policy associated with the environmental field.
- Foster the use of collaborative, digital platforms that contribute to the reduction of the carbon footprint.
- Implement measures to promote energy efficiency, such as the use of intelligent systems and employee awareness campaigns.
- Develop a circular economy strategy within the framework of the Company's Sustainability Policy.
- Carry out reporting according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
- Expand the diversification of Técnicas Reunidas' activities as regards de-carbonization.

1 The figure for scopes 1, 2 and 3 energy consumption and waste generated consists of the actual amount generated from January to September and an estimate of production in the last three months of the year. This estimate has been made by projecting the monthly average from January to September.

2 The main sources of greenhouse gases associated with TR's activity are consumption of fossil fuels by the Company's vehicle fleet and facilities (scope 1), electricity consumption at these facilities (scope 2) and emissions caused by business travel (scope 3).

3 Includes consumption of structural steel, carbon steel, alloy steel and stainless steel in pipes and sheets.

4 The reduction in consumption of steel (-70.7%) and copper (-82.7%) is because material is accounted for on receipt at warehouse (delivery note accounting). Steel and copper are bought in large quantities at specific times, so there may not be any need to buy more, sometimes, for a year. This is therefore a cyclical variation.

5 TEIF: Total Environmental Incident Frequency. The index is calculated as TEIF= (total of environmental incidents × 200,000) / hours worked.

SSIF: Serious Spill Incident Frequency. The index is calculated as SSIF= (total of serious spill incidents × 200,000) / hours worked. The trend is not shown because the Company's targets for the indexes are updated each year by adopting more stringent values.

The trend is not shown because the Company's targets for the indexes are updated each year by adopting more stringent values.

6 Spillage equal to or greater than 20 liters with the potential to contaminate soil or water.

MANAGEMENT APPROACH

Técnicas Reunidas' business is focused on providing industrial plant construction and engineering added value services for the production of clean fuels, natural gas and chemical products and offering its clients technical solutions associated with energy transition, circular economy and de-carbonization (renewable hydrogen, biofuels, waste recovery, CO₂ capture and storage, etc.). Our staff is committed to ensuring that the execution of these projects meets environmental requirements.

To achieve this, Técnicas Reunidas has an Environmental Management System (EMS) implemented following the ISO 14001:2015 standard. This system is based on the policies, programs and practices in the Environmental Management Manual and the principles of the United Nations Global Compact that the Company subscribes to and its commitment to the United Nations Sustainable Development Goals and the 2030 Agenda.

The EMS is externally certified by AENOR and there have been no "non-conformities" in recent years. Moreover, all Técnicas Reunidas Environmental Management System certificates are linked and are developed under a global strategy.

Within the framework of its EMS, Técnicas Reunidas has a Quality, Safety, Health and Environment Policy available on the Company's website. Environmental protection and the struggle against climate change has also been explicitly included in the new Sustainability Policy, whose implementation plan







was approved in 2021 and the principles of which include "developing technical solutions that enable the construction of sustainable and efficient plants for customers". Within the framework of the Sustainability Policy, the Secretary of the Board is responsible for monitoring internal and external sustainability initiatives.

In 2021, Spain approved Act 7/2021, dated May 20, on climate change and energy transition, which strengthens the National Integrated Energy and Climate Plan (PNIEC) and affects Técnicas Reunidas. This legislation is intended to achieve greenhouse gas emission neutrality in Spain by 2050.

In line with the above, Técnicas Reunidas is firmly committed to de-carbonization of its businesses and has redefined its strategy regarding emission reduction. The Company has reset its baseline year to 2019 and amended its targets by making them more ambitious: to achieve a reduction of 30% by 2030 in scopes 1, 2 and 3 and carbon neutrality by 2040, ten years before the requirement set forth in legislation.

In 2021, Técnicas Reunidas included several environmental goals within the Sustainability Policy.

STRATEGIC PILLARS OF THE ENVIRONMENTAL MANAGEMENT APPROACH

<p>Effective incorporation of environmental aspects into the Strategic Plan for Operations & Business management and in all activities.</p> 	<p>Establishment of environmental goals and regular reviews.</p> 	<p>Satisfaction of client requirements and compliance with current legislation and applicable codes and standards, as well as other mandatory environmental requirements.</p> 
<p>Creation of appropriate and effective communication channels with employees and stakeholders.</p> 	<p>Provision of appropriate continuous training in environmental issues for employees and collaborators.</p> 	<p>Establishment of monitoring channels that facilitate continuous improvement in efficient energy use, environmental protection and the prevention of pollution.</p> 

ENVIRONMENTAL MANAGEMENT IN THE VALUE CHAIN

The Environmental Management System (EMS) is described in the environmental management manuals and supporting procedures available on the Company's Intranet. In addition, for projects that require it, project-specific environmental procedures and plans are developed in fulfillment of contractual and financing undertakings, as well as corporate manuals and procedures.

Técnicas Reunidas has also implemented methodologies to ensure, starting from the bid phase, that it identifies, monitors and verifies different environmental aspects to ensure compliance with the requirements and identifies environmental risks and opportunities. This identification is part of the Environmental Management System. It is carried out for each action the Company undertakes, in both projects and offices, where regular updating and monitoring workshops are held.

Técnicas Reunidas' EMS applies not only to its own facilities but extends to cover the scope of all projects to ensure compliance with applicable environmental legislation, contractually established requirements and other sustainability criteria in the design of the plants when requested by the client.

This methodology is implemented in 100% of the Company's projects. It is based on an "Environmental Log" compiled to enable monitoring and verification of compliance in these matters. Throughout the engineering and procurement phase, and on an ongoing basis, compliance with environmental aspects is monitored by the Health, Safety & Environment (HSE) engineer for each project. Subsequently, this monitoring becomes the responsibility of the HSE team on site.

Internal environmental audits are carried out at the corporate level at 30% and 70% progress of engineering and procurement. In addition, periodic follow-up audits are carried out during the construction phase. These audits are carried out in conjunction with the verification of health and safety regulations compliance.

In addition, an internal audit of projects is carried out annually. An external company does this audit to ensure the system's independence. There is an external certification audit by AENOR to complete this process and verify environmental performance indicators, including carbon footprint.

ENVIRONMENTAL MANAGEMENT SYSTEM ALONG THE VALUE CHAIN



Projects carried out by the Company

- Environmental requirements for project implementation.
- Sustainability criteria for plant design and new technologies.



Company activities

- Environmental management at the Company facilities, focusing on key environmental aspects (energy, emissions, materials and waste).



Suppliers and subcontractors

- Environmental requirements for suppliers and subcontractors.

ENVIRONMENTAL MANAGEMENT IN THE COMPANY'S ACTIVITIES

🌐 [103-2]

Técnicas Reunidas' EMS enables it to identify and manage environmental issues arising directly from activities at the Company's own sites. Once an issue is identified, it initiates a series of mitigation actions, sets targets and monitors the situation using an indicator scorecard.

The initiatives previously implemented in the Company's own sites and activities were improved during 2021:

- Within the context of the sustainable mobility plan, Técnicas Reunidas increased the hours of the shuttle service between its offices and the city of Madrid at the disposal of its employees and improved access to the same through the use of a cell phone application.
- Bolstering of awareness campaigns at Madrid offices about separating waste, specifically about waste from cleaning and disinfection related to Covid-19. New instructions about the Environmental Management System on construction sites to help improve environmental performance there.
- Adoption of measures necessary to ensure a safe return of all employees to the offices during the last quarter of the year.
- Installation of a plastic cap recycling container in collaboration with the Seur Foundation, which not only contributes to protect the environment but marks collaboration with an organization from the tertiary sector in support of a social cause.
- The Company has set up an office circular economy action plan that includes replacing trash cans with recycling points, achieved in 2021; establishing a quantitative goal for the reduction of paper consumption by promoting digitalization and a paperless culture among employees, customers, suppliers and contractors, among other initiatives.

Zero emissions in offices in Spain

By closing several of its buildings in Spain and relocating staff to more efficient facilities, Técnicas Reunidas has completed its strategy to reduce its own consumption and emissions in its offices.

Energy consumption in the Company's facilities in Spain is certified and shows that Técnicas Reunidas has avoided 2,177.17 equivalent tons of carbon dioxide in 2021.

Técnicas Reunidas Participation in the Carbon Disclosure Project (CDP)

Técnicas Reunidas took part in the Carbon Disclosure Project (CDP) again this year. This initiative aims to assess the quality of businesses' information and reporting systems on climate change and other sustainability-related aspects.



CDP Score 2021



Maximum LEED certification score for the Adequa buildings.

The buildings of the Adequa complex in Madrid have been awarded the LEED® Platinum seal in the EBOM (Existing Building Operation and Maintenance) category, the highest level of environmental certification for buildings, which reflects their environmentally friendly characteristics.

The most important characteristics behind this achievement are good operation and maintenance of the facilities, resulting in a high degree of energy efficiency and the compensation of daily emissions, resulting in a null net carbon balance.

Some of the most significant aspects of building operation are as follows:

- Very good air-conditioning air quality, including 100% outdoor air renewal and efficient filters.
- Efficient water management achieving a reduction of nearly 50% compared to average levels for these types of buildings (mainly due to low-consumption restrooms).
- Sustainable management of green areas by implementing a specific plan for sustainable outdoor management, using low-toxicity pesticides and organic fertilizers, as well as replacing fuel-powered garden machinery with electrical machines.

ENVIRONMENTAL MANAGEMENT IN PROJECTS [103-2]

Técnicas Reunidas carries out many actions to ensure that all projects and works are executed according to environmental criteria. To achieve this, in addition to ensuring compliance with applicable legislation and contractual requirements (see figure), the Company makes a significant effort to improve the environmental awareness among subcontractors and employees.

Implementation of the EMS to ensure proper identification and compliance with environmental requirements in projects

The EMS of Técnicas Reunidas is adapted to each activity and project executed by the Company.

1 IDENTIFICATION OF PROJECT REQUIREMENTS	2 AUDITS OF COMPLIANCE	3 MONITORING PLANS
<p>Identify environmental requirements applicable to each project based on:</p> <ul style="list-style-type: none"> • Type of project (conceptual, FEED, EPC). • Country of execution. • Client. • Contract. • Environmental impact assessment studies. • Applicable environmental legislation and permits. • Client specifications. • Other aspects. 	<p>Identify environmental requirements applicable to each project based on:</p> <ul style="list-style-type: none"> • Environmental management plan for the engineering and procurement phase. • Compile the <i>Environmental Log</i>⁶ for each project, including all mandatory environmental requirements to be taken into account in the plant design. • Environmental management plan for the construction phase. 	<p>Periodic audits to ensure compliance with established procedures:</p> <ul style="list-style-type: none"> • Annual internal audit in offices. • Internal audits at 30% and 70% project progress in the engineering phase. • Periodic internal audits during the construction phase.⁷ • External audit of the EMS by AENOR.

In each of its projects, Técnicas Reunidas appoints at least one environmental specialist dedicated to ensuring that it is executed according to the standards required by the Environmental Management Plans. These plans are designed specifically for each project. They set out all the environmental actions and measures required to be carried out by Técnicas Reunidas and its subcontractors, such as:

- Environmental inspections to monitor the implementation of required actions by subcontractors.
- Monitoring of dust, noise, water and other environmental aspects.
- Specific environmental meetings which monitor and plan the actions required to control environmental impacts.
- Reporting, investigation and follow-up of environmental incidents.
- Specific monitoring reports for recording and distribution to stakeholders.
- Preparation and response to environmental emergencies, carrying out drills to contain spills, leaks, fires and setting up a specialized team to act in case of environmental emergency.
- Environmental training and awareness: sessions on waste management, spill prevention, on-site materials reuse and others.

Functions of the on-site environmental specialist

- Implement the Environmental Management Plan with the support of the Project Manager and the Health & Safety Manager.
- Report the degree of compliance with environmental standards and plans.
- Ensure that subcontractors carry out the measures set out in the Plan.
- Prepare environmental awareness training and campaigns and ensure that they are carried out.
- Evaluate new environmental risks arising during works execution which are not covered in the Environmental Management Plan. Implement prevention and follow-up measures.
- Investigate and report any environmental incidents that occur.

⁶ Database containing all environmental requirements of projects.

⁷ In 2021, nine audits were carried out on projects in the construction phase.

ENVIRONMENTAL CRITERIA IN PLANT DESIGN AND NEW TECHNOLOGIES

The implementation of the Sustainability Policy has led to establishing new environmental goals to transition to a low-carbon economy and decarbonization.

Técnicas Reunidas makes this strategy compatible with other measures it adopts in its projects to help clients improve their environmental performance:

- Optimize resources through an exhaustive analysis of the environmental impact in the bid phase, which allows the project's real needs to be identified in phases before execution of the project.
- Sustainable plant design that allows clients to comply with their environmental plans and goals.
- Designate an HSE engineer in charge of environmental aspects as part of the project team.
- Real-time monitoring of the environmental indicators of each project to avoid deviations.
- Make the Company's capabilities and experience available to clients, including performance criteria and environmental consultancy in project designs.

Use its own technologies in circular economy projects for two contracts in Switzerland

Técnicas Reunidas has been selected by the Swiss company SwissZinc, owned by the Swiss Waste Management Association (VBSA) and the ZAR Foundation to develop the preliminary engineering for two industrial plants that will be dedicated to the treatment of municipal solid waste.

One of these will apply two Técnicas Reunidas technologies (ZINCEX™ and ECOLEAD™) to recover zinc, copper-cadmium cement and lead by treating the ashes of incinerated solid waste. These processes will take place in a plant to be installed in the industrial complex that the KEBAG company (one of the seven companies comprising the Association) has in the municipality of Zuchwill, which will have capacity to treat 40,000 tons of ash per year. It is expected to be commissioned in 2025.

The other one, sponsored by ZAR, a foundation created in 2010 to promote the sustainable use of waste and resources, will use Técnicas Reunidas PHOS4LIFE™ technology to recover phosphorous by treating sludge ash from sewage treatment plants. The plant where these operations will take place will also be installed in the KEBAG industrial complex and will also have capacity to treat 40,000 tons of sewage treatment plant sludge ash per year. It is expected to be commissioned by 2026.

ShineFleet Project

ShineFleet is a project aimed at searching for hydrogen-based technological solutions over the next three years for intelligent and sustainable mobility of haulage fleets.

Apart from coordinating this project, Técnicas Reunidas participates as a technological partner in the generation of renewable and blue hydrogen, with the aim of developing a modular, compact system that is the best on-site alternative to generate this resource.

Técnicas Reunidas will study the various options of raw materials (biogas, bioethanol and natural gas with CO₂) capture to generate hydrogen in the compact plant so it can be replicated in modules with the same configuration. Hybrid use of diverse energy sources, reformed from different fuels and electrolysis will guarantee a stable and efficient supply. The plant will include digitalization tools to optimize its operation. This will reduce costs and minimize emissions to the atmosphere.

With this project, Técnicas Reunidas reaffirms its commitment to energy transition and moves to the forefront of the hydrogen management and production industry in pursuit of more sustainable mobility.

The project forms part of the "Sustainable and intelligent mobility" mission and is partially financed by the Center for Industrial Technological Development (CDTI) encased in its "Missions" program, which covers all the aspects of the hydrogen in mobility value chain.

ENVIRONMENTAL REQUIREMENTS FOR SUPPLIERS AND SUBCONTRACTORS [308-2]

Técnicas Reunidas extends its commitment to the environment to its supply chain, as it requires its suppliers and subcontractors to comply with environmental requirements.

During the approval and pre-qualification process, suppliers are asked to provide information about sustainability, including their carbon footprint, certifications, policies, reporting to environmental indexes and rankings. This information affects the supplier's final rating and is subsequently used to make decisions regarding the awarding of contracts or orders.

During 2021, Técnicas Reunidas implemented the e-Supplier platform, which it uses to collect the answers to certification questionnaires with information about quality and environmental management, which can be analyzed with automated processes.

Environmental risks and opportunities for Técnicas Reunidas

Técnicas Reunidas systematically identifies and monitors environmental risks and opportunities, implementing the appropriate actions to manage them, both in its projects and its offices.

The main risks are: climate risks associated with the geographical area where a project is executed (extreme temperatures), risks arising from design limits resulting from environmental legislation - and possible modifications during the execution of the project - applicable standards and guidelines such as the World Bank and Equator Principles, which are normally more restrictive than those applicable locally and which condition the financing of a project.

Técnicas Reunidas also identifies opportunities deriving from environmental performance. These opportunities include the competitive advantage provided by its thorough knowledge of legislation and applicable standards, knowledge and its proven experience in executing large EPC projects anywhere in the world, even in extreme environmental conditions as it has demonstrated in places like Saudi Arabia and Canada.

ENVIRONMENTAL PERFORMANCE [103-2]

Técnicas Reunidas monitors its environmental performance in detail using specific indicators aligned with material aspects such as the reduction of carbon emissions, waste management and energy efficiency.

The Company uses a data collection tool for this monitoring that ensures traceability from the source. The tool is used across construction and engineering areas. In engineering, it is used as an internal management tool to improve information control.

In recent years, the Company has made a significant effort to broaden the scope of activities it monitors. Specifically in 2021, a detailed analysis was conducted on the information and 2019 was once again established as the base year for setting environmental goals.

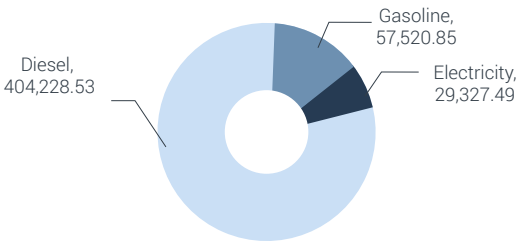
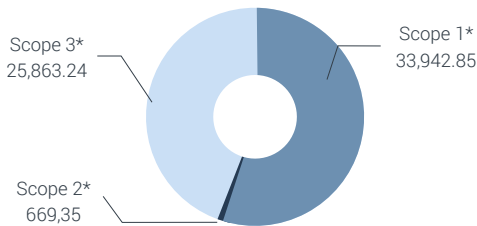
Likewise, during 2020 the scope for calculating the different environmental indicator intensity ratios was homogenized. Values were calculated per million Euros of revenue, assimilating them into the Company's financial reporting scope.

It is important to note that, depending on the degree of progress of each project, these ratios may vary significantly from one year to the next. It is no coincidence that the execution of EPC projects such as those carried out by Técnicas Reunidas involves different phases, each with very different workloads, supplies and personnel requirements.

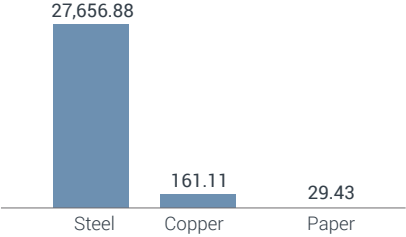
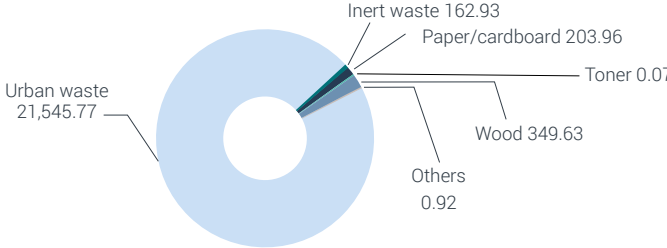
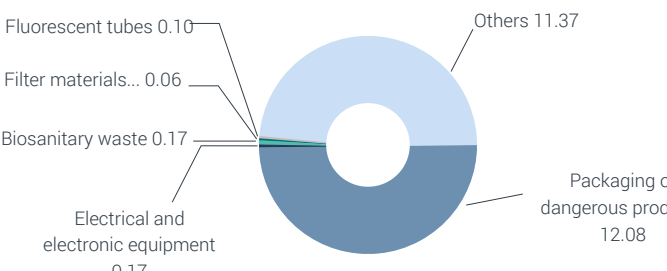
Monitoring and analyzing all this information allows Técnicas Reunidas to design multiple actions to improve its environmental performance.



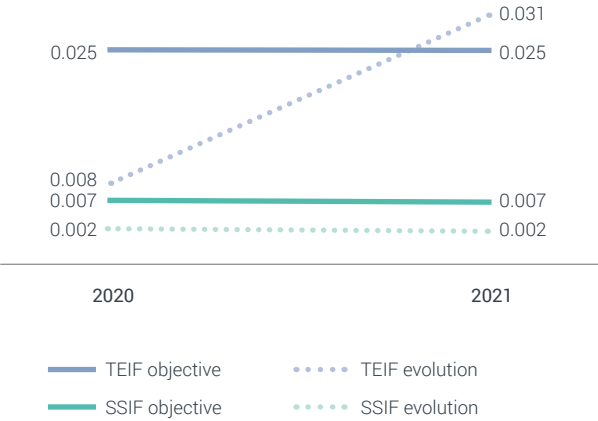
The main targets and indicators in the environmental area are as follows:

ASPECT	TARGETS AND INDICATORS 2021 ⁸	LINES OF ACTION AND MILESTONES
<p>ENERGY CONSUMPTION</p> <p>🌐 [302-1]; [302-3]</p>	<p>Trends. The Company reduced its energy consumption by 30% in 2021 to 491,076.88 GJ, compared to 2020.</p> <p>Energy consumption in 2021 (GJ)</p>  <p>Energy consumption: 491,076.88 GJ. Energy consumption intensity ratio: 174.88 GJ/million Euros revenue.</p> <p>* The fuel consumption figure for the last three months is an estimate. For fuel, the estimate consisted of a projection of the months from October to December based on the average fuel consumed in the first nine months. For electricity, however, since consumption is mainly in offices and depends primarily on the time of year, the last three months are an estimate based on consumption recorded from October to December 2020.</p> <p>** Renewable energy supply is implemented in all offices in Spain: Adequa Complex (Edificios 3, 5 and 6) Edificio Gorbea, María de Portugal, Centro Tecnológico de Investigación y Desarrollo (Technology Center for Research and Development) and our Cartagena office.</p>	<ul style="list-style-type: none"> • Energy efficiency plans. • In-person and online awareness campaigns.
<p>EMISSIONS</p> <p>🌐 [305-1]; [305-2]; [305-3]; [305-4]</p>	<p>Target. Reduction of emissions by 30% for the period 2019-2030 of scopes 1, 2 and 3 and carbon neutrality by 2040.</p> <p>Trends. Técnicas Reunidas' greenhouse gas emissions (scopes 1, 2 and 3) were 60,475.44 tCO₂eq in 2021, which is 6% less than in 2020. In 2021, scope 1 emissions fell approximately 30% compared to 2020, as a result of lower consumption due to slowdowns or completion of certain projects, among other reasons. Scope 2 emissions increased by 51% compared to the previous year as a result of opening work centers and the return of employees to their offices. Scope 3 emissions increased by 247% compared to 2020, due to the return to normal of the Company's vigorous sales efforts during the year and the corresponding corporate travel.</p> <p>Greenhouse gas emissions (tCO₂ equivalent) in 2021</p>  <p>Greenhouse gas emissions: 60,475.44tCO₂eq. Emissions intensity ratio**: 21.54 tCO₂eq/million Euros revenue.</p> <p>* The emission figure for the last three months of the year is an estimate. For scopes 1 and 3, the estimate consisted of a projection of the months from October to December based on the average emissions in the first nine months. For scope 2, however, since electricity consumption is concentrated mainly in offices and depends primarily on the time of year, the last three months are an estimate based on consumption recorded from October to December 2020. On the other hand, the sources used for the calculation of emissions are indicated: Scope 1 (GHG protocol, April 2014), Scope 2 (CO₂ Emissions from fuel combustion-International Energy Agency, 2014), and Scope 3 (UK Government GHG Conversion Factors for Company Reporting, 2021).</p> <p>** Scope 1 emissions intensity ratio: 12.09 tCO₂eq/million Euros revenue. Scope 2 emissions intensity ratio: 0.24 tCO₂eq/million Euros revenue. Scope 3 emissions intensity ratio: 9.21 tCO₂eq/million Euros revenue.</p>	<ul style="list-style-type: none"> • Promoting climate change transparency through initiatives such as the DPC. • Commitment to the circular economy. • Using video-conferencing for meetings. • Maintaining the certification of the use of energy from renewable sources in all the Group's offices in Spain.

⁸ In some cases, sums of subtotals may differ slightly from the total due to rounding errors.

ASPECT	TARGETS AND INDICATORS 2021 ⁸	LINES OF ACTION AND MILESTONES																												
<p>MATERIALS</p> <p>🌐 [301-1]</p>	<p>Change: Steel and copper consumption fell in 2021 by 71% and 83%, respectively, compared to 2020. When analyzing changes in consumption of these materials, it is important to consider year-on-year variations in these indicators caused by a strong dependence on the degree of progress in projects, which can cause large variations depending on stages and procurement needs.</p> <p>On the other hand, paper consumption fell by 50% compared to 2020. This significant reduction was due to office occupancy of 50% up until October, with the corresponding drop in consumption.</p> <p>Materials consumption (t)</p>  <table border="1"> <caption>Materials consumption (t)</caption> <thead> <tr> <th>Material</th> <th>Consumption (t)</th> </tr> </thead> <tbody> <tr> <td>Steel</td> <td>27,656.88</td> </tr> <tr> <td>Copper</td> <td>161.11</td> </tr> <tr> <td>Paper</td> <td>29.43</td> </tr> </tbody> </table> <p>Note: Of the materials reported, only paper is considered renewable.</p>	Material	Consumption (t)	Steel	27,656.88	Copper	161.11	Paper	29.43	<ul style="list-style-type: none"> • Optimization in the use of material resources in all phases of the value chain. • Recovery of materials through R&D&I activities. For example, the development of technologies for recovering non-ferrous metals. • Participation in European consortia to develop technology in projects for recovery of metals and rare earths. • Use of environment-friendly paper in offices. • Carrying out awareness campaigns in relation to the responsible use of paper. 																				
Material	Consumption (t)																													
Steel	27,656.88																													
Copper	161.11																													
Paper	29.43																													
<p>WASTE</p> <p>🌐 [306-3]</p>	<p>Trends in non-hazardous waste. Generation of non-hazardous waste increased by 14% in 2021. This change was mainly due to office buildings reopening after being closed during the pandemic.</p> <p>Generation of non-hazardous waste (t)</p>  <table border="1"> <caption>Generation of non-hazardous waste (t)</caption> <thead> <tr> <th>Category</th> <th>Value (t)</th> </tr> </thead> <tbody> <tr> <td>Urban waste</td> <td>21,545.77</td> </tr> <tr> <td>Paper/cardboard</td> <td>203.96</td> </tr> <tr> <td>Wood</td> <td>349.63</td> </tr> <tr> <td>Inert waste</td> <td>162.93</td> </tr> <tr> <td>Others</td> <td>0.92</td> </tr> <tr> <td>Toner</td> <td>0.07</td> </tr> </tbody> </table> <p>Total non-hazardous waste: 22,263.28 t.</p> <p>Note: Municipal waste includes waste water that has not been discharged into the sewage system and that has been collected in projects for appropriate treatment.</p> <p>Trends in hazardous waste. Hazardous waste generation decreased by 60% last year due to the degree of progress made and completion of several projects.</p> <p>Generation of hazardous waste (t)</p>  <table border="1"> <caption>Generation of hazardous waste (t)</caption> <thead> <tr> <th>Category</th> <th>Value (t)</th> </tr> </thead> <tbody> <tr> <td>Packaging of dangerous products</td> <td>12.08</td> </tr> <tr> <td>Others</td> <td>11.37</td> </tr> <tr> <td>Biosanitary waste</td> <td>0.17</td> </tr> <tr> <td>Electrical and electronic equipment</td> <td>0.17</td> </tr> <tr> <td>Filter materials...</td> <td>0.06</td> </tr> <tr> <td>Fluorescent tubes</td> <td>0.10</td> </tr> </tbody> </table> <p>Total hazardous waste: 23.95t.</p> <p>Note: The "Other" category includes button batteries, fluorescent tubes and other items. Hazardous waste does not include data about sludge generated by projects, which is managed by authorized waste management companies.</p>	Category	Value (t)	Urban waste	21,545.77	Paper/cardboard	203.96	Wood	349.63	Inert waste	162.93	Others	0.92	Toner	0.07	Category	Value (t)	Packaging of dangerous products	12.08	Others	11.37	Biosanitary waste	0.17	Electrical and electronic equipment	0.17	Filter materials...	0.06	Fluorescent tubes	0.10	<ul style="list-style-type: none"> • Circular economy commitment: preventing surplus materials from becoming waste. • Promotion of prevention, reuse and recycling as opposed to incineration and dumping. • Waste prevention, mitigation and management control by integrating the most advanced techniques in the environmental design of processes in its plants. • Awareness and sensitivity campaigns in offices and on construction sites. • Start of data accounting for residual materials reused onsite or sold as raw materials. Some works have started accounting for these amounts and can be tracked over time. • Elimination of almost all plastic bags used in offices.
Category	Value (t)																													
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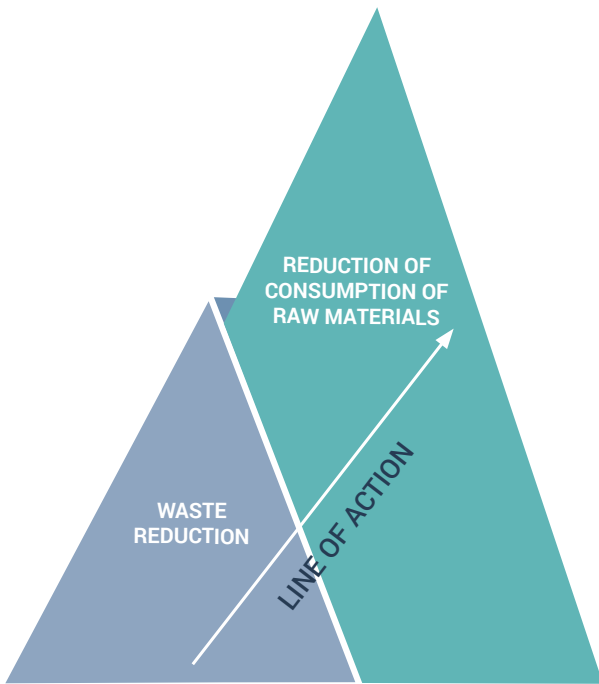
⁸ In some cases, sums of subtotals may differ slightly from the total due to rounding errors.

ASPECT	TARGETS AND INDICATORS 2021 ⁸	LINES OF ACTION AND MILESTONES															
<p>ENVIRONMENTAL INCIDENTS AND SPILLS</p>	<p>Trends. SSIF has remained below the target levels for 2021, while the TEIF slightly exceeded the target set for the year.</p> <p>TEIF and SSIF Indexes</p>  <table border="1" data-bbox="475 488 1075 907"> <thead> <tr> <th>Indicator</th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>TEIF objective</td> <td>0.025</td> <td>0.025</td> </tr> <tr> <td>TEIF evolution</td> <td>0.008</td> <td>0.031</td> </tr> <tr> <td>SSIF objective</td> <td>0.007</td> <td>0.007</td> </tr> <tr> <td>SSIF evolution</td> <td>0.002</td> <td>0.002</td> </tr> </tbody> </table> <p>TEIF (Total Environmental Incident Frequency) is the total number of environmental incidents that have taken place on construction sites. The index is calculated as $TEIF = (\text{total of environmental incidents} \times 200,000) / \text{hours worked}$.</p> <p>SSIF (Significant Spill Incident Frequency) helps show trends in serious spills (those equal to or greater than 20 liters with the potential to contaminate soil or water). The index is calculated as $SSIF = (\text{total of serious spill incidents} \times 200,000) / \text{hours worked}$.</p>	Indicator	2020	2021	TEIF objective	0.025	0.025	TEIF evolution	0.008	0.031	SSIF objective	0.007	0.007	SSIF evolution	0.002	0.002	<ul style="list-style-type: none"> • Definition of specific indicators for monitoring (TEIF and SSIF). • Specific measures to prevent this type of situation (use of anti-drip trays, periodic inspections and other measures) or, otherwise, reducing the environmental impact to a minimum (installation of kits for action in the event of spills, emergency drills, cleaning and adequate treatment of the waste generated). • Implementation of an action protocol in the event of any significant spill that occurs on-site.
Indicator	2020	2021															
TEIF objective	0.025	0.025															
TEIF evolution	0.008	0.031															
SSIF objective	0.007	0.007															
SSIF evolution	0.002	0.002															

⁸ In some cases, sums of subtotals may differ slightly from the total due to rounding errors.



COMMITMENT TO THE CIRCULAR ECONOMY



Técnicas Reunidas carries out its activities taking into account circular economy principles. It is developing a specific strategy for both its offices and projects within the framework of its Sustainability Policy.

The Company's strategy in this area comprises three fundamental lines of action: optimizing resources, using recycled materials and managing waste correctly to encourage its conversion into raw materials. This management is carried out both on-site and off-site.

Reuse of waste on-site. Main actions:

- Use of excavated soils and land for backfilling foundations and trenches, ground leveling or similar.
- Use of concrete demolition debris for improving roads used during construction in a project.
- Use of waste water after on-site treatment for irrigation required in construction, dust control of roads and paths and irrigation of landscaped areas.
- Reuse of leftover wood, metal and other materials to make information panels, handrails, pedestals, road barriers and other supports.

Off-site reuse of waste. Improved waste revaluation. Main actions:

- Sale reusable waste materials to material management companies. For example, cable drums, scrap metal, pallets, cable scrap and drums that can be fed back into the supply chain.
- Selection or replacement of waste managers according to the final destination of the waste. Encouraging research to identify managers that can ensure the reuse and revaluation of waste.



6.5 OCCUPATIONAL HEALTH AND SAFETY

Técnicas Reunidas ensures the safety and health of all employees and subcontractors, putting in place all the necessary measures to create a healthy workspace and proactively prevent occupational hazards.

Técnicas Reunidas' contribution to SDGs



MAIN INDICATORS [102-8]

INDICATOR	2021 FIGURES		2020-2021 PROGRESS
Hours worked (number) ¹	128,179,382		-8.9 %
Number of employees on site (Técnicas Reunidas and subcontractors) ²	39,605		-10.9 %
LTIR ³	Target 0.050	Actual 0.011	The value of these indices has remained below the limit established by the Company throughout the 2020-2021 period
TRIR ⁴	Target 0.190	Actual 0.045	
SR ⁵	Target 0.018	Actual 0.001	



2021 MILESTONES

- To continue implementing measures to mitigate the impact of Covid-19 at sites in all countries.
- First follow-up audit under ISO 45001 for the Occupational Health and Safety System.
- To continue implementing mobile application to record observations on site.
- To complete the merging process of the HSE department between Técnicas Reunidas and Initec.
- New internal publication on HSE statistics on site, "HSE Monthly Report", with KPI monitoring by project.
- To implement the actions proposed as a result of the Plan for a Safe Commissioning in all the projects of Técnicas Reunidas.
- To identify and define matrix of necessary training on occupational safety and health according to the job position held.
- Actions resulting from the Plan for a Safe Commissioning on all projects included in audits conducted by HSE.



2022 GOALS

- Continue to promote actions aimed at making Técnicas Reunidas a healthy company.
- Finalize the implementation of the mobile application for the recording of observations in the field.
- Achieve the goals set out in the Sustainability Policy in relation to the Safety issue on site.
- Continue promoting the health and safety plan, which includes awareness and sensitization campaigns for employees.
- Give greater visibility to the good practices of HSE within the assignments of the Company and enhance the brand Técnicas Reunidas in this field to the outward, including the optimization of the HSE audit process on site.
- Continue enforcing the safety and health of workers considering the circumstances derived from Covid-19.

1 Hours worked per Técnicas Reunidas employees and subcontractors on site and in the offices During the year, 120,993,882 hours of work were executed only in construction (compared to 132,739,474 hours in 2020), including the hours worked by subcontractors.

2 Average of employees on site (Técnicas Reunidas and subcontractors).

3 LTIR (Lost Time Incident Rate): (No. of accidents with sick leave/ No. of hours worked) * 200,000. This index refers to the frequency of accidents. The safety and health indices in 2021 presented consolidate the accident data in works and offices of workers and subcontractors; it is a change of criteria compared to the indices presented in previous reports, in this way, the 2020 indices have been reformulated with the aim of guaranteeing comparability.

4 TRIR (Total Recordable Incident Rate): (Number of recordable accidents (according to OHSAS) / Number of hours worked) * 200,000. This index refers to the frequency of accidents. Workers and subcontractors on site and offices.

5 Severity Rate (SR): (Number of days not worked by accident during working hours with leave /Total number of hours worked) * 1000. This index refers to the accident severity index. Workers and subcontractors on site and offices.

OCCUPATIONAL HEALTH AND SAFETY ANAGEMENT

APPROACH [103-2] [403-1] [403-3] [403-7]

Since 2008, Técnicas Reunidas has an Occupational Health and Safety Management System (OHSMS) that covers the various stages of the life cycle of projects. Implementation of this system is supported by the Corporate Quality, Safety and Environment Policy and is based on three principles: a

philosophy of prevention of accidents and incidents, integrating health and safety in the strategy and ongoing improvement of the methods and processes. The policy was updated in March 2021, in order to adapt it to current needs and standards.

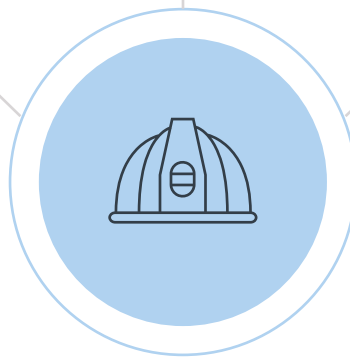
Fundamental principles of occupational safety and health management

Integrating safety and health in the strategy

The health and safety aspects are integrated in the strategic business plans, establishing objectives throughout the organization, both at sites and in the corporate environment, and evaluating their compliance in both cases.

Incident prevention philosophy

Publicising throughout the company and among suppliers of a work philosophy based on incident prevention to guarantee the best possible work conditions.



Ongoing improvement of methods and processes

Promotion of an ongoing improvement culture in the work methods and procedures and their subsequent application to all activities, promoting incident prevention.

In 2021, the first follow-up audit of the certification under the ISO 45001 standard for the OHSMS was carried out. This process has been successfully completed and it has concluded that the design of the OHSMS is correct and there are no special shortcomings. In addition, the Company has carried out several awareness campaigns for the employees about the implications of ISO 45001 certification on their job positions.

In order to ensure that the Management System is correctly implemented, the Company carries out both corporate internal audits to monitor the different projects and internal audits of the system by independent parties, as well as audits by external certification entities. The results of the audits are shared and discussed with the client or subcontractor 'in situ', which leads to the effectiveness of the actions taken to remedy the deficiencies.

In 2021, the internal follow-up audits have homogenized the methodology, after Técnicas Reunidas and Initec were merged, and as a result, scores no longer appear but color codes, maintaining the standard structure of AENOR recommendations and development of corrective actions based on the "non-conformities" detected. Despite the restrictions arising from the pandemic, nine follow-up internal audits have been carried out in the construction phase of the projects (compared to three carried out in 2020).

Joint Prevention Service

In November 2020 different prevention services existing until then within the Company were integrated. In 2021, a step further was made, moving the Joint Prevention Service to be part of the Company's Human Resources structure, and removing it from the HSE area.

It should be mentioned that during this year a single HSE department has been created for the entire Company, transferring the functions of the Occupational Risk Prevention Service to the Human Resources Department, optimizing, and centralizing all functions from the same department.

In 2021, the OHSMS of Técnicas Reunidas has successfully passed the first follow-up audit based on the ISO 45001 standard.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT IN THE VALUE CHAIN [403-3] [403-7]

The commitment of Técnicas Reunidas extends beyond the employees of the Company and covers the workers of the subcontractors involved in the execution of the projects.

Within the Occupational Health and Safety Management System, the heads of health and safety on site in each of the projects play an essential role in implementing the specific plans in this area. All those responsible for the management of the safety and health aspects on site report directly to the project management, which reinforces its advisory nature.

Both the on-site health and safety team and the prevention team in offices are responsible for periodically conducting information campaigns on safety, risk prevention, healthy habits, and good practices in this area.

Técnicas Reunidas evaluates its suppliers and subcontractors with specific criteria in terms of safety and health, boosting the plans aimed at ensuring respect for human rights on site. For example, ensuring adequate working conditions and a livable wage.

These criteria are applied first in the approval of suppliers and subcontractors through the e-Supplier portal (for more information, see Section 6.6. Efficient Supply Chain Management). Depending on the results obtained, suppliers and subcontractors can be discarded, or greater demands may be placed to them such as improved supervision on site, the implementation of an action plan or audits number increase.

In addition, the safety and health aspects are subsequently considered, evaluating their performance both on site and in the workshops through different tools developed specifically for that purpose.

Responsibilities of the team in charge of implementing the health and safety plans

HEAD OF OCCUPATIONAL HEALTH AND SAFETY ON SITE	OCCUPATIONAL RISK PREVENTION TEAMS IN OFFICES
<ul style="list-style-type: none"> a. Implement the HSE Plan with the support of the project director. b. Implement the HSE Plan with the support of the project director. c. Direct the on-site training plan. d. Assess the risks of activities not covered in the Plan. e. Monitor incident reporting and investigation. f. Identify high-risk activities not included in the HSE Plan and apply a safe work system. 	<ul style="list-style-type: none"> a. Advise and guide on safety and health standards. b. Promote a positive culture of job safety. c. Perform drills. d. Development and implementation of the health and safety policy. e. Monitor risk assessments. f. Identify training needs. g. Monitor safety and health performance. h. Monitor accident reporting and investigation.

Implementation of the actions resulting from the Plan for a Safe Commissioning

The Plan for a Safe Commissioning is an initiative launched in September 2019 whose objective is to ensure that the execution of the commissioner on site is developed in an optimal way and guaranteeing the best safety conditions for all workers. To this end, a range of activities was integrally defined. Among them: engineering, construction, commissioning, project management and safety, health and environment.

During 2021 Técnicas Reunidas has implemented these actions and control them by means of fulfilled audits. Some of these actions are:

- A creation of a group to implement the actions in different projects.
- Implementation of mass outreach campaign to improve the risk perception by our office and site personnel.
- Risk analysis to identify possible deficiencies (all affected disciplines are involved; implemented in such projects as Fadhili, Hamriyah or Ras Tanura).



CORPORATE CULTURE BASED ON SAFETY

🌐 [403-2] [403-4] [403-5] [403-6]

The Company management leads the protection of staff health and well-being, and it promotes their active collaboration in this regard, through various consultation and participation processes.

Técnicas Reunidas promotes the creation of a specific corporate occupational health and safety culture, promoting training processes for the staff, encouraging their participation by means of various mechanisms, in the prevention and treatment of problems regarding work conditions and promoting co-responsibility at the various levels of the organization.

The Company also works to ensure standardization of the health and safety procedures throughout the organization in order to guarantee maximum efficiency in the circulation and assimilation of corporate policies.

This objective is based on intense training work. In 2021 necessary training on safety and occupational health was identified according to the job position held. In particular, 1.8 hours of training were given per every 100 hours worked (86% more than in 2020) on this area.

Existing mechanisms for workers to participate in the occupational health and safety management processes:

- Mailbox for the Técnicas Reunidas Prevention Service.
- Occupational Health and Safety Committee.
- Direct communication with the Prevention Service members.
- Notifications to General Systems or Services when there are hazards or observations that have to be resolved by the maintenance staff.

Caring for workers' health and wellbeing

Técnicas Reunidas provides access for workers (own and subcontractors) to medical and healthcare services not related to the job, by implementing various actions:

- Awareness-raising campaigns, courses and publishing information on the intranet promoting health.
- Monitoring workers' health through a third-party prevention service.
- Medical services, health support and promotion with qualified staff.
- Prevention service combined with specific awareness-raising campaigns to encourage health and safety.
- Definition of strategies to be followed to ensure worker wellbeing at the camps, dorms, and canteens.
- Seasonal flu vaccinations for Company's personnel.
- Creation of urban garden in central offices where workers learn gardening and can recollect existing seasonal products.
- "Active pause" program. Every week sport activities are proposed by local provider (pilates, yoga, stretching, etc.) for the employees to know their benefits of the physical activities.

Training in Occupational Health and Safety for workers 🌐 [403-5]

OFFICE STAFF

- Training in prevention of the risks associated with their job position for all new-hires.
- Specific training, individualized for each department or group.
- Annual training for the emergencies brigades on their duties.
- Safety and health awareness campaign in offices.
- Training for designated employees on how to use the defibrillators in all buildings.
- Availability for all employees of a wide variety of health and safety courses through the e-learning platform, with voluntary registration.

SITE PERSONNEL

- Mandatory new-hire courses on safety, both for own and subcontractor staff, before beginning their activities at a project site.
- Specific safety training according to the activity to be performed in a period of one to five years, depending on the type of training.
- Specific course program for the staff participating in the construction stages of the projects, with mandatory and recommended courses.
- Promote health and safety talks at the job site at the beginning of the works, between employees and their immediate superiors.



OCCUPATIONAL SAFETY PERFORMANCE [403-9]

Técnicas Reunidas monitors the safety results and indicators both in the projects where it is the main contractor, and where it participates as part of a consortium and holds the responsibilities on health and safety management.

With this monitoring, the Company assesses compliance with the established goals and analyses, where applicable, the reasons for deviations, to establish, if necessary, specific action plans to reverse these results. The company records and reports, not only accidents and incidents, but also another series of parameters that help to evaluate performance from a proactive point of view. As part of this data analysis, the near misses and observations made during site inspections are studied, as they show areas of improvement in order to efficiently work on accident prevention.

The safety results are notified to the project management and to the Técnicas Reunidas management, in order to keep them updated on performance in this area.

Likewise, the results of each project and the incidents occurred are shared with all of the agents involved, thus promoting improvement of the value chain. The most relevant incidents are also addressed in the safety talks (toolbox meetings) given to workers by their commanders. In addition, each of these incidents gives rise to a specific investigation in order to apply corrective measures that avoid their repetition.

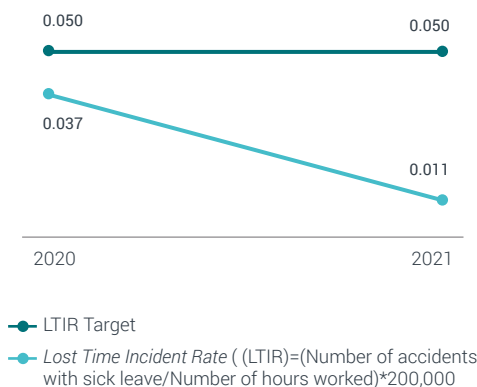
Evolution of Safety Indicators in 2021 [403-9]

During 2021, around 128,179,382 hours of work have been carried out on works and offices, including those worked by subcontractors.

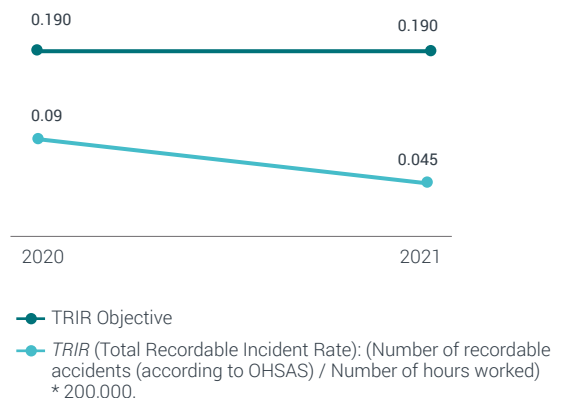
This has involved an extraordinary effort on the part of the Company, having to manage a volume of more than 42,300 workers at peak times (between own and belonging to subcontractors).

The main safety indicators evaluated by Técnicas Reunidas (LTIR; TRIR and SR) remained, for another year, significantly below the limits established by the Company, with a notable decrease in LTIR and TRIR and maintaining SR.⁶

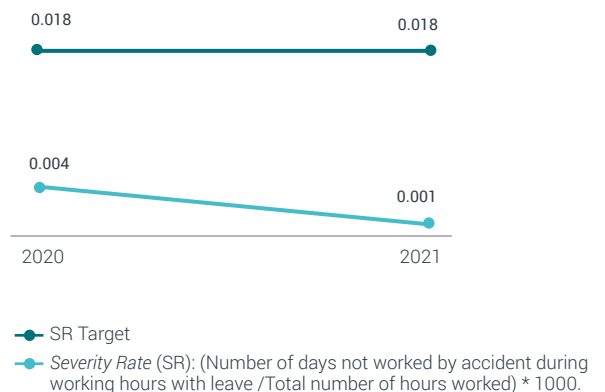
(LTIR) Rate of accidents with loss



(TRIR) Accident rate with casualty



(SR) Severity index



⁶ The 2020 data have been reformulated to take into account accident data in works and offices of workers and subcontractors due to a change of criteria in the presentation of information.

Safety Results for Técnicas Reunidas' personnel⁷ 🌐 [403-9]

	2020	2021
No. of deaths resulting from an occupational accident injury	0	0
No. of injuries due to occupational accidents with major consequences	0	0
No. of recordable work-related injuries ⁸	13	14
(of which accidents in itinere)	8	10
Frequency rate ⁹	0.25	0.55
Main types of work-related injuries	Sprains and strains: 40%	Internal injuries: 21.43%
No. of hours worked	19,724,437	43,301,987

Safety Results for employees subcontracted by Técnicas Reunidas 🌐 [403-9]

	2020	2021
No. of deaths resulting from an occupational accident injury	1	0
No. of injuries due to occupational accidents with major consequences	11	3
Injury rate due to occupational accident with great consequences (LTIR: accident rate with low)	0.02	0.01
No. of recordable work-related injuries	31	28
Recordable Occupational Accident Injury Rate (TRIR)	0.05	0.07
Main types of work-related injuries	Wounds/blows to limbs and head	Wounds/blows to limbs and head
No. of hours worked	121,018,662	77,691,895



⁷ The data of the workers of Técnicas Reunidas, including both office and construction workers, are included.

⁸ All accidents are considered light.

⁹ The frequency index refers to the number of professional contingency processes with low, excluding accidents *in itinere* and relapses, occurring during the working day, per million hours worked by workers exposed to risk.

PREVENTION AGAINST THE IMPACTS OF COVID-19

During 2021, Técnicas Reunidas has made an important occupational health and safety management as a result of the pandemic. The Company, which has been affected in a light way, has been adapted according to the evolution of the cases in each country and the requirements established at the governmental level.

Técnicas Reunidas' response to the situation caused by COVID-19 has focused on the implementation of a set of measures to facilitate the adaptation of activities to the new operational constraints, minimizing the Company's exposure to pandemic-related risks and ensuring the continuity of its operations. While prioritizing the health and safety of its workers.

Among the measures implemented, we can highlight the specific guidelines set by the Covid-19 Monitoring Committee, created in 2020 to create offices and safe workspaces and regularly inform all the employees on all relevant facts.

In addition, throughout 2021, the Contingency Plan for the entire Company, already established in 2020, has been updated, at the same time as specific plans were adopted for both workplaces and projects in the area of Covid-19.

Técnicas Reunidas has also generated a series of indicators to support the monitoring and management of the impacts caused by the pandemic. These include number of confirmed positive cases; number of close contacts; workers' Covid-19 observations; deviations detected in safety inspections; and non-conformities in internal and external audits. Likewise, in the projects under construction, the HSE teams have been responsible for reporting any positive case and managing its recovery and isolation based on local health and safety protocols.

In addition, the Company has had since 2020 the e-risk tool for the identification and management of risks and opportunities of the Occupational Health and Safety Management System at all levels of the company, in addition to the update of the occupational risk assessment considering the Covid-19 and remote work context.

Main safety and health measures implemented to fight against Covid-19 in offices in 2021

- Implementation of the safety measures provided by the health authorities of each country.
- Adaptation of the protocols (entrances, exits, action in case of symptoms or use of canteens) according to the evolution of the pandemic.
- Possibility of working remotely for those workers considered to be at high risk.
- Implementation of shuttle buses to avoid the use of public transport.
- Availability of masks and sanitation products for all workers.
- Distancing between workplaces.
- Quick test campaigns before the personnel reintegration.
- Continuous prevention campaign including information, training and promotion of the safety and health of employees.
- Covid-19 mailbox and chatbot in virtual workspaces to solve questions.
- Periodic inspections of buildings.
- Psychosocial wellness support courses, healthy exercise guidelines, etc.

Campaign "Covid-19"

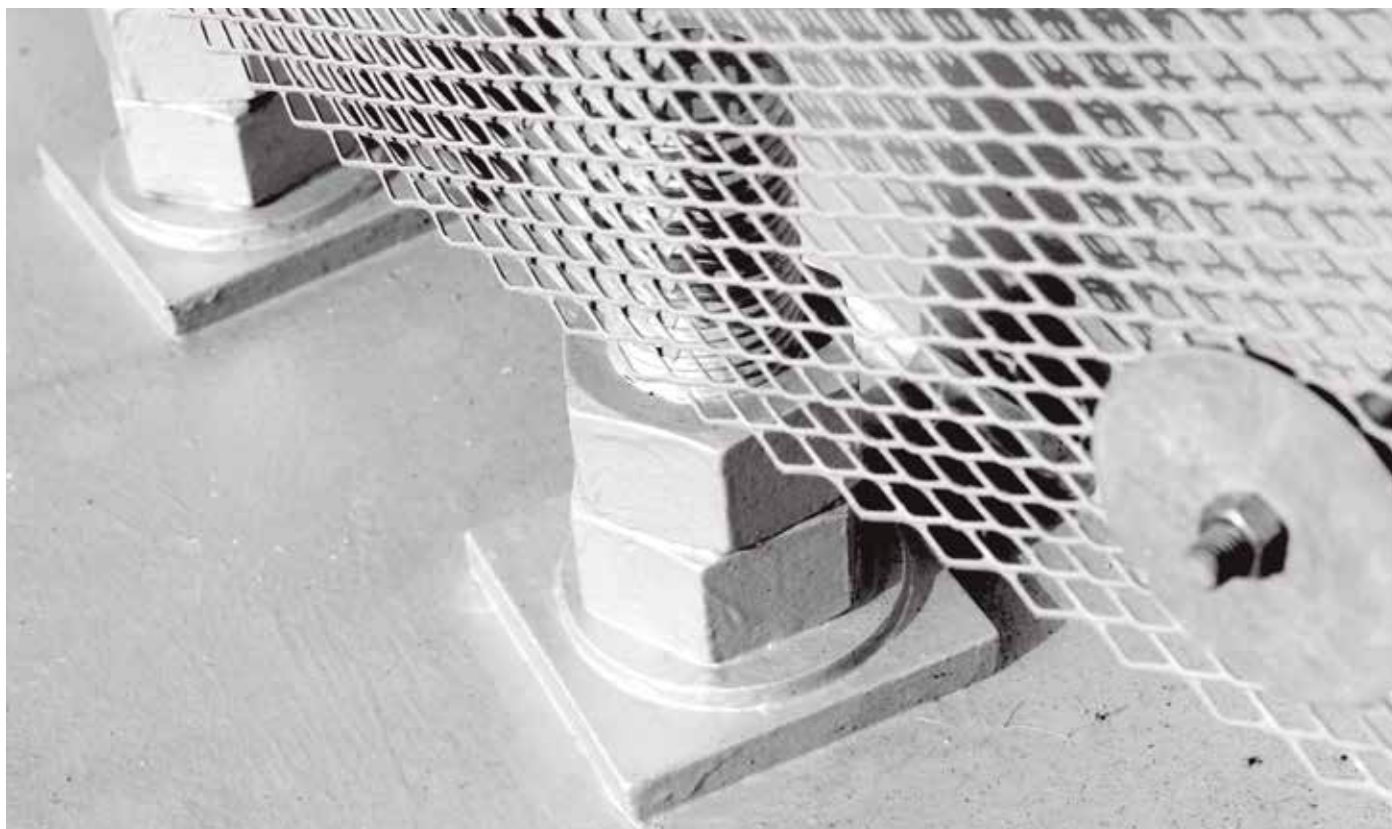
Motivated by the current pandemic, during 2021 the action protocol and the protection measures established in the company against Covid-19 have been updated, promptly informing workers of the modifications made.

Various materials and information have been offered, from courses through the e-learning platform to the distribution of support material to employees and placed in visible areas of the accesses to the buildings.

Actions implemented in the framework of Oman's projects related to the management of Covid-19

In order to compensate the consequences of Covid 19 on the Duqm project (Oman), the project adopted a series of measures throughout 2021, including:

- Creation of a permanent committee with daily meetings that coordinates the actions derived from government legislation and the project during the peaks of the pandemic.
- Preparation of a corporate Covid-19 management protocol.
- National and international travel restrictions.
- Assignment of tasks in remote work.
- Measures to reduce the concentration of personnel: work shifts, distancing in common places such as canteens and meeting rooms, distancing in transport vehicles.
- Designation of quarantine areas for cases of infection or close contacts.
- Delivery of appropriate personal protection.
- Specific questionnaire on Covid-19 for all visitors.
- Temperature control at the access points.
- Installation of hand sanitizer dispensers.
- Implementation of cleaning and disinfection protocols for common premises.
- Hand hygiene promotion campaigns.
- Performing PCR tests before accessing the work and when leaving it.



PARTICIPATION IN FORUMS AND EXTERNAL RECOGNITIONS IN OCCUPATIONAL HEALTH AND SAFETY

The commitment and performance of Técnicas Reunidas in Safety and Health were recognized by the clients for one more year.

Throughout 2021, Técnicas Reunidas has attended and collaborated, remotely, on various Health and Safety forum:

- "Sustainable Performance Forum (SPF) – EHSQ 21", held in October. Event organized to discuss trends in the sector and share best practices in health and safety.
- "Business Partners Covid-19 Review Meeting" and "Safety Leadership during unprecedented times", both held in June and organized by ADNOC (Abu Dhabi National Oil Company).

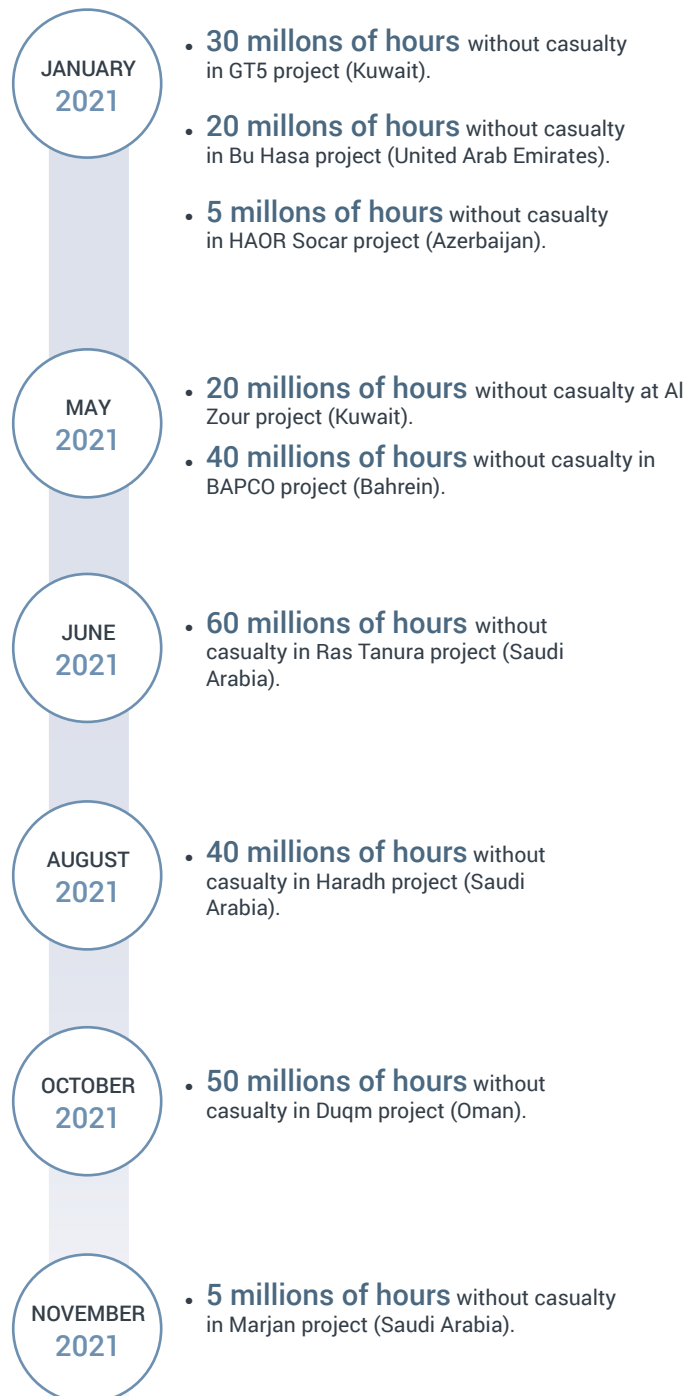
Técnicas Reunidas received the Health, Safety and Environment Award ExxonMobil's "Certificate of Appreciation" for its project on Jurong Island, Singapore

Técnicas Reunidas continues with the construction phase of the project to expand the ExxonMobil integrated production complex in Singapore, which was awarded in 2019.

Along with the excellence achieved in terms of safety, health and the environment, ExxonMobil highlighted the Company's performance in terms of innovation, leadership, behavior and corporate culture and good collaboration with contractors.



In addition to the recognitions received by customers, Técnicas Reunidas has achieved many milestones in relation to the safe hours of its projects:



6.6 EFFICIENT SUPPLY CHAIN MANAGEMENT

Técnicas Reunidas has worked to improve and streamline its supply chain management continuously by automating and simplifying processes. The goal is to increase efficiency and strengthen the relationships with suppliers and subcontractors.

Técnicas Reunidas' contribution to SDGs



MAIN INDICATORS

INDICATOR	2021 FIGURES	2020-2021 PROGRESS
Materials purchases from suppliers and construction subcontractors (million Euros)	2,124	-18 %
Number of construction subcontractor's workers ¹	42,394	-20 %
Local purchases and subcontracting (%)	88 %	+11 %
Approved suppliers and subcontractors (number)	3,249	+8 %
Suppliers subject to audits or evaluations (%)	58 %	-6 percentage points
Average supplier performance evaluation score (evaluation from 0 to 3)	2.36	+4 %
Efficiency in procurement tasks (hours spent per order)	362	-23 %
Supplier training hours	50	-68 %
Number of days to close non-conformities ²	27	+13 %



2021 MILESTONES

- Consolidation of the implementation of the TR-ansforma Plan to improve the efficiency of the Técnicas Reunidas supply chain.
- Strengthen coordination of final purchases and improve management of surplus materials stock.
- New collaboration agreements with strategic suppliers to optimize processes.
- Developing, improving and updating scorecards as a management tool to streamline actions with suppliers through digitalization.
- Consolidation of the new Closures Department dedicated to strengthening Técnicas Reunidas' relationship with suppliers through more efficient management of supply closures and final purchases.
- Conducting workshops to unify processes and operational tools.
- Creating a Prefabrication Workshop group and restructuring the purchasing process of metal structures.
- Boost Técnicas Reunidas' subsidiaries by expanding the catalog of procurement activities to achieve greater optimization of resources.
- Strengthening digitalization of the procurement department, with the aim of increasing efficiency and efficacy of monitoring, control, reporting, coordination and flow of communications between departments.
- Implementing actions in procurement processes within the Sustainability Policy framework.
- Implementing new requirements for third parties as regards cybersecurity and privacy in the forms included in e-Supplier.
- Updating third party requirements regarding compliance and integrity.
- Creating a new Customs Group in the Logistics Department to centralize and optimize customs management.

¹ Data for direct subcontractors on construction tasks during the peak month of the year.

² This figure has been calculated as the number of days from the opening of the non-conformity up until the client approves the corrective action agreed with the supplier.



2022 GOALS

- Continue digitalization of the third-party integrity assessment procedure as regards Compliance.
- Finish implementing ongoing robotic process automation (RPA) and identify new repetitive processes that can be automated.
- Improve, update and identify tools that can be used to reduce analog processes and generate greater traceability and efficiency in monitoring and execution.
- Implement a digital platform to improve work supervision by Inspection Agencies and subcontracted inspectors, through qualification audits and exams for the work to be assigned.
- Establish framework agreements with suppliers, inspection agencies and strategic forwarders.
- Implement actions linked to the procurement department within the Sustainability Policy framework.
- Initiate the third-party assessment process as regards cybersecurity and privacy through e-Supplier.
- Start up the new e-Supplier portal.
- Finish unifying work procedures and methodologies after the merge between Initec and Técnicas Reunidas.
- Explore new options for outsourcing special shipping of heavy loads.
- Promote centralized purchasing and continue developing local purchasing in the project's final phase.
- Complete the review of corporate procedures as part of the integration process.
- Complete ongoing computer developments, especially those of the HCS website, automation of SQs, MRFs and SDGs and automation of generation of loop packages and pipes.
- Enhance hiring and training of young professionals.
- Minimize the impact of raw material volatility on the price of equipment by monitoring the market appropriately and using coverage mechanisms.



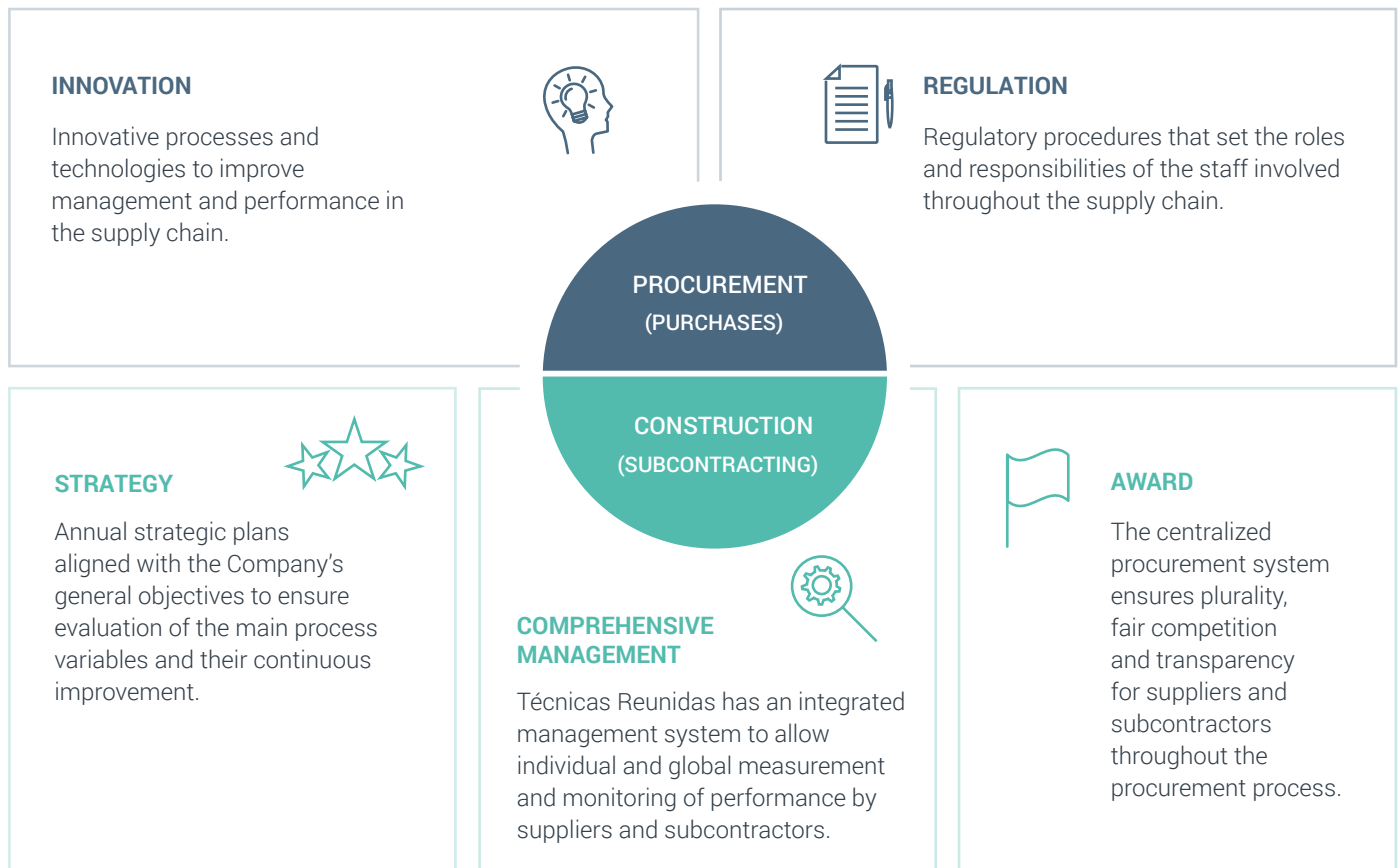
MANAGEMENT APPROACH [103-2]

The main objective of Técnicas Reunidas' supply chain management is to achieve competitive contract awards for materials, equipment and assembly services (subcontracting) in accordance with the excellence and quality standards required by the sector.

Management of this supply chain is becoming more and more complex, due to the growing need to adapt to the clients' requirements, globalization of operations and the complexity of suppliers and business operations.

To overcome this challenge, the Company has equipped itself with innovative tools that enable it to analyze and monitor the performance of its suppliers and subcontractors, maximizing efficiency, creating new opportunities and adequately managing risk. To achieve this, it has a network of global suppliers with updated information that allows it to mitigate economic, performance and quality risks when selecting suppliers and subcontractors.

Supply chain management approach at Técnicas Reunidas



In 2021, there was an average of 39,605 workers on Técnicas Reunidas projects (mostly belonging to construction subcontractors). To meet the challenges of managing such a large number of workers, the Company had more than 3,323 staff dedicated to financial monitoring and control of subcontractors' work.

CONTINUOUS IMPROVEMENT OF EFFICIENCY IN THE SUPPLY CHAIN

Técnicas Reunidas made good progress in 2021 on a series of initiatives to optimize the supply chain. These actions enabled the Company to reduce some of its costs without compromising the quality of its services, helping it increase margins and boost its long-term strategy for leadership in the sector.

A series of joint workshops were held throughout the year to unify processes and work tools. The aim was to identify critical activities, analyze and implement optimal methodologies and tools, identify possible improvements and update the procedural system. The most significant results of these workshops are as follows:

- Progress in updating organizational charts on the procurement department and the duties of managers.
- Progress in updating and approving the guiding procedures of the purchasing function.
- Standardization of categories applicable to all the departments and areas of the various businesses.
- Standardization and training in computer tools used for purchase management.
- Creation of an advanced repository for procurement management documentation to integrate it at the corporate level.

A large portion of management has been focused on process digitalization and simplification, which has increased the efficacy and efficiency of monitoring, reporting, coordination and transmission of communication between departments, as well as the analysis of work execution. This has also increased the amount of information available, thereby contributing to greater control and traceability of the same. This has enabled the inclusion of new metrics and key performance indicators within existing score cards and the development and implementation of new ones.

Along these lines, after analyzing the processes that could be automated, the technical specification was drawn up in 2021 along with IT to automate eight internal processes. Three of these were implemented in production during the year as a goal for 2022 and the Company intends to automate the rest of those that are ongoing, including new developments.

In line with the above, 2021 saw the creation of a new customs team in the Logistics Department to centralize and optimize customs management. Their main functions are to provide assistance in projects, reduce customs times, award customs contracts and reduce customs duties.

Digital transformation of procurement processes

In its continuous commitment to digitalization, one of the lines of action implemented by the Procurement Department has been robotic process automation (RPA), by analyzing repetitive processes that have the necessary value and characteristics to be automated. There were 8 processes identified in 2021 and 3 of these were put into production during the year:

- Automatic internal order management process: configuration, signature, distribution and filing.
- Automatic updating of on-boarding dates in the management system. The on-boarding manager is also connected to a Freight Intelligence application where shipping lines update their information in real time.
- Automatic internal audit certification process generated in IMA: registration of certifications, distribution and filing.

Automation of these processes has increased work flexibility and productivity, saved man-hours and reduced errors and incidents.

The PCMT (Purchasing Cycle Management Tool) was also developed and implemented in 2021. This new tool is user friendly and agile and allows the purchases team to monitor and control the various stages of the Purchases cycle.

PANDEMIC IMPACT AND SUPPLY CHAIN ADAPTATION [103-2]

The Procurement Department has contributed to maintaining the continuity of Técnicas Reunidas' activities, striving to avoid supply chain disruption caused by the pandemic.

Actions promoted to manage the impacts of Covid-19 on supply chain management

Main impacts on the Técnicas Reunidas supply chain	Main actions implemented by the Company
<ul style="list-style-type: none"> • Partial and total closures of workshops and factories worldwide causing delays in deliveries and drawdown of materials. • Extension of investments by clients (example: Saudi Arabia) causing overstock of materials and late payments. • Lack of supply of services. • Cancellation of inspections resulting from movement restrictions. • Limitations in displacements influencing the lack of personnel on site. • Variations in transportation and execution costs. 	<ul style="list-style-type: none"> • Implementation of security measures promulgated by the sanitary authorities of each country where the Company operates. • Creation of a Covid-19 Monitoring Committee and crisis commissions on site. • Strengthening internal communication and coordination. • Continuous communication with subcontractors to adapt the contracting conditions (previously authorized by the clients) and to solve the problems caused by the pandemic wherever it affected the work site quickly and efficiently. • Negotiation of new conditions and agreements with subcontractors. • Acceleration of the Company's digital transformation process (mainly the following as regards the supply chain: continuous improvement and development of advanced digital platforms for project management, digitalization of processes and boosting remote inspections, among others). • Search for logistics containers within the same country of origin to ensure supply to the site. • Slowdown in the adjudication of logistics services in the projects about to start the execution phase avoiding contractual commitments that would oblige the project to operate with freight costs affected by market volatility. • Coordination of the real need for materials on site between supply and construction to assess potential delays avoiding extra freight costs.

Delays and suspensions during the pandemic

Técnicas Reunidas has had to meet new demands and challenges due to the outbreak of the pandemic. The high degree of adaptability of the Company's professionals and the coordination with clients has been key for business continuity, while complying with local health requirements at all times. Técnicas Reunidas has collaborated avidly with its local partners in supplying vaccinations, preparing quarantine areas, monitoring temperatures, etc.

As a result of the above many of the projects had to face delays and even suspensions. However, Técnicas Reunidas' experience and leadership in the face of this uncertain scenario was key for three-way negotiations of the new circumstances with clients and subcontractors. Fluid communication between the three parties was key to reaching new agreements and demonstrated efficient management and the confidence that clients have in Técnicas Reunidas. The priority was always to preserve the work in progress so as not to risk losing what had been achieved up until that time. In 2021, many of these projects have been slowed down after several months of lockdown, which has required having to renegotiate scopes, manage compensations and establish new periods of execution.

TÉCNICAS REUNIDAS' SUPPLY CHAIN IN FIGURES [102-9]; [204-1]

Técnicas Reunidas has a database of 27,062³ materials suppliers and construction subcontractors worldwide. It has already approved 2,099 of these suppliers and 1,150 subcontractors.

In carrying out its projects, Técnicas Reunidas encourages collaboration with local suppliers and subcontractors from the surrounding area, for which it has a specific procedure to ensure the best treatment of this type of requirement. The Company carries out an exhaustive analysis of the local market to identify potential awardees, including visits to these companies and a pre-qualification process. It also carries out training and coaching activities with them to strengthen their skills and promote their integration in Técnicas Reunidas projects.

Relying on this type of suppliers and subcontractors provides the Company with a series of advantages, mainly in terms of delivery and completion of assembly work and speeding up internationalization processes in the country.

On the other hand, Técnicas Reunidas' collaboration with local suppliers and subcontractors brings them economic benefits and offers them the possibility of working with an international company with extensive experience, which can be a lever for their growth and strengthen their capabilities.

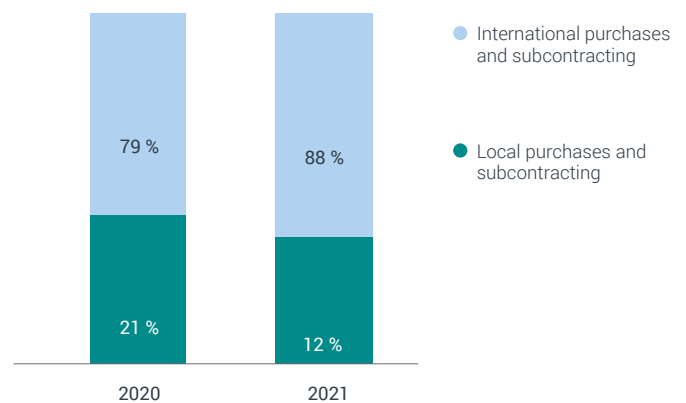
In recent years, the volume of awards to local suppliers and subcontractors has increased significantly, reaching 88% of all awards in 2021.



Técnicas Reunidas' Supply Chain in 2021

	Materials suppliers (including mechanical and static equipment, piping materials, electricity, instrumentation).	Construction subcontractors (including civil works, mechanical assembly, electrical and instrumentation assembly).
Number of approved suppliers and subcontractors	2,099	1,150
Number of regular and recurring suppliers and subcontractors	508	137
Number of strategic suppliers and subcontractors	69	22

Distribution of purchases from suppliers of materials and subcontracts made by Técnicas Reunidas between 2020 and 2021*



Total purchases from suppliers of materials and construction subcontractors in 2021: **€2,124.2 million***

* Note: data taking into account invoicing dates. Local purchases and subcontracts include those made by subsidiaries, branches and foreign joint ventures. International purchases and subcontracts include those managed from Spain even if they are awarded at international level.

3. The total number of suppliers includes all suppliers, subcontractors, inspection agencies and forwarders that perform activities with the Company.

SURVEYING AND INSPECTION OF SUPPLIERS [102-9]

Técnicas Reunidas collaborates with a wide variety of clients and suppliers in different geographical areas. Some of these areas have a long manufacturing tradition, while others are emerging industrial powers.

The Inspection Department has a dedicated team for surveying and researching different local markets to evaluate and provide the Company with a network of collaborators capable of understanding Técnicas Reunidas' needs and adopting its working style. These activities have been adapted to the new working methods using electronic means.

Among the tools that have facilitated the adaptation process is the IMA (Inspection Management Application) that we use to improve data collection and analysis to evaluate staff performance. The department uses this application for better and more thorough monitoring of the materials procurement and the different fabrication phases. It creates a system of alerts to minimize deviations that could impact a project's delivery targets. IMA can also automate cost control processes linked to inspection activities. This allows greater control and management, helping keep to a project's targets.

During 2021, Técnicas Reunidas implemented IMA in a large number of projects, thereby streamlining and facilitating health, safety and environmental (HSE) inspection processes in supplier workshops. This will improve the HSE conditions in workshops that the Company works with on a regular basis and increase the recurrent activity in projects. Técnicas Reunidas has also begun to prepare case studies based on experience accumulated through remote inspections to assess the suitability of this implementation format in future processes.

Likewise, in 2021, Técnicas Reunidas has started establishing an inspections and audits system to strengthen its mechanisms for the assessment of suppliers and subcontractors. The system follows sustainability criteria and automates monitoring and reporting of results, which are subsequently integrated in the IMA.

Another essential tool for success is the company's knowledge base that allows it to guide a supplier in case of problems. The Procurement Department has specialist areas to respond to this need. Having expert staff in the main supply fields allows us to evaluate bids better, advise the client more thoroughly, anticipate problems, and respond more quickly and uniformly to problems in the fabrication process. One of the significant challenges is to organize all the problem-solving knowledge accrued experiences in different projects. To work toward achieving this, we have reinforced the structure of the department to centralize the expert staff.

Implementation or remote inspections

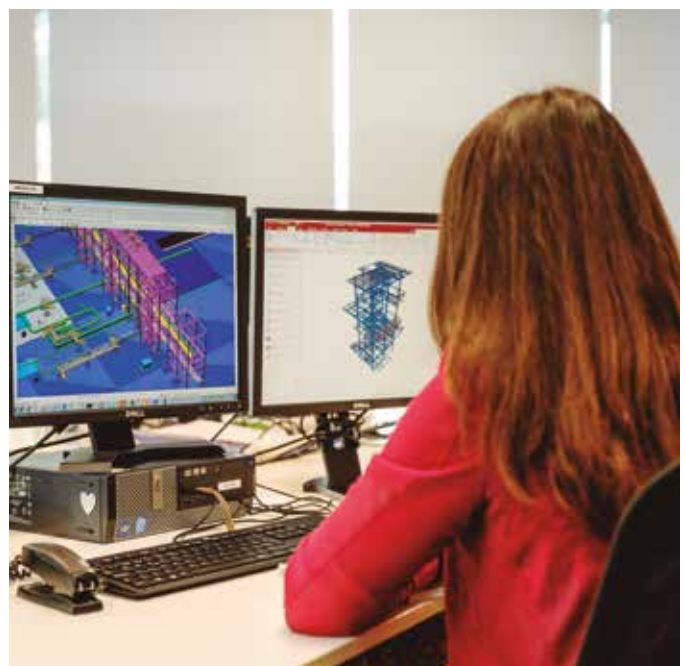
Remote inspection systems have been implemented to adapt working methods to the new circumstances derived from the pandemic.

Técnicas Reunidas has selected this inspection method for its clients and suppliers, consolidating its implementation throughout 2021 in the Haradh and GT5 projects. More and more inspections are carried out remotely using software and cameras to monitor the tests precisely and interact with the Técnicas Reunidas inspector, factory personnel and the client's representative.

Remote inspections guarantee inspection and quality control safety as regards three essential factors: the type of activity inspected, the type of materials inspected and the type of supplier selected.

These inspections have been carried out on simple systems, such as piping materials and have also been used for more complex equipment, such as pumps, compressors, column interiors and chemical injection packages.

This process has led us to identify a series of benefits and operational improvements, such as cost and time savings, as well as a reduction in the carbon footprint resulting from less travel.



Creation of a specialized working group to strengthen relationships with suppliers

Técnicas Reunidas has been working on setting up a consolidated project closure group with a multidisciplinary profile, specialized in Company activities to ensure that project closure is more efficient. Its specialist activities include, among others:

- Coordination with contracting and legal departments to minimize risks.
- Negotiation to ensure the best possible closing of contracts with suppliers.
- Managing synergies with other projects and clients to avoid adverse impacts.
- Coordination between site teams and other disciplines to ensure the success of the final stages of the program.

Also, in 2021, we have renewed the collaboration agreements with inspection/activation agencies and suppliers and closed new agreements.

SUBCONTRACTING MANAGEMENT IN CONSTRUCTION [102-9]

The Construction Division responds to the needs that arise in the different phases of EPC:

BID PHASE (HEAD OFFICE)	TASK FORCE PHASE (HEAD OFFICE)	WORKS PHASE (SITE)
<p>The complete valuation of the construction cost and the technical description of the proposal are carried out.</p>	<p>Other activities carried out include subcontracting, defining the work organization chart and selecting and mobilizing the Company's personnel. In selecting subcontractors, Técnicas Reunidas follows a transparent and detailed award process that allows it to select the companies that best meet its requirements.</p>	<p>Works management is carried out, including management of subcontracts and supervision and monitoring of all activities, until the installations are delivered to the client.</p>

All the activities that make up these three phases are regulated by corporate procedures audited throughout the project lifetime to ensure continuous compliance with requirements.

In addition, to strengthen subcontractor management, in recent years Técnicas Reunidas has sometimes needed to micro-manage some of them to ensure optimal work performance. With this objective in mind, Técnicas Reunidas has developed a set of tools that are constantly upgraded to facilitate execution control. Highlighted among these tools is the ESAM tool, which aims to improve the time and cost-efficiency of subcontractor management processes, strengthen communication, increase process control and reinforce the capacity to make forecasts for the future.

Effective management of subcontractors

Técnicas Reunidas developed the ESAM platform in 2021 to generate synergies among the different Company projects and ensure traceability and control of all the contracts with its subcontractors. This tool allows supervision and control of key indicators for the success of any project; certificates, deadlines, requirements, amounts, prices, etc.

The implementation of ESAM in projects awarded to the Company over the last financial year has been accompanied by a process of integration between Técnicas Reunidas and Initec and facilitated efficient management of subcontractors throughout the projects' life cycles. In addition, the Company continues to carry out new developments to improve the application. This improved application will be used in all its new projects.

APPROVAL OF SUPPLIERS AND SUBCONTRACTORS

Técnicas Reunidas incorporates a set of requirements for its suppliers and subcontractors in the approval process. This includes requirements for specific types of goods and services to ensure that they comply with all requirements, including environmental, social and governance requirements. The Company established new HSE requirements in 2021 for salespersons. These requirements were agreed to in coordination with the departments of Quality, HSE, Energy Transformation, Inspection and Regulatory Compliance.

For any supplier and subcontractor seeking approval to provide services to the Company, the first step is to submit the pre-approval questionnaire on the e-Supplier website, which serves as a platform for the exchange of information between suppliers and subcontractors and Técnicas Reunidas. For suppliers, the approval process is led by the person responsible for approval in the division's quality department in charge of coordinating these activities. Then, whether the supplier is approved or not, the procurement coordinator may request additional steps for orders that are more complex, costly or have specific client requirements.

Técnicas Reunidas is working on updating the pre-approval questionnaire of the e-Supplier portal by including a series of

questions about sustainability requirements to be included in the forms required from suppliers.

Ultimately, the Company has the SMat system for evaluating awarded orders selected by the approvals commission. The information obtained in this process must be made available to buyers and is considered in the supplier's purchase recommendation..

Subcontractors go through a similar approval process, and those that do not meet the established requirements are discarded during the request for quotation stage..

The Company has a list of suppliers and subcontractors with which there have been no good experiences in the past (list of disqualified suppliers and subcontractors) to prevent other Group companies from working with them, to minimize the subcontracting risks.

The main reasons for putting a supplier or subcontractor on this list are defects or serious non-compliance in work execution, being subject to claims with arbitration proceedings, or being in a bad financial situation, making it a risk for project execution.



RISK MANAGEMENT IN THE PURCHASING AND SUBCONTRACTING PROCESS

The Company has a procedure to detect risks in the purchasing and subcontracting process. During 2021, the Regulatory Compliance Unit carried out implementation of the Due Diligence Policy for third parties. This policy was updated in 2020 and involves assessing each subcontractor before opening business relations to ensure their integrity, especially in human rights protection and combating corruption. This policy enables the Company to set preliminary risk levels to trigger integrity assessments of whether third parties have a similar culture in this field.

Técnicas Reunidas has started digitalization of Third-Party Integrity Assessments to achieve an efficient working method. It has set standardized alerts in the database to detect companies where compliance risks have been identified.

In addition, to increase safety and reduce supply chain risk, Técnicas Reunidas expressly regulates the subcontracting of work or services to critical suppliers and subcontractors through clauses included in the corresponding contracts. Furthermore, in 2021, third-party assessment process as regards cybersecurity and privacy was initiated through e-Supplier.

If significant risks are detected in an award, Técnicas Reunidas rejects the award to that supplier or subcontractor and

searches for valid alternatives. If there are no alternatives or the risk can be managed, the order or subcontract includes a series of actions in its requirements to minimize the risk, including more thorough monitoring during fabrication and construction.

For subcontracting, Técnicas Reunidas has identified the potential risks and has designed specific mitigation mechanisms. These include production risks (minimized by exhaustive work progress monitoring), financial risks (managed by evaluating subcontractors prior to contract award) and those associated with poor quality (controlled by monitoring performance). In recent years, due to the Covid-19 pandemic, the Company has encountered severe risks related to project delays or cancellations and materials delivery, as well as execution costs and commercial conditions for construction works.

The Company also considers it essential to minimize HSE risks. To achieve this, supplier approval processes and subsequent on-site inspection are in place, while subcontractors are pre-qualified before contract award and then supervised during the construction phase.

The Company also monitors risk associated with the labor welfare of subcontractors' employees by participating in the organizing of camps for workers.



APPLYING TÉCNICAS REUNIDAS' CODE OF CONDUCT TO ITS SUPPLY CHAIN [103-2]

The availability of suppliers and subcontractors aligned with the Company's demands and values is key to ensuring project success.

Técnicas Reunidas is committed to establishing a supply chain aligned with its values and requirements regarding health and safety, the environment, workers' rights, respect for human rights, equality, ethics and integrity. This commitment has led the Company to develop a Code of Conduct, the content of which has been reviewed and updated this year, and a specific Integrity Statement form for suppliers and subcontractors, aligned with the Company's Code of Conduct. These are the most significant aspects:

- Integrity of behavior among Técnicas Reunidas staff and stakeholders.
- Importance of suppliers and subcontractors acting responsibly, efficiently and with quality.
- Promoting equal opportunities and non-discrimination.
- Human rights commitment.
- Protection of labor rights and the environment.
- Combating corruption and fraud.

Técnicas Reunidas requires all companies in its supply chain to adhere to the Code of Conduct for suppliers and subcontractors by registering with the e-Supplier website. Since it was launched in 2017, 2,720 suppliers and subcontractors, out of a total of 27,062, have accessed it and submitted the pre-qualification questionnaires and accepted the Code of Conduct. 214 did so during 2021. The Company has taken two steps to publish its content this year. On one hand, it has uploaded the new Ethical code for the Supply Chain and the compliance questionnaires and requirements that accompany it to e-Supplier; on the other, it has generated didactical content and shared it with its suppliers and subcontractors through its website.

In addition, Técnicas Reunidas has a series of specific requirements about environmental, social and governance issues, with special emphasis placed on human rights. Among these are the particular requirements aligned with the ISO 14001 standard, environmental legislation compliance and reporting of sustainability information (see attached figure).

All this information is collected and made available in SMat, always in compliance with privacy requirements. This allows a more efficient, transparent and agile management of the supply chain to improve the Company's competitiveness and the quality of its works, allow cost optimizations and reduce project risk. Técnicas Reunidas is working on a system that will classify the suppliers and subcontractors that it has a commercial relationship with as regards sustainability to improve the inclusion of sustainability criteria in the supply chain.

Main Sustainability Requirements for Supply Chain



Environmental management requirements in accordance with ISO 14001.



Ability to comply with applicable environmental legislation.



Report environmental incidents and accidents occurring in the previous five years.



Report environmental fines and sanctions for previous five years.



Report annually about carbon footprint.



Health and safety requirements in accordance with ISO 45001.



Human rights requirements.

MONITORING OF SUPPLIERS AND SUBCONTRACTORS

Técnicas Reunidas maintains optimum control over compliance with contractual project deadlines and other requirements by continuously evaluating the performance and capabilities of suppliers and subcontractors.

In addition, for several years, it has also been monitoring health and safety conditions during contract performance by these suppliers and subcontractors, covering three main aspects:

- Evaluate the health and safety conditions in the workshops with which it collaborates.
- Advise and assist vendors on health and safety issues where necessary.
- Ensure the health and safety of inspectors and those subcontracted in the workshops where the material for the various subcontractors' projects is inspected.

These aspects are evaluated during specific HSE inspections, where the necessary parameters are assessed to ensure a safe working environment for the Company's own teams and those of its partners. The Procurement Department reviews any failed checks and takes any necessary action. New ESG requirements were included in 2021 in the list of workshop inspections of companies, while the distribution of results is automated in IMA. Work is also being carried out on including a series of similar ESG requirements in the Company's quality inspection questionnaires.

If Técnicas Reunidas detects any safety, health or environmental deviation, it carries out a specific risk assessment. Depending on the type of deviation and its seriousness, the supplier is required to take corrective and preventive actions. If the deviation is serious, the Company considers the possibility of banning the supplier from future bids or awards.

Likewise, subcontractors are also supervised during work execution to ensure compliance with all contract requirements. This supervision involves audits to detect non-conformities. The audit report sets out corrective actions for any non-conformities with deadlines for correction.

These audits are carried out by inspecting any work done by the subcontractor. Work is only accepted when the Company's inspectors have verified that it has been carried out in accordance with the project designs and specifications. In addition, these inspections regularly check that the corrective actions have been carried out, and the checks are documented in detail in the quality files delivered to the client.

As with suppliers, Técnicas Reunidas includes in its contracts the obligation to comply with safety, occupational health and environmental requirements, and compliance is supervised daily. There are also specific audits. As with the quality aspects of a project, any non-conformities are monitored until corrective measures are implemented. The Company may apply financial penalties or even expel the personnel responsible for more serious or repeated infringements.

Implementing actions to identify efficiency improvements:

Técnicas Reunidas has worked to promote an increase in the percentage of pipe prefabrication among its subcontractors, to increase productivity.

In line with this initiative, Técnicas Reunidas has promoted the introduction of the commercial software tool SpoolGen, which will enable improved monitoring and traceability of prefabricated pipe materials and drums.

At the same time, this will enable it to optimize and manufacture larger drums that can be transported and installed on site. This increase aims to carry out as many welds as possible in the workshop, where performance is higher and costs significantly lower. In this way, Técnicas Reunidas is able to increase project profitability, making it more competitive.



ENGAGEMENT AND COLLABORATION WITH SUPPLIERS AND SUBCONTRACTORS

For Técnicas Reunidas, dialogue and collaboration with suppliers and subcontractors have a direct positive impact on the Company's performance. Not only does it create synergies and enhance communications, but it also helps optimize execution times, allowing us to anticipate and manage changes and improve delivery times.

These collaborations have led to a reduction in quality non-conformities and a performance improvement, not only with Técnicas Reunidas but also with other clients. An interesting example of this type of collaboration is the participation by companies with extensive technical knowledge in very specific areas, such as heavy lifting. These companies integrate with Técnicas Reunidas starting at the bidding phase, providing technical solutions for lifting large equipment, transporting modules and, in general, handling large loads. This collaboration enables the Company to optimize costs and increase safety in its projects.

In this context, Técnicas Reunidas has a series of mechanisms to strengthen relationships with its suppliers, especially with strategic suppliers. These mechanisms include framework agreements with overall commercial conditions covering different projects and joint improvement groups dealing with the main areas for improvement according to the performance shown in project execution.

Throughout this year, Técnicas Reunidas has developed a new repository for Integrate Corporate Procurement Documentation to replace the previous functions of the intranet in this area. Communication between departments has also been strengthened through periodic publication of items of information (market indicator progress reports, transportation containers and prices, among others) and by holding weekly monitoring meetings.



Importance of communication with subcontractors

A very important part of Técnicas Reunidas' management is promoting continuous communication and strengthening the relationship with its subcontractors by offering flexible and effective solutions to any health or safety problems and obstacles associated with delivery deadline, costs or sales conditions. The Company holds recurrent meetings with subcontractors to agree to any necessary measures required, set goals and coordinate progress in projects.

Sustainable collaboration with strategic suppliers

Técnicas Reunidas is working on strengthening sustainable collaboration with strategic suppliers to have the option for new contracts that require complex technologies associated with sustainability and eco-efficiency. With this goal in mind, in 2021 the Company has created a multidisciplinary work group with members of the Procurement, Project Management, Estimates and Energy Transition departments to draw up a list of suppliers for Energy Transition projects.

Técnicas Reunidas regularly participates in international exhibitions and trade fairs to contribute to the development and strengthening of its clients and suppliers.

6.7 COMPANY RELATIONSHIP WITH THE STAKEHOLDERS

Técnicas Reunidas' contribution to SDGs



Técnicas Reunidas is aware of the social impact of its activities and projects, therefore it aims to combine technical excellence in the performance of sustainable plants for its clients, considering the needs of its stakeholders, through a constructive dialogue with them that reinforces its contribution to the environments where it is present, by generating a positive impact.



MAIN INDICATORS

INDICATOR	2021 FIGURES	PROGRESS 2020-2021
Amount dedicated to social action projects (€)	286,787	-1 %
Organizations we collaborate with on social matters (number)	16	-1
Positive impact on the environs of projects from local purchases and subcontracts (million €)	1,870	-9 %



MILESTONES 2021

- Promotion of purchases and subcontracting of a local nature up to 88% of the total.
- Approval of the Sustainability Plan, aligned with the current Sustainability Policy, which includes specific actions in all areas of activity of the Company.
- Development of training actions in the STEM field in the Middle East with a great involvement of local staff.
- Channeling dialogue with local communities through project directors.




2022 GOALS

- Maintain a high percentage of local purchases and subcontracting.
- Maintain a determined activity of contribution to the development of local communities.
- Execute the actions foreseen in the Sustainability Plan for this year.



ACTION PRINCIPLES [102-43]; [103-2]

The Company's Sustainability Policy contains the principles of action of Técnicas Reunidas which are common to all its stakeholders. These principles represent the social commitment of the Company:

<p>CREATION OF SUSTAINABLE VALUE </p>	<p>ENGAGEMENT WITH THE LOCAL COMMUNITIES </p>	<p>HEALTHY, EQUAL AND FAIR SOCIETY </p>
<p>Promote the industrial plants development environmentally sustainable, economically affordable, contributing to the fight against climate change, the transition to a low-carbon economy and the clean energy development.</p>	<p>Build strong ties with the communities where the Company performs its activities, with the aim to generate trust and create a feeling of belonging to a company of excellence.</p>	<p>Back initiatives that contribute to a healthier, equal and fair society, such as encouraging personal work life balance and, additionally, collaborate with projects in emerging and developing countries, paying special attention to the provision of sustainable solutions for building industrial plants that will provide general access to energy.</p>

These principles are part of the activity and decision-making processes of Técnicas Reunidas, with special attention to the Sustainable Development Goals. In particular, in those where it contributes most significantly: Goal 7, affordable and clean energy; Goal 9, building resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation; and Goal 13, take urgent action to combat climate change and its impact.



PARTICIPATION AND COMMUNICATION WITH STAKEHOLDERS

🌐 [102-40]; [102-43]; [102-44]

Técnicas Reunidas believes that permanent and constructive dialogue with stakeholders is a key element of its sustainability strategy.

Técnicas Reunidas has various channels to maintain and strengthen its relations with the stakeholders, that allow it to identify the most important issues for them regarding the Company's activities.

In this context, in 2020 the Company approved the Group's Sustainability Policy and in 2021 has made a progress with the approval of a Sustainability Plan aligned with the principles of the Policy and the implementation of the initial actions formed in it. This progress represents a milestone in TR's relationship with its main stakeholders, as well as a manifestation of the Company's commitment in this area.

The approval of the Group's Sustainability Policy allowed the Company having a single standard that coordinates all its actions in this area, including also the Company's commitments in relation to its stakeholders to whom this Policy serves as a guide of a predictable conduct.

The Sustainability Plan, approved in 2021, considers the main actions in terms of Sustainability, both of the Company as a

whole and of its different areas and departments, and aims to define concrete actions linked to the relevant issues for Técnicas Reunidas, which allow correctly implementing the objectives and priorities expressed in the Sustainability Policy of Técnicas Reunidas.

In turn, the Sustainability Plan establishes the definition of a communication plan in charge of promoting the positioning and recognition of the company, which has been developed through specific internal and external actions of sustainability communication through, among others, newsletter, website, intranet and third parties of recognized prestige with which Técnicas Reunidas develops alliances.

The Plan has defined twelve main lines of action, establishing specific actions in the short, medium and long term and assigning these actions to the various areas related to them. Finally, the Company will periodically report on the degree of implementation of these actions, including the commitment to reduce emissions by 30% by 2030 and zero emissions by 2040.

Channels of relationship and relevant issues for the stakeholders of Técnicas Reunidas

🌐 [102-40]; [102-43]; [102-44]

Stakeholder	Main channels	Frequency of the relation	Relevant issues identified in 2021
Employees	<ul style="list-style-type: none"> • Satisfaction Surveys. • Training, tutoring and interviews. • Website. • Intranet. • Integrated report. • Evaluation of skills and knowledge. • Newsletter. 	Continuous	<ul style="list-style-type: none"> • Workload. • Relationship with the Company, superiors and other colleagues. • Low rotation. • Job stability. • Remote work.
Clientes	<ul style="list-style-type: none"> • Regular meetings. • Satisfaction surveys. • Forums and conferences. • Website. • Annual accounts. • Integrated report. • Project Director. 	Continuous	<ul style="list-style-type: none"> • Proposal negotiation. • Implementation of awarded projects. • Influence of Covid-19.

Stakeholder	Main channels	Frequency of the relation	Relevant issues identified in 2021
Shareholders	<ul style="list-style-type: none"> • Meetings with investors. • Forums and conferences. • Shareholders' General Meeting. • Investors' Day. • Website. • Installations visits. • Integrated report. • Proxy advisors. • Social media (Twitter and LinkedIn). 	Regular	<ul style="list-style-type: none"> • Webcasts and roadshows with investors. • Livestream of General Shareholders' Meeting.
Subcontractors/Suppliers	<ul style="list-style-type: none"> • Regular meetings and calls. • Sending newsletters. • Website – special reference to the supplier's section. • Integrated report. • Assistance for supplier and subcontractor financing. • Selection procedure. • Monitoring its performance in the execution of its tasks, including aspects of Sustainability and Human Rights. 	Continuous	<ul style="list-style-type: none"> • Company performance in projects. • Increase in the functionalities of the Técnicas Reunidas supplier and subcontractor portal e-Supplier. • Establish and integrate quantitative environmental, social, and governance criteria in the supply chain management strategy both in the approval phase and in the contractual clauses.
Company	<ul style="list-style-type: none"> • Visits to facilities. • Website. • Integrated report. • Regular meetings. 	Regular	<ul style="list-style-type: none"> • Communication of opportunities for collaboration. • Information on the Company's financial performance and the impact it has on the environment.
Local communities	<ul style="list-style-type: none"> • Visits to facilities. • Meetings with local representatives. • Website. • Integrated report. • Identification of relevant stakeholders in each project, with special consideration to local communities, and ongoing dialogue with them during the execution of the projects. 	Depending on the project	<ul style="list-style-type: none"> • Monitoring of the impact of implementing projects. • Participation in social action activities in the environs of the projects. • Hiring of local labor for projects. • High percentage of local subcontractors.
Public Administration	<ul style="list-style-type: none"> • Meetings with representatives of local authorities. • Participation in working groups. • Website. • Integrated report. 	<p>Depending on the needs of each project</p> <p>Ongoing in the case of Administrations in countries where projects are being implemented Many clients are public administrations</p>	<ul style="list-style-type: none"> • Dialogue with relevant local representatives in countries where projects are being implemented.
Industry associations	<ul style="list-style-type: none"> • Participation in working groups. • Website. • Fairs, forums and conferences. 	Permanent, usually focused through participation in the administration or management entities	<ul style="list-style-type: none"> • Participation and knowledge sharing in business forums such as the Sustainability Excellence Club, SERES, Global Compact or CDP. • Collaboration with leading organizations in Sustainability, SDGs, Energy Transition, Human Rights, Occupational Safety and Health. • Participation in Tecniberia or Emisores Españoles.

SOCIAL PROJECT MANAGEMENT [103-2]; [203-1]; [203-2]; [413-1]; [413-2]

Técnicas Reunidas considers the identification and management of the risks and opportunities pertaining to the local community as a key element during its projects, with the aim to optimize the positive impacts derived from the activities carried out by the Company and, at the same time, minimize negative impacts.

This permanent monitoring of relations with local communities aims to prevent risks from materializing, thanks to policies based on the social management framework (see table attached) that also allow for planning of the actions necessary on this matter, with special attention to coordination with the local environment and the various stakeholders (public administrations, partners, suppliers or subcontractors), development of the surrounding infrastructures and potential environmental effects and cultural needs.

Social management framework for the Técnicas Reunidas projects



The Company carries out activities aimed at increasing the social contribution generated by the Group's corporate activity as the main source to create value for the communities where it operates. Técnicas Reunidas contributes to the design and construction of plants that provide cleaner and more sustainable energy and implements measures that will contribute to the development of vulnerable groups by means of sponsorships, collaborations, and other actions. On the other hand, and in general, it contributes to sustainable development through a committed global institutional strategy that involves its stakeholders and promotes the design and implementation of awareness-raising plans on several issues in this area.

In this sense, the sustainability strategy of Técnicas Reunidas is transversal and covers all its activities, both corporate and operational. It contemplates aspects of corporate governance, environment, and relationship with society, all in a coordinated action between the departments involved. This strategy aims to provide added value, reinforcing the positive impacts and minimizing those potentially negative, and is subsequently adapted to all the projects that Técnicas Reunidas executes.

Within this context, Técnicas Reunidas has continued its process to analyze and evaluate the social aspects of the projects, in order to encourage those that have a positive impact and reduce and/or mitigate negative impact. Specifically, the analysis of these impacts during the tender stage was reinforced, through the Proposal department, as well as during

the project implementation stage, through the Operations department. This analysis considers in detail each client's circumstances and geographical area and this translates, among other impacts, into a high rate of local purchase and subcontracts, as well as hiring of specially qualified local staff who join the project team.



Featured case

The projects where Técnicas Reunidas participates generate several positive impacts on its environment

- Management in 2021 of more than 42,394² workers, own and subcontractor staff, in-person or remote working.
- A firm commitment to hiring local suppliers and subcontractors, strengthening the Company's positive economic contribution to its environs (€1,870 million in local purchases and hiring in 2021)³.
- Training of companies and local own labor or suppliers and subcontractors thanks to courses and workshops organized by the Company, highlighting those training actions on STEM issues focused primarily on women in specific geographical areas such as the Middle East.
- Promotion of initiatives with local communities, enabling the development of especially vulnerable groups.
- Creation of key energy infrastructures through the Company's projects, paying special attention to the provision of sustainable solutions that allow general access to energy and facilitate sustainable solutions adapted to each degree of environs development.



Featured case

Community development by training local talent

Técnicas Reunidas makes one of its largest contributions to the development of society, and specifically to the development of the communities where it implements its projects, by providing essential training for local talent. The Company provides specific training with the aim to strengthen the capabilities of all of its workers and thus to encourage the integration of local employees who participate in the projects. Thanks to the training and experience they obtain, not only do they benefit financially, but they also obtain the experience of having worked with an international company and projects, which is leverage for growth that opens a wide range of professional possibilities for the future.

In this context, one of the largest contributions of Técnicas Reunidas in 2021 has been the realization of a social investment of €1.84 million in 2021 for the training of local workers in project implementation field.

The Society performs an important work to promote local staff through training in areas of high technological qualification such as engineering, the environment, sustainability or safety and occupational health, which contribute to improving the performance of local collaborators and increasing their capacities.

² Data corresponding to employees and direct subcontractors in construction tasks during the peak month of the year.

³ Local purchases and subcontracts include those made by foreign subsidiaries, branches and joint ventures.



Featured case

Development of social and environmental actions during the execution of projects

In 2021 the Company has continued to encourage the spreading of information on its corporate values, as well as to reinforce the positive impacts derived from its activity, by carrying out the most appropriate actions according to the characteristics of each project. In some of these projects, employees have collaborated free of charge through volunteering activities: Some of the main activities were:

- Environs of the Duqm project (Oman).** Several activities have been carried out throughout the year, including the delivery of 150 food packs during Ramadan to the communities in the area, the holding of regular meetings with the Minister of Health and with representatives of various women's associations and work to improve the facilities of the Duqm public park, including the renovation of pipes, with more than 600 hours of work. Two thousand gallons of water had also been donated to local farming communities per week and, as part of the partnership with the Omani Women's Association, a hospital bed for children with special needs, 12 computer monitors, printer cartridges, a projection wall and various stationery items had been donated. Other activities have also been performed, such as: cleaning of local buildings, parks and adjacent roads, provision of assistance while installing the flag of the Wali office, construction of a fully equipped isolation pavilion at the Government Hospital in Duqm with capacity for 18 beds, as well as participation in the beach cleaning campaign organized by SEZAD.
- Environs of the 5th Gas Train (GT5) project.** The employees have refurbished the outdoor spaces of the Mina al-Ahmadi Refinery camps in Kuwait, maintaining the area, cleaning and planting flowers and bushes, thus fostering team spirit, and creating a corporate culture.
- Environs of the Talara plant (Peru).** Employees have developed a number of activities with the local community. The various actions include the donation of wood for the production of furniture for children with special needs and students, as well as various materials for the maintenance of community facilities, the purchase, placement and commissioning of a water tank in one of the inhabited areas, collaboration for the celebration of Women's Day and collaboration with various local entities such as the Association of Women Entrepreneurs, the Association of the Disabled, the Dance Committee or the Municipality of the town of Negritos. As part of the campaign for the prevention of Covid-19, medical material has been donated for specific groups. Toys, school supplies and sports uniforms for children had been provided in various campaigns.



COMMITMENT TO SOCIAL ACTION

Técnicas Reunidas has been committing to four work areas that prove their social action through various activities and projects since several years ago.

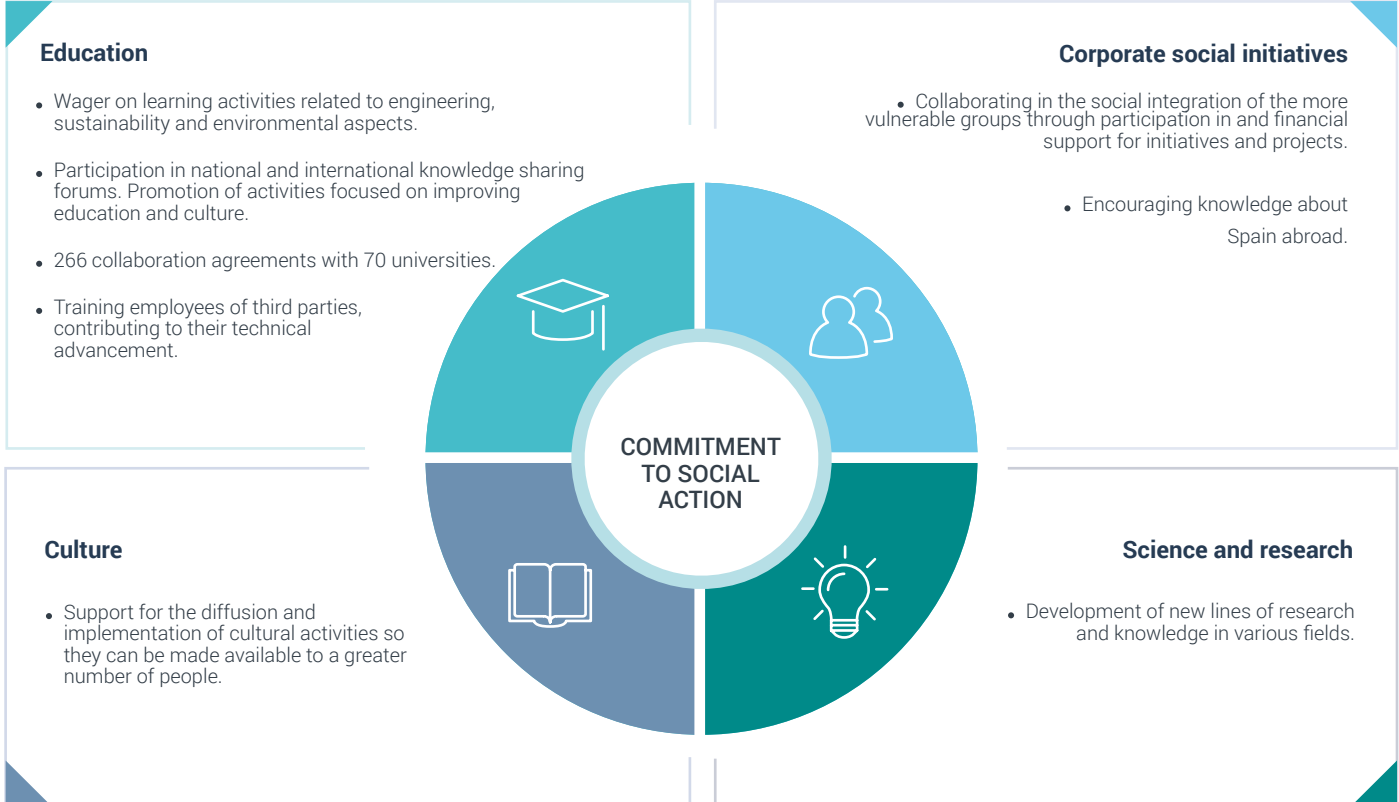
To this end, the Company locates and selects other organizations that share its goals and analyses the opportunity to collaborate with them, both financially and through other instruments (working groups or participation in forums).

Técnicas Reunidas reinforced the selection criteria on its social action initiatives, so that its impact would focus on contributing to achieve the Sustainable Development Goals and prioritizing actions linked to fighting against Covid-19. Actions aims at fighting the pandemic include donating masks, medicine: food and other essential products to associations or vulnerable groups in those communities where projects were implemented. In this sense, in 2021, several projects have implemented courses on the management of Covid-19 in the different

facilities and measures taken and have obtained recognition for their performance and monitoring of the prevention plans on site. To this end, the Company performs regular analysis of the current social action initiatives and link each of them with the SDGs to which it is contributing, in accordance with its global philanthropy strategy that it applies in detail in each of the projects it fulfils. All these actions ultimately allow the Company channeling its social action towards a direct contribution to the SDGs, within the framework of its Sustainability Plan.

In 2021, the Company allocated a total of 286,786⁴ EUR to projects and organizations in the field of social action to boot additional 1.84 million EUR for the formation of companies and local labor in the field of project development.

Técnicas Reunidas' commitment to social action



⁴ Out of these €286,786, € 3,806 were addressed to social contributions within the framework of initiatives with local communities of the projects of Técnicas Reunidas, while the rest were contributions to non-profit foundations.



Featured case

Solidarity in times of pandemic

In the Talara project (Peru), within the framework of the campaign for the prevention of Covid-19, medicines, masks, and supplies for specific groups have been donated and toys, school supplies and sports uniforms for children have been delivered in different campaigns carried out.

Main organizations with which Técnicas Reunidas collaborates  [102-13]

Técnicas Reunidas' commitment to social action



Culture



Science, research and education



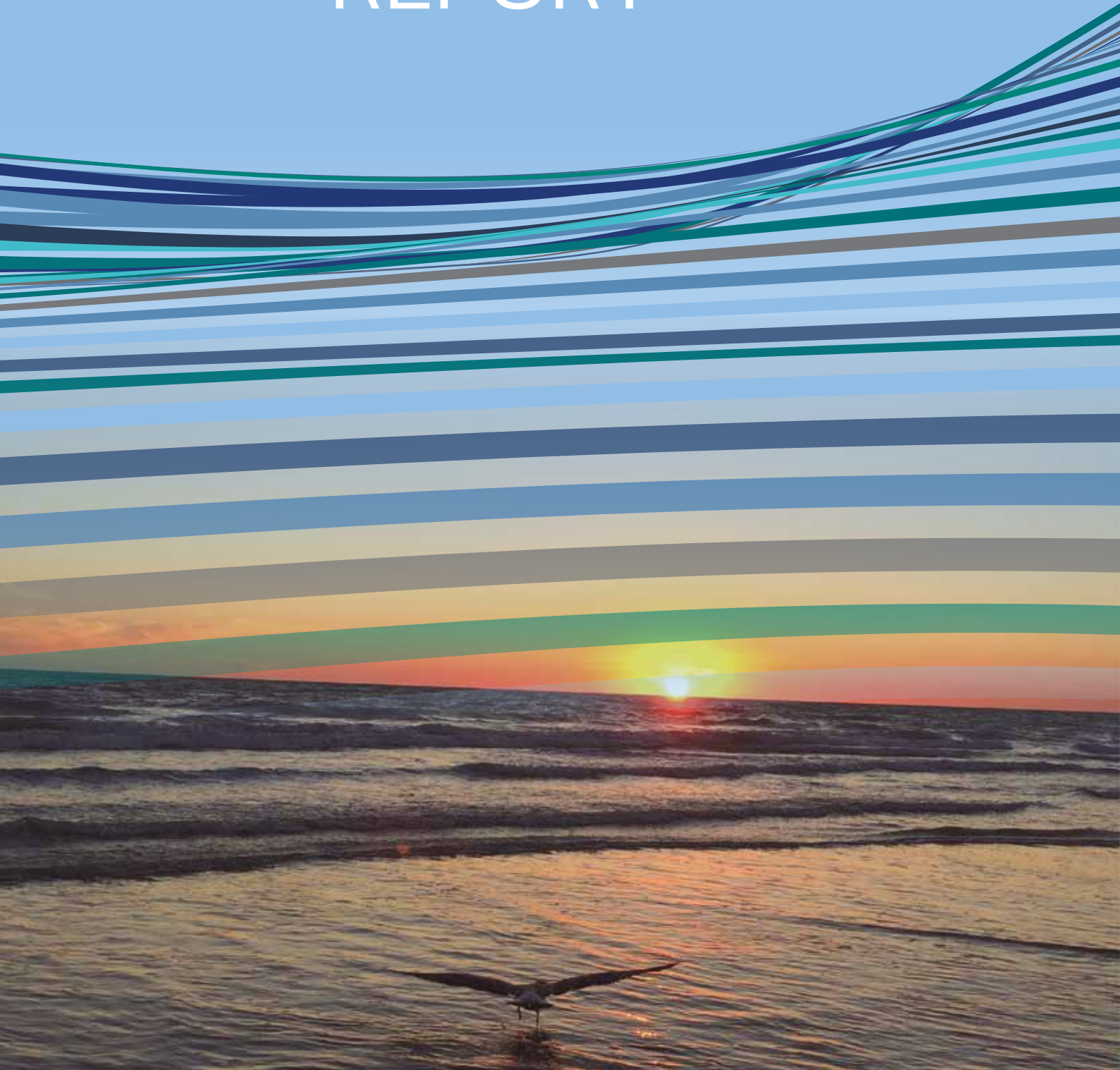
Técnicas Reunidas is part of various associations related to the company's business activities with whom it collaborates on initiatives pertaining to promoting corporate and entrepreneurial activity, as well as other organizations that encourage corporate transparency and responsibility.

Promoting business and entrepreneurial activity



7

REPORTING PRACTICE FOR THE INTEGRATED REPORT



This is Técnicas Reunidas’ sixth Integrated Report, drawn up according to the recommendations set out in the International Integrated Reporting Framework developed by the International Integrated Reporting Council (IIRC).

This Integrated Report consolidates Técnicas Reunidas’ corporate reporting and provides continuity to the efforts made by the Company in the area of transparency, as reflected in its sustainability reports published over recent years (and its first Integrated Report in 2015). Every year, Técnicas Reunidas strives to improve the quality of the information it provides to all its stakeholders.

In this report, in addition to the <IR> framework, Técnicas Reunidas has again followed the latest version of the Global Reporting Initiative’s standards for sustainability reporting (GRI Standards) when drawing up its sustainability information. GRI disclosures associated with the published contents are identified throughout the report, and the Annex includes a GRI Content Index containing a list of the reported disclosures and the pages where the relevant information can be found.

MATERIAL TOPICS CONSIDERED IN THE PREPARATION OF THIS REPORT

The <IR> framework and the GRI Standards require the Company to design the contents of its report to take into account ‘factors that materially affect the ability of an organization to create value in the short, medium and long term’.

impacts’ and therefore refer to matters that can substantively influence the assessments and decisions of stakeholders’ and therefore the implementation of its strategy.

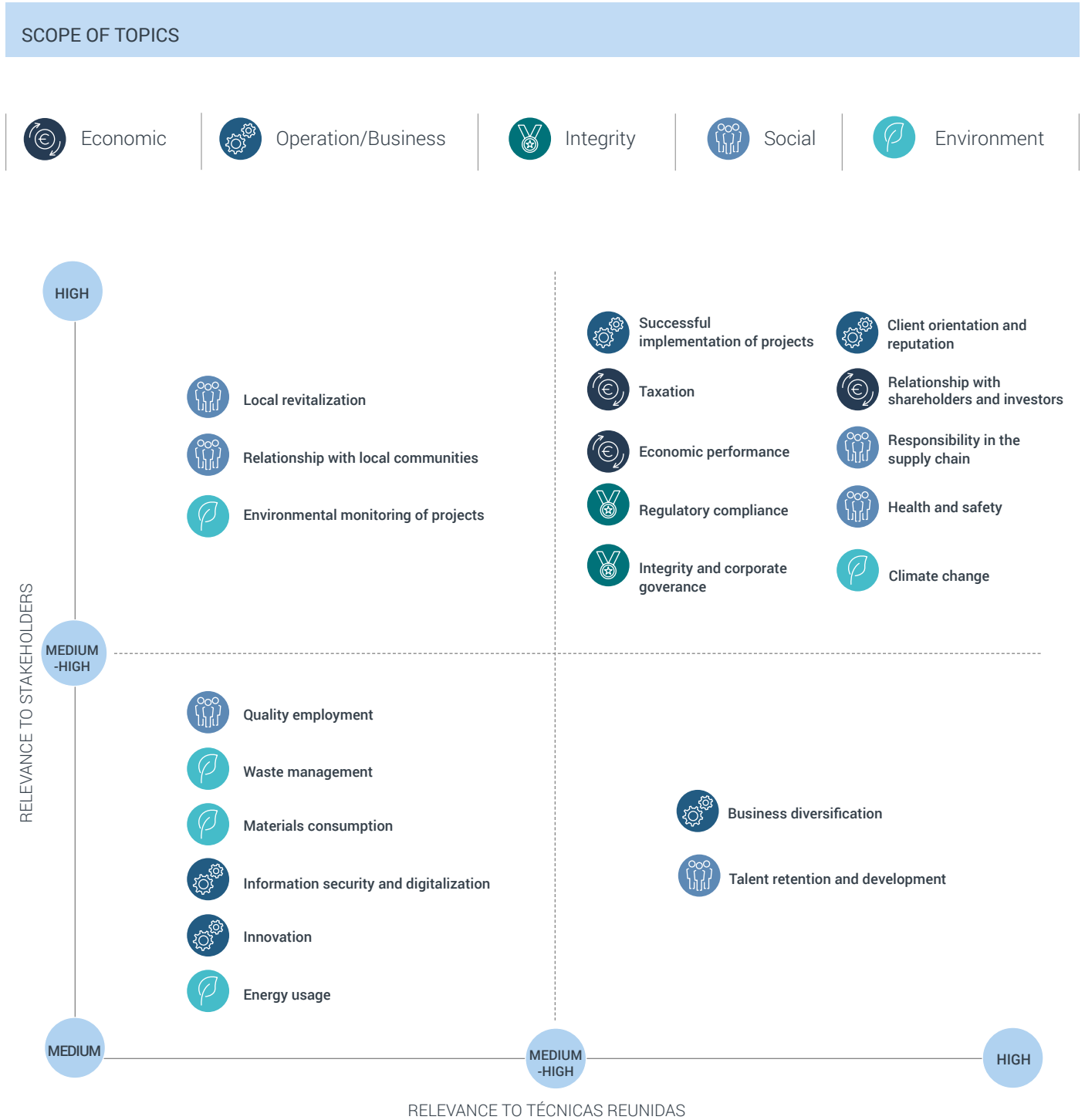
These factors, termed material topics, are ‘those that reflect the organization’s significant economic, environmental and social

In order to comply with this criterion, the Company has drawn up a materiality analysis, as described below:

1. Identification of material topics	2. Prioritization of material topics	3. Preparation of a materiality matrix and content development
<ul style="list-style-type: none"> • Review of the material topics identified in the previous report and those identified by the GRI Standards. • Analysis of other companies’ sustainability reports and integrated reports to assess which topics are considered relevant. • Evaluation of the topics considered relevant by investors and proxy advisors based on the content of questionnaires from initiatives such as the Dow Jones Sustainability Index (DJSI) and the Carbon Disclosure Project (CDP). • Opinion of other stakeholders: analysis of the year’s news items, meetings with managers, evaluation of new legislation, analysis of tender specifications, etc. • Analysis of the Sustainable Development Goals (SDGs) and identification of the most relevant topics. 	<ul style="list-style-type: none"> • Determination of the priority of each topic identified in the previous stage, based on interviews with Técnicas Reunidas managers. 	<ul style="list-style-type: none"> • Development of a materiality matrix that prioritizes topics according to their relevance to stakeholders and Técnicas Reunidas (see graphic). • Identification of relevant GRI Standards disclosures and content development in the Integrated Report.

The materiality matrix reflects material aspects with a medium or higher degree of materiality for both the Company and its stakeholders.

The figure below shows the materiality matrix for Técnicas Reunidas in greater detail.



The following table shows the correspondence between the material topics identified and the term under which they are included in the GRI Standards. While several material topics are not directly linked to GRI disclosures, information about them is nonetheless included in the Integrated Report.

The report also indicates the impact boundaries (within or outside the organization) and the corresponding GRI disclosures through which Técnicas Reunidas transmits information about how it performs and manages each one.

Categories of material topics [102-46]; [102-47]; [103-1]

AREA	MATERIAL TOPIC FOR TÉCNICAS REUNIDAS	TOPICS CONSIDERED	IMPACT OUTSIDE THE ORGANIZATION BY STAKEHOLDER GROUP*	GRI TOPICS INCLUDED	ASSOCIATED GRI DISCLOSURES
Economic 	Economic performance	Economic performance.	Shareholders	Economic performance	201-1
	Relationship with shareholders and investors	Transparency and dialogue with shareholders and investors.	Shareholders	-	-
		Involvement in sustainability initiatives aimed at investors (CDP, DJSI, etc.).		-	-
	Taxation	Fiscal transparency and accountability.	Public administrations Society	Economic performance	201-1; 207-1; 207-2; 207-3; 207-4
Operational/ Business 	Client orientation and reputation	Relationship with clients.	Clients	-	-
		Compliance with requirements and client satisfaction (quality, operation, efficiency and safety of plants).	Clients	Customer health and safety	416-1
		Development of new business models. (e.g.: Lump Sum Turn Key).	Clients	-	-
	Business diversification	Diversification of products and geographical areas.	Shareholders	-	-
		Implementation of projects with high added value (FEED).	Shareholders	-	-
	Successful implementation of projects	Striving for quality, efficiency and excellence along the company's entire value chain, from design to startup, including all phases of procurement and construction.	Clients Society Suppliers	-	-
		Management of risks associated with projects.	Clients Society	-	-
	Information security and digitalization	Use of new technologies in the management of different areas of the company (Human Resources, HSE, Environment, etc.).	Employees	-	-
		Cybersecurity.	Clients	-	-
	Innovation	Innovation, R&D&I, proprietary technologies, etc.	Clients Society	-	-



Continued

* All the topics listed are material for Técnicas Reunidas. The column marked with an asterisk indicates other stakeholders that consider each topic material.

AREA	MATERIAL TOPIC FOR TÉCNICAS REUNIDAS	TOPICS CONSIDERED	IMPACT OUTSIDE THE ORGANIZATION BY STAKEHOLDER GROUP*	GRI TOPICS INCLUDED	ASSOCIATED GRI DISCLOSURES
Integrity 	Ethics and Corporate governance	Corporate governance.	Shareholders Public administrations Clients Suppliers Employees	Governance	Most disclosures from 102-18 to 102-39
		Ethical behavior and integrity.		Ethics and integrity	102-16; 102-17
		Anti-corruption.		Anti-corruption	205-1; 205-2; 205-3
		Prevention of anti-competitive behavior.		Anti-competitive behavior	206-1
		Risk management at corporate level.		-	-
	Regulatory compliance	Environmental and social regulatory compliance.	Environmental compliance	307-1	
			Socioeconomic compliance	419-1	
Social 	Relationship with local communities	Dialogue with local communities, social impact assessment and contribution to communities.	Society	Local communities	413-2
		Human rights impact assessments for company activities in its different operational locations.		Human rights assessment	-
	Local revitalization	Socio-economic impact on the company's operational locations.	Society Suppliers	Indirect economic impacts	203-1; 203-2
		Purchasing from local suppliers.		Procurement practices	204-1
	Responsibility in the supply chain	Consideration of environmental and social topics in supplier approval and monitoring.	Suppliers	Supplier social assessment	414-2
				Supplier environmental assessment	308-2
				Child labor	408-1
				Forced or compulsory labor	409-1
				Security practices	410-1
	Workers' rights.	Freedom of association and collective bargaining	407-1		
Quality employment	Job creation. Equal opportunities.	Employees	Employment	401-1	
			Diversity and equal opportunity	405-1	

Continued

* All the topics listed are material for Técnicas Reunidas. The column marked with an asterisk indicates other stakeholders that consider each topic material.

AREA	MATERIAL TOPIC FOR TÉCNICAS REUNIDAS	TOPICS CONSIDERED	IMPACT OUTSIDE THE ORGANIZATION BY STAKEHOLDER GROUP*	GRI TOPICS INCLUDED	ASSOCIATED GRI DISCLOSURES	
Social 	Talent retention and development	Employee training and professional development.	Employees	Training and education	404-1; 404-3	
		Measures to encourage talent retention within the company.		-	-	
		Talent attraction.		-	-	
	Health and safety	Employee health and safety.	Employees	Occupational health and safety	403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-7; 403-9	
		Safety and business continuity.		-	-	
Environment 	Usage of materials	Company's usage of materials.	Society	Materials	301-1	
	Energy usage	Energy usage in company activities.		Energy	302-1; 302-3	
	Climate change	Mitigation of greenhouse gas emissions.		Adaptation to climate change.	Emissions	305-1; 305-2; 305-3; 305-4
		Economic performance - financial implications and other risks and opportunities for the organization's activities due to climate change.			-	
	Waste management	Management of waste generated by the company.		Effluents and waste	306-3	
	Environmental monitoring of projects	Environmental impact management during the implementation of projects.		Society Clients Suppliers	-	-

* All the topics listed are material for Técnicas Reunidas. The column marked with an asterisk indicates other stakeholders that consider each topic material.

EXTERNAL ASSURANCE [102-56]

The non-financial disclosures included in this report that come from the Company's Statement of Non-Financial Information** have undergone an external review process carried out by PricewaterhouseCoopers Auditores S.L., in accordance with the International Standard on Assurance Engagement 3000, (ISAE 3000 revised, pursuant to the requirements of Law 11/2018).

** Available at <https://www.tecnicasreunidas.es/wp-content/uploads/2022/02/CCAACC-TR-2021-Consolidadas-completas.pdf>

CONTACT INFORMATION

 [102-53]

Readers of this report can submit questions, queries, requests or suggestions through the following channels:



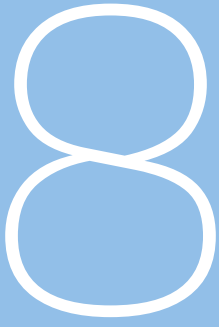
Web: www.tecnicasreunidas.es

e-Mail: tr@tecnicasreunidas.es

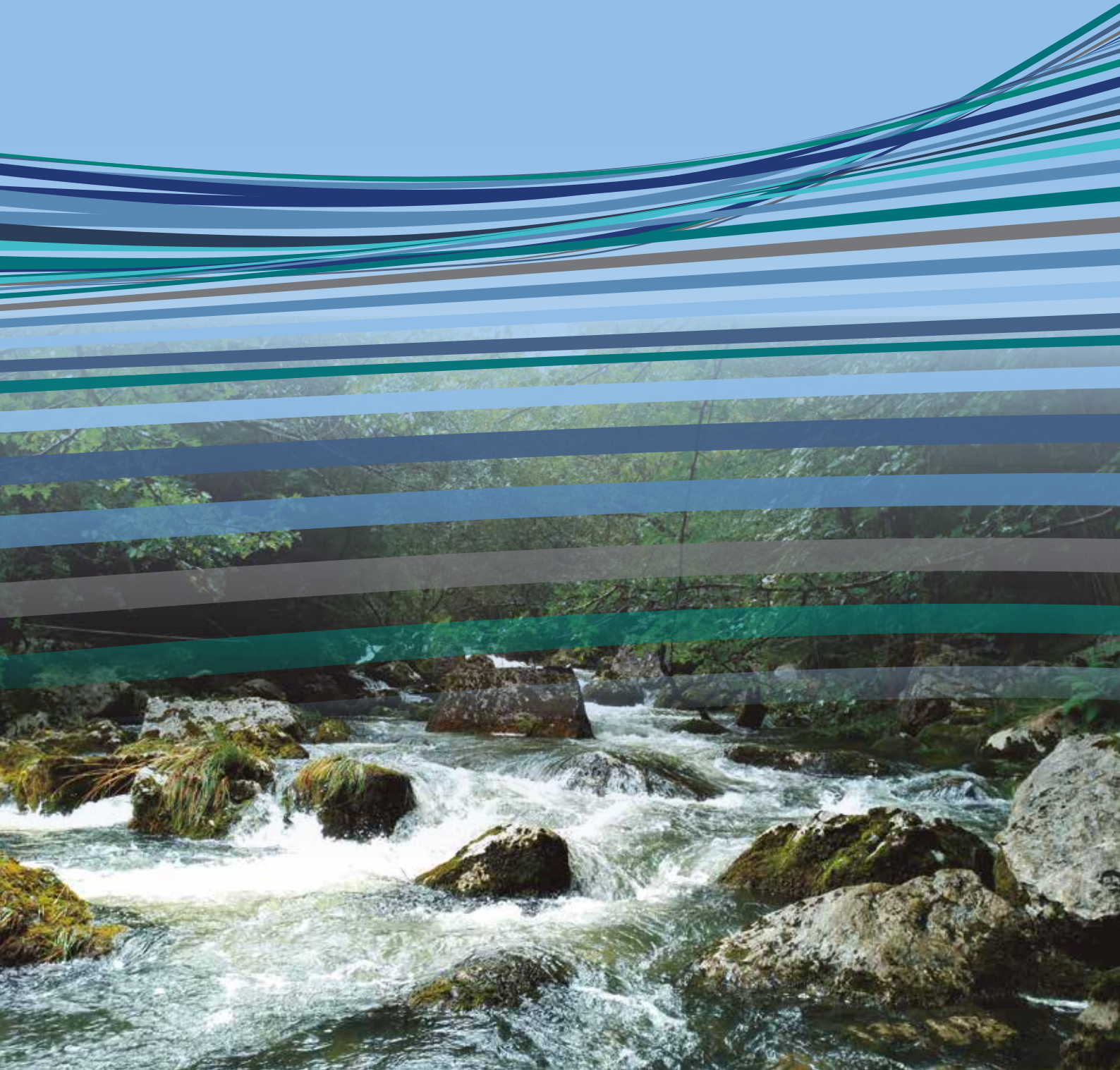


Address:

Técnicas Reunidas, S.A.
Secretary of the Board of Directors
Av. de Burgos 89 – Adequa Complex, 3rd Floor.
28050 Madrid, Spain



GRI CONTENT INDEX



GRI CONTENT INDEX

🌐 [102-55]



GRI Services has confirmed that the GRI content index in the report is clear, and that the references for each content item included correspond to the stated sections of the report.

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
GRI 101: FOUNDATION 2016			
Organizational profile			
	102-1 Name of the organization	Técnicas Reunidas, S.A.	Group
	102-2 Activities, brands, products and services	11-16	Group
	102-3 Location of headquarters	Avda. de Burgos, 89 - Adequa Complex, 3 rd Floor C.P. 28050 Madrid, España	Group
	102-4 Location of operations	6-9	Group
	102-5 Ownership and legal form	46 Técnicas Reunidas is a public limited company listed on the stock exchange. Section 5.1 shows the ownership structure.	Group
	102-6 Markets served	6. 11-16	Group
	102-7 Scale of the organization	6. 11-16 The Company's capitalization can be found on the Técnicas Reunidas' website at the following address: https://www.tecnicasreunidas.es/investors/share-information/	Group
GRI 102: General Disclosures 2016	102-8 Information on employees and other workers	77 • Técnicas Reunidas subcontracts the construction part of the projects to specialized subcontractors. An indicator of the number of hours worked (120,993,882) is provided on page 75 (Health & Safety section). • In 2021 there were 1,666 temporary contracts. In 2021 74% of current contracts were permanent. • Workforce size by gender and region: In 2021 the Group's contracted workforce was 6,516 employees. Of these, 1,718 were women (26%) and 4,798 men (76%). For additional information on employees and other workers, please refer to Chapter 15.4.1 of the Consolidated Management Report at the following address: https://www.tecnicasreunidas.es/wp-content/uploads/2022/03/CCAACC-TR-2021-CONSOLIDATED-ENGLISH-VERSION.pdf	Group
	102-9 Supply chain	127-129	Group
	102-10 Significant changes to the organization and its supply chain	For significant changes regarding the organization's size, structure, shareholder ownership and supply chain, refer to pages 12 and 13 of the Annual Report on Consolidated Financial Statements available at: https://www.tecnicasreunidas.es/wp-content/uploads/2022/03/CCAACC-TR-2021-CONSOLIDATED-ENGLISH-VERSION.pdf	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
GRI 102: General Disclosures 2016	102-11 Precautionary Principle or approach	Técnicas Reunidas has a risk and opportunity management program that includes analyzing potential environmental impacts on projects, from the bidding phase to project completion. This analysis includes the identification of measures addressing the precautionary principle and reducing undesirable effects.	Group
	102-12 External initiatives	Técnicas Reunidas has several Management Systems certified by independent third parties. The Company also supports various sustainability initiatives. For example, the United Nations Global Compact, which it has been supporting for several years.	Group
	102-13 Membership of associations	143	Group
Strategy			
GRI 102: General Disclosures 2016	102-14 Statement from senior decision-maker	4	Group
	102-15 Key impacts, risks and opportunities	59	Group
Ethics and integrity			
GRI 102: General Disclosures 2016	102-16 Values, principles, standards, and rules? norms of behavior	54. 79	Group
	102-17 Mechanisms for advice and concerns about ethics	54. 55 None of the complaints received through the whistle-blower channel during 2021 are related to respect for freedom of association or the right to collective bargaining, discrimination in employment and occupation, forced or compulsory labor, or child labor.	Group
Governance			
GRI 102: General Disclosures 2016	102-18 Governance structure	46	Group
	102-19 Delegating authority	The Board of Directors has Delegate committee that monitor specific issues critical for the Company and its shareholders in all areas, including ethical, social and environmental aspects. These Delegate Commissions communicate their guidelines to the Company's executives through specific channels and monitor fulfillment.	Group
	102-20 Executive level responsibility for economic, environmental and social topics	The meetings of the Board and its Delegate Commissions review the fulfillment of the objectives in the organization's different management areas.	Group
	102-21 Consulting stakeholders on economic, environmental and social topics	The governing body is informed of all relevant economic, environmental and social issues arising in the Company's dialogue with its stakeholders.	Group
	102-22 Composition of the highest governance body and its committees	46	Group
	102-23 Chair of the highest governance body	46	Group
	102-24 Nominating and selecting the highest governance body	46 Técnicas Reunidas also complies with the recommendations of the Code of Good Governance for Listed Companies issued by the Comisión Nacional de Mercado de Valores (CNMV) in 2015. It complies with 94.55% of the Code (in whole or in part and excluding those that do not apply to it).	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
GRI 102: General Disclosures 2016	102-25 Conflicts of interest	The Board Regulations and the Internal Code of Conduct regulate the mechanisms established to detect and regulate possible conflicts of interest. The body that resolves directors' conflicts of interest is the Audit and Control Commission. For further information, please refer to the Annual Corporate Governance Report (Section D.6.) available on the Técnicas Reunidas website at the following address: https://www.tecnicasreunidas.es/wp-content/uploads/2022/03/TR_IAGC_2021_EN.pdf	Group
	102-26 Role of highest governance body in setting purpose, values and strategy	46 The Company's senior management is actively involved in reviewing values, strategies, policies, and objectives about economic, environmental and social impacts. These are ultimately approved by the company's corporate governance bodies, each within its sphere of competence.	Group
	102-27 Collective knowledge of the highest governance body	The highest governance body is regularly informed about the main economic, social and environmental issues that may affect the Company and its stakeholders.	Group
	102-28 Evaluating the highest governance body's performance	46. 48	Group
	102-29 Identifying and managing economic, environmental and social impacts	46 The highest governance body identifies the main economic, environmental and social issues that arise in the course of business and participates in managing those which are sufficiently important.	Group
	102-30 Effectiveness of risk management processes	46 The highest governance body identifies the main economic, environmental and social issues that arise in the course of business and participates in managing those which are sufficiently important.	Group
	102-31 Review of economic, environmental and social topics	The governing bodies of Técnicas Reunidas analyze economic, environmental and social risks and opportunities as part of the company's general risk assessment process.	Group
	102-32 Highest governance body's role in sustainability reporting	The governing body that reviews and approves this Integrated Report in Técnicas Reunidas is the Board of Directors.	Group
	102-33 Communicating critical concerns	46 The Audit and Control Commission is responsible for reporting the main economic, environmental and social concerns to the Board.	Group
	102-34 Nature and total number of critical concerns	The issues communicated to the highest governance body of Técnicas Reunidas in the scope of CSR compliance and risks have mainly consisted of specialized or individualized treatment of certain areas or activities within the Company.	Group
	102-35 Remuneration policies	51	Group
	102-36 Process for determining remuneration	51	Group
	102-37 Stakeholders' involvement in remuneration	In 2020, Técnicas Reunidas submitted the Directors' Remuneration Policy for the three-year period 2020-2022. This proposal was approved with a 99.44% vote in favor. One of the objectives for 2022 is precisely to approve a new Board of Directors Remunerations Policy.	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
Stakeholder engagement			
GRI 102: General Disclosures 2016	102-40 List of stakeholder groups	137-138	Group
	102-41 Collective bargaining agreements	For all countries with a collective bargaining agreement, 100% of employees are covered by the collective bargaining agreement associated with the business permit granted to the Company (for example, engineering, construction, etc.).	Group
	102-42 Identifying and selecting stakeholders	The Company has selected stakeholders based on a criterion of relevance to the Company and its business.	Group
	102-43 Approach to stakeholder engagement	136-138 Técnicas Reunidas guides the frequency of its relations with its main stakeholders on the basis of business needs. In some cases, it has established periodic processes, as indicated in Section 6.7 Company Relationship with the Stakeholders, in this Integrated Report,2021 specifically on pages 126 and 127. In preparing the report, Técnicas Reunidas has taken into account the main expectations mentioned by these stakeholders. It has done this by soliciting information and opinions from the Company staff with whom it has worked to define the report contents.	Group
	102-44 Key topics and concerns raised	137-138 The content of the report covers the main expectations expressed by stakeholders.	Group
Reporting practice			
GRI 102: General Disclosures 2016	102-45 Entities included in the consolidated financial statements	The financial information is for the Técnicas Reunidas Group. For further details, please refer to the Annual Accounts Report available at: https://www.tecnicasreunidas.es/wp-content/uploads/2022/03/CCAACC-TR-2021-CONSOLIDATED-ENGLISH-VERSION.pdf	Group
	102-46 Defining report content and topic Boundaries	147-149	Group
	102-47 List of material topics	147-149	Group
	102-48 Restatements of information	New quantification criteria and measurement and estimation methods have been used to restate the information concerning the average annual training hours per employee (404-1) and in the sections of the report where they appear.	Group
	102-49 Changes in reporting	In this Integrated Report 2021, there have been no significant changes about the scope and coverage of the material aspects identified concerning previous years' reports.	Group
	102-50 Reporting period	The reporting period covered by the information in the report is 2021.	Group
	102-51 Date of most recent report	The latest edition of the Report was published in 2021 with information for 2020.	Group
	102-52 Reporting cycle	Técnicas Reunidas prepares its reports on an annual basis.	Group
	102-53 Contact point for questions regarding the report	149	Group
	102-54 Claims of reporting in accordance with the GRI Standards	This report has been prepared under the Core option of the GRI Standards.	Group
	102-55 GRI Table of Contents	151	Group
	102-56 External assurance	149	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
TOPIC-SPECIFIC DISCLOSURES			
Economic Performance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	66	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	69-70	Group
Indirect Economic Impacts			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	136	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	139	Group
	203-2 Significant indirect economic impacts	139	Group
Procurement Practices			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	124. 126	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	127	Group
Anti-corruption			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	54	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	45 100% of the operations carried out by Técnicas Reunidas during the 2021 financial year have followed the ordinary decision-making and risk control process. These include evaluation of, among others, corruption-related risks.	Group
	205-2 Communication and training about anticorruption policies and procedures	During financial year 2021, training on the assessment of third-party integrity has been provided to corporate sales, procurement and subcontracting teams, with special emphasis on anti-corruption. Moreover, anti-corruption measures included a Declarations of Conflicts of Interest campaign launched for the management team (227 individuals). Training on business ethics was also provided for a cohort of more than 1,000 Técnicas Reunidas employees in the Middle East, with a specific chapter on corruption and fraud prevention. As regards the Supply Chain, a Supply Chain Code of Ethics was issued in 2021, accompanied by a training video. This Code of Ethics includes aspects related to the prevention of corruption, among others. Available at: https://www.tecnicasreunidas.es/sustainability/ethic-compliance/	Group
	205-3 Confirmed incidents of corruption and actions taken	There have been no allegations of corruption and bribery in 2021.	Group
Anti-competitive behavior			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	54	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust and monopoly practices	In 2021, the Company did not receive any significant claims, fines, penalties or complaints about issues related to unfair competition and monopolistic and anti-competitive practices.	Group
Taxation			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	71	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
GRI 207: Tax 2019	207-1 Approach to tax	71	
	207-2 Tax governance, control and risk management	71 For further information on the approach to tax risks, please refer to Sections E.1 and E.2 of the Group's Annual Corporate Governance Report, which can be accessed at: https://www.tecnicasreunidas.es/sustainability/ethic-compliance/ The Company has a whistle-blower channel to receive information about any non-compliance related to it. Likewise, in accordance with what is stated in the Group's Annual Corporate Governance Report (available at https://www.tecnicasreunidas.es/wp-content/uploads/2022/03/TR-IAGC_2021_EN.pdf), , Técnicas Reunidas has a specific email address for receiving communications about tax matters. The Group's annual accounts, which include all information relevant to tax matters, are externally audited. Further information is available : https://www.tecnicasreunidas.es/investors/financial-results/	Group
	207-3 Stakeholder engagement and management of concerns related to tax	Where necessary, the Company holds meetings with the tax authorities to clarify any issues arising and agree on the necessary solutions in a dispute. The Audit and Control Commission is informed of these processes.	Group
	207-4 Country-by-country reporting	Beyond the tax information published in its consolidated financial statements (Available at the following link: https://www.tecnicasreunidas.es/investors/financial-results/) Técnicas Reunidas does not publish the information about this indicator as it would pose a confidentiality problem for the Group. The Group operates in countries where it may implement a single project or set of projects for a single client, meaning that a breakdown of information might jeopardize the commercial or operational interests of these projects.	Group
Materials			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	103. 104. 106	Group
	103-2 The management approach and its components	103-104. 106	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
GRI 301: Materials 2016	301-1 Materials used by weight or volume	108	Group
Energy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	103. 106	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 302: Energy 2016	302-1 Energy consumption within the organization	107	Group
	302-3 Energy intensity	107	Group
Emissions			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	103-104. 106	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	107	Group
	305-2 Energy indirect (Scope 2) GHG emissions	107	Group
	305-3 Other indirect (Scope 3) GHG emissions	107	Group
	305-4 GHG emissions intensity	107	Group
Effluents and waste			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	103. 104. 106	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 306: Waste Management 2020	306-3 Waste generated	108	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE																																																						
Environmental compliance																																																									
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group																																																						
	103-2 The management approach and its components	54. 103-104. 106	Group																																																						
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group																																																						
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	No environmental sanctions have been imposed on Técnicas Reunidas, either about its facilities or the work it has carried out in the last five years.	Group																																																						
Supplier Environmental Assessment																																																									
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group																																																						
	103-2 The management approach and its components	124	Group																																																						
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group																																																						
GRI 308: Supplier Environmental Assessment 2016	308-2 Negative environmental impacts in the supply chain and actions taken	106 Number of suppliers analyzed on the basis of environmental criteria: 427. Number of suppliers for which a significant environmental impact risk has been identified: 0.	Group																																																						
Employment																																																									
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group																																																						
	103-2 The management approach and its components	78	Group																																																						
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group																																																						
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	<table border="1"> <thead> <tr> <th></th> <th>2020</th> <th>2021</th> </tr> </thead> <tbody> <tr> <td>New hires</td> <td></td> <td></td> </tr> <tr> <td>Men</td> <td>44</td> <td>126</td> </tr> <tr> <td>Women</td> <td>31</td> <td>67</td> </tr> <tr> <td>New hires by age</td> <td></td> <td></td> </tr> <tr> <td><30</td> <td>4</td> <td>33</td> </tr> <tr> <td>>=30 <50</td> <td>58</td> <td>133</td> </tr> <tr> <td>>=50</td> <td>13</td> <td>27</td> </tr> <tr> <td>Total</td> <td>75</td> <td>193</td> </tr> <tr> <td>Staff turnover</td> <td></td> <td></td> </tr> <tr> <td>Men</td> <td>81</td> <td>314</td> </tr> <tr> <td>Women</td> <td>29</td> <td>145</td> </tr> <tr> <td>Staff turnover by age</td> <td></td> <td></td> </tr> <tr> <td><30</td> <td>21</td> <td>21</td> </tr> <tr> <td>>=30 <50</td> <td>77</td> <td>330</td> </tr> <tr> <td>>=50</td> <td>12</td> <td>96</td> </tr> <tr> <td>Total</td> <td>110</td> <td>459</td> </tr> <tr> <td>Turnover rate</td> <td>2,41 %</td> <td>4.08 %</td> </tr> </tbody> </table> <p>Note: All the data published for this indicator refer to the workforce hired in Spain.</p>		2020	2021	New hires			Men	44	126	Women	31	67	New hires by age			<30	4	33	>=30 <50	58	133	>=50	13	27	Total	75	193	Staff turnover			Men	81	314	Women	29	145	Staff turnover by age			<30	21	21	>=30 <50	77	330	>=50	12	96	Total	110	459	Turnover rate	2,41 %	4.08 %	Group
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Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	112	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 403: Occupational Health and Safety 20188	403-1 Occupational health and safety management system	112	Group
	403-2 Hazard identification, risk assessment and incident investigation	115 Project health and safety plans lay down the rights and obligations of workers in this scope. These plans include a specific section in the Stop the Job policy to encourage workers to report and stop work in the event of dangerous situations.	Group
	403-3 Occupational health services	112. 113-114	Group
	403-4 Worker participation, consultation and communication on occupational health and safety	115 Técnicas Reunidas has a Health and Safety Committee (CSS) for regular and periodic consultations about occupational hazard prevention actions. The membership of the CSS consists of equal representation of the Prevention Representatives (Delegados de Prevención) and Company representatives. It meets quarterly and on request.	Group
	403-5 Worker training on occupational health and safety	115	Group
	403-6 Promotion of worker health	115	Group
GRI 403: Occupational Health and Safety 20188	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	112. 113-114	Group
	403-9 Work-related injuries	117-118 Técnicas Reunidas carries out various activities to determine occupational hazards that present a risk of injury. These activities include risk assessments, analysis of safe work and definition of working methods. Hazards identified include: Same-level or different-level slip, trip and fall hazards; dropping of materials and tools; bruises, cuts or burns resulting from handling tools, equipment or materials; sharps injuries; particle projection and liquid splashes; leaks from equipment, pipes or valves; inhalation of gases/vapors; explosions; high temperatures; others. The most common accidents among Company staff are due to worker travel to and from work (commuting accidents).	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
Training and Education			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	83	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 404: Formación y enseñanza 2016	404-1 Average hours of training per year per employee	83-84 For further information on training, please refer to chapter 15.4.4 of the Consolidated Management Report at the following address: https://www.tecnicasreunidas.es/wp-content/uploads/2022/03/CCAACC-TR-2021-CONSOLIDATED-ENGLISH-VERSION.pdf	Group
	404-3 Percentage of employees receiving regular performance and career development reviews	77	Group
Diversity and Equal Opportunity			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	80	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	46. 80 The distribution of the workforce by age is as follows (data as at 31st December): 2020: < 30 years: 6.40%; 30-50 years: 74.24%; > 50 years: 19.36% 2021: < 30 years: 4.79%; 30-50 years: 73.07%; > 50 years: 22.15% For further information on employment, please refer to Chapter 15.4.1 of the Consolidated Management Report at the following address: https://www.tecnicasreunidas.es/wp-content/uploads/2022/03/CCAACC-TR-2021-CONSOLIDATED-ENGLISH-VERSION.pdf	Group
Freedom of Association and Collective Bargaining			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	54. 132	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at v least once a year.	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
Freedom of Association and Collective Bargaining			
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	For its employees and suppliers in the countries in which it operates, Técnicas Reunidas provides everything they need to exercise their rights to freedom of association and affiliation. Concerning suppliers, when the Company detects a significant risk that the supplier or the order does not comply with the Company's minimum required standards in this respect, the supplier is not awarded the contract.	Group
Child labor			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	54. 132	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Técnicas Reunidas carries out its activities in the countries in which it operates in compliance with local legislation requirements in this regard and complies with the Company's other undersigned commitments, such as the principles of the Global Compact. Concerning suppliers, when the Company detects a significant risk that the supplier or the order does not comply with the Company's minimum required standards in this respect, the supplier is not awarded the contract..	Group
Forced or Compulsory Labor			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	Técnicas Reunidas carries out its activities in the countries in which it operates in compliance with local legislation requirements in this regard and complies with the Company's other undersigned commitments, such as the principles of the Global Compact. Concerning suppliers, when the Company detects a significant risk that the supplier or the order does not comply with the Company's minimum required standards in this respect, the supplier is not awarded the contract.	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Técnicas Reunidas carries out its activities in the countries in which it operates in compliance with local legislation requirements in this regard and complies with the Company's other undersigned commitments, such as the principles of the Global Compact. Concerning suppliers, when the Company detects a significant risk that the supplier or the order does not comply with the Company's minimum required standards in this respect, the supplier is not awarded the contract.	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
Prácticas en materia de seguridad			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	The supplier approval procedure ensures that suppliers operate in compliance within current legal frameworks and meet the specific human rights requirements that correspond to their business and level of risk.	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Técnicas Reunidas ensures that all security personnel has the training and knowledge appropriate to the environment in which the Company carries out its activities.	Group
Local communities			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	136	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	139 Additionally, all Técnicas Reunidas operations centers are subject to the Environmental Impact Assessment (EIA) process, which considers different social aspects.	Group
	413-2 Operations with significant actual and potential negative impacts on local communities	139 During 2021, no centers have been identified in which the execution of Técnicas Reunidas projects or operations has significant actual or potential negative impacts on local communities	Group
Supplier Social Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	132	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group

Continued

GRI STANDARD	DISCLOSURE AND DESCRIPTION	PAGE/REFERENCE/OMISSIONS	SCOPE
GRI 414: Evaluación social de los proveedores 2016	414-2 Negative social impacts in the supply chain and actions taken	<p>No significant actual or potential negative environmental and social impacts in the supply chain have been identified during 2021.</p> <p>The Técnicas Reunidas certification process and the evaluations of suppliers ensure that this type of negative impact does not occur.</p> <p>Number of suppliers analyzed based on social criteria: 427</p> <p>Number of suppliers for which a significant social impact risk has been identified: 0.</p>	Group
Customer Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	147-149	Group
	103-2 The management approach and its components	Técnicas Reunidas evaluates the health and safety aspects of 100% of its projects. The Company ensures that up to the moment of delivery, its projects comply with its own health and safety standards and client requirements, and applicable legislation.	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Técnicas Reunidas evaluates the health and safety aspects of 100% of its projects. The Company ensures that up to the moment of delivery, its projects comply with its own health and safety standards and client requirements, and applicable legislation.	Group
Socioeconomic Compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	147-149	Group
	103-2 The management approach and its components	54	Group
	103-3 Evaluation of the management approach	For each material topic, Técnicas Reunidas carries out an evaluation and review of the management approach at least once a year.	Group
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic areas	The Company has not received any significant claims, fines, penalties or complaints about issues related to noncompliance with laws and regulations in the social and economic sphere in 2021.	Group



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