Tax Policy

Elecnor Group

Contents

1. Introduction

The Elecnor Group is aware that social responsibility — to which it contributes in its infrastructure, energy, water, environmental and space industry work — and good corporate governance play an increasingly important role in society and within business organisations.

Tax is becoming an increasingly central aspect of governance. This is with the aim of achieving responsible tax policy in organisations, promoting actions aimed at combating tax fraud and the underground economy, as well as developing programmes for transparency, integrity and the fight against corruption in all organisations.

Meanwhile, the development of new programmes for collaboration and cooperation with tax administrations; promotional activities carried out by various organisations and agencies in relation to matters such as the tax contributions of taxpayers and their tax transparency profiles; and the approval of rules regarding tax compliance management systems, all show that the proper management of tax is a priority within any organisation, especially with regard to those listed on a secondary market.

In view of the above, the Board of Directors of Elecnor, S.A. (hereinafter the "Company"), as the parent company of the Group, considers it appropriate to approve a tax governance framework that ensures that the Group's actions and operations are governed by clear principles, values and rules that allow any employee, person or entity that has a relationship with the Group or, where appropriate, with the Board of Directors itself, to make the appropriate decisions to comply with tax legislation. This framework must be aligned with the principles and criteria on which the Group's Risk Management and Control System is based.

This document sets forth the Elecnor Group Tax Policy, which shall be regarded as a mandatory regulatory framework. This regulatory framework supplements the Code of Ethics, Compliance Policy, the Compliance Management System Manual, as well as the other elements that make up the Group's Compliance System, for the purpose of establishing the basic principles and rules that will govern the behaviour of all those acting on behalf of the Group.

2. Tax Policy

2.1. Subject and purpose

This Corporate Tax Policy sets out the tax strategy of the Elecnor Group and its commitment to implementing good tax practices.

The Group's tax strategy is essentially to ensure compliance with applicable tax regulations and the adequate coordination of tax practices followed by Group companies, all in the framework of pursuing corporate interest and supporting a long-term business strategy that avoids tax risks and inefficiencies in the execution of business decisions.
To this end, the Group takes into consideration all legitimate interests, including public interests, involved in its activity. In this sense, the taxes that the Group pays in the countries and territories in which it operates constitute its main contribution towards public burdens — or, at least, one of its main contributions — and

therefore one of its contributions to society and to the achievement of the Sustainable Development Goals (SDGs) adopted by the United Nations.

Therefore, this regulation establishes:

- The general objectives of the Elecnor Group Tax Policy;
- The general principles on which the tax strategy of the Group is based;
- The good tax practices adopted by the Group to comply with its tax strategy;
- The main responsibilities, resources and activities related to the tax function and aimed at achieving the objectives of its tax strategy.

2.2. Scope of application

This Policy shall apply to all entities that are part of the Group and to any other entities that are incorporated in the future. The Group is currently made up of Elecnor, S.A. and its subsidiaries (hereinafter "the Group").

It shall also apply to Temporary Business Associations, Joint Ventures, Economic Interest Groupings or any other form of business grouping, whether domestic or foreign, that are used for the execution of a particular work or specific business, whether or not the Group conducts its management and administration.

2.3. Principles

The Group's tax strategy is based on the following principles:

1. Fulfilling its tax obligations as diligently as possible in the various countries and territories in which the Group operates.
2. Filing all of the Group's tax returns on time, even when they do not imply the payment of taxes.
3. Paying all taxes due in accordance with applicable laws in due form and on time.
4. Making tax decisions based on a reasonable interpretation of the regulation, while avoiding taking on material tax risks and without forgoing the pursuit of efficient legitimate taxation that will maximise the value of the Group for shareholders.
5. In the application of tax laws, paying particular attention to how the courts interpret said laws in relation to each of the operations or matters that affect tax.
6. Preventing and minimising, to the extent possible, the tax risks associated with the Group's strategic operations and decisions.
7. Defining and implementing oversight, review and control frameworks for the tax role.
8. Informing the administrative bodies of the main tax implications of the operations or matters that are submitted for their approval when these will play a relevant role in their decision.
9. Promoting an open relationship with tax administrations based on respect for the law, loyalty, trust, professionalism, cooperation, reciprocity and good faith, without prejudice to legitimate disputes which, while respecting the aforementioned principles and in defence of corporate interest, may arise with these authorities regarding the interpretation of the applicable standards.

2.4. Good tax practices

The Group adopts the following tax practices:

a) Tax risk prevention and control

- Ensuring that the Group's taxation is consistent with the structure and location of its activities, the human and material resources of the various entities and the business and financial risks assumed by each entity.
- Aligning and/or integrating the Tax Policy and tax risk management and control systems with other Group policies (commercial, financial, human resources, corporate, etc.).
- Not incorporating or acquiring companies registered in tax havens, except in cases where there are valid economic reasons to support it, but never for the sole purpose of evading tax obligations.
- Conducting transactions between related entities on the basis of the normal market value, following the arm's length principle, and complying with the transfer pricing documentation obligations established by tax legislation.
- The Group undertakes to periodically review its transfer pricing policy in order to update and adapt it to current regulations and the reality of the business.
- Employees are expressly prohibited from advising or providing any services to clients that may be understood as tax advice that may result in tax evasion activities by clients, providers or employees of the Group.
- Identifying and controlling possible tax risks in all transactions involving the acquisition of relevant assets, entities and businesses, by conducting Tax Due Diligence studies, structural studies and/or similar tax analyses.
- Developing a specific procedure manual for tax management and control, and for the supervision of the Group's internal information and tax control systems.
- This procedure will aim to manage and control the tax risks of the Group and will be binding on all its employees and, to the extent that they are affected, on third parties that are connected to it.

b) Relations with tax administrations

The Group is willing to maintain close and cooperative relations with tax administrations, governed by the principles of transparency, mutual trust and good faith.

To this end, the Group adopts the following good tax practices:

- Satisfying requests for tax information and documentation by tax authorities in the shortest time possible, with the necessary scope and in a clear, precise and complete manner. In turn, all relevant factual matters that are directly related to the subject of the review procedure in question will be provided in order to investigate, where appropriate, the relevant cases and strengthen, to the extent reasonably possible and without prejudice to good business management, agreements and compliance in the course of these procedures.
- Cooperating with the competent tax authorities in identifying and seeking solutions regarding fraudulent tax practices of which the Group may be aware.

- Limiting disputes with tax authorities arising from the interpretation of legislation by using the tools offered by the legal system (binding consultations, prior valuation agreements, etc.).

2.5. Organisational structure and tax function

The Group's tax function covers the preparation and filing of taxes, controlling potential tax risks, tax planning and transfer pricing consultancy.
To this end, the Group shall, at all times, have qualified personnel and the material and functional resources that are necessary in order to achieve the objectives set out in this document, as well as independent external tax advisers who collaborate and advise on tax management and the correct interpretation of tax laws.

The Group will ensure that personnel performing functions that may affect tax have adequate and up-to-date tax knowledge, providing them with the training that they require in order to perform their duties.

2.6. External advisers

The Group will rely on the advice of recognised independent third parties with proven experience in this area.

The Group will establish mechanisms to enable advisers to understand the business, be up-to-date on its developments and to offer the greatest possible added value to the Group.

The areas for which the Group will seek external tax advice may include, among others, the following:

- Investments, corporate operations or restructuring operations.
- Transfer pricing.
- Tax planning.
- Recurring matters in the Group's day-to-day business.
- Tax compliance.
- Any other area that may be required due to being of special importance to the Group in tax matters.

2.7. Monitoring and control

The Board of Directors of the Company is the body responsible for determining the tax policy and strategy of the Group and, therefore, for ensuring compliance with the principles and rules contained in this regulatory framework.

The Board of Directors shall promote the monitoring of the aforementioned principles and good tax practices, as well as those which may be added to the framework in the future. To this end, it shall ensure that adequate and duly qualified human and material resources are allocated to the tax function.
It will also be supported by the Audit Commission, which, as part of its work to monitor the effectiveness of risk management and internal control systems, will regularly provide the Board of Directors with the following information on tax risks:

- Prior to filing corporate tax returns, information will be provided on the main tax criteria applied by the Group during the financial year and, in particular, on compliance with the Group's Corporate Tax Policy.

- Information on the creation or acquisition of shares in special purpose entities or entities registered in countries or territories considered tax havens.
- Information on investments or operations that, due to their high value or special characteristics, represent a special tax risk for the Group. In relation to these operations, the Board of Directors shall be informed of the tax consequences of such operations when they are considered a significant factor.

2.8. Dissemination of the Policy

The Board of Directors undertakes to disseminate this internal regulation within the scope of its organisational, management and coordination roles in the Group.

The contents of this document shall be duly disseminated in order to ensure that they are brought to the attention of all Group employees with responsibility for or exposure to tax risks. The Policy shall be shared via the Intranet or by the means deemed most appropriate in each case ("internal dissemination"). In addition, the principles and good practices contained in this Policy will be disseminated externally to the relevant related parties when this dissemination is deemed necessary and/or appropriate to ensure the fulfilment of these principles in the development of our activities and businesses ("external dissemination").

Within the framework of the description of the Group's risk management and control system, the annual corporate governance report will provide an explanation of the tax risks and the system established for their proper management and control.

2.9. Code of Ethics channel

As part of its Compliance System, the Group has established a strictly confidential procedure that allows all of its employees and, where appropriate, related parties to report irregular conduct in relation to the matters covered by its Code of Ethics, Compliance Policy and other standards, policies and procedures on which they are based and developed, such as this Corporate Tax Policy, or by legislation.

2.10. Responsibility

Failure to comply with or enforce this Standard may entail the disciplinary (in the labour field) or contractual (in business relations with third parties) actions that the Group deems appropriate.

3. Approval and update of this Corporate Tax Policy

The Board of Directors of the Company shall periodically review compliance with the principles and good practices contained in this Corporate Tax Policy and ensure that it is duly updated in line with needs that may be identified in the future, in accordance with tax systems in force and other standards that may apply to the Group.
The validity of this regulatory framework shall be indefinite.