



Sustainability Due Diligence Policy



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1. INTRODUCTION

As a listed company, the Board of Directors of Elecnor, S.A. (“**Elecnor Holding**” or the “**Company**”) is legally vested with the non-delegable power to determine the general policies and strategies of the Company and of the Group of which it is the controlling entity (“**Elecnor Group**” or “**Group**”), a power also set forth in the Regulations of the Board of Directors.

The Sustainability Due Diligence Policy (the “**Due Diligence Policy**” or the “**Policy**”) is based on Elecnor Holding’s own corporate values and is determined by the initiatives promoted by the European Union on sustainability and, in particular, Directive 2024/1760 on sustainability due diligence and the amendment of Directive 2013/34/EU by Directive 2022/2464 on sustainability information, developed by Delegated Regulation 2023/2772 on the presentation of such information.

Based on the aforementioned bases, the Company’s Board of Directors, in accordance with its commitment to the Sustainable Development Goals and the development thereof through European regulations on human rights, the environment and climate change, has approved, following a proposal by the Appointments, Remunerations and Sustainability Committee, this Policy, which shall form part of Elecnor Holding’s sustainability regulations affecting the Elecnor Group and which complements and must be interpreted in coordination with the Company’s various policies and, in particular, the Elecnor Group’s General Sustainability Policy.

2. OBJECT

The purpose of the Policy is to establish the principles governing the Group’s corporate due diligence strategy and management guidelines on human rights and the environment, in order to identify, assess, prioritise, prevent, mitigate and, where appropriate, resolve actual or potential adverse effects on human rights and the environment arising from the services and projects of Elecnor Holding and its Group and, to the extent applicable, those of the individuals or legal entities that, by virtue of a commercial agreement with the companies of the Group, contribute as part of the Group’s activity chain to the provision of its services or execution of its projects (the “**Business Partners**”).

The principles of this Policy are complemented by other policies and are the subject of development in various internal corporate rules of Elecnor Holding in the area of sustainability, all of which are integrated into Elecnor Holding’s Corporate Governance System with projection over its Group.

3. SCOPE OF APPLICATION

This Policy and other internal regulations established by Elecnor Holding are applicable to all the companies that make up the Elecnor Group.

Likewise, the Policy is applicable to joint ventures, temporary joint ventures and other equivalent associations in which any Elecnor Group company has management control, always within the legally established limits.

In those companies not directly or indirectly controlled by the Company, principles consistent with those of the Due Diligence Policy shall be promoted, maintaining information channels to ensure knowledge and monitoring of the sustainability standards of such companies.

In any event, the principles of this Policy are addressed to the various companies of the Group, as well as, to the extent appropriate, to its Business Partners along the activity chain.

Furthermore, in implementing the principles of this Policy, the companies of the Group shall cooperate constructively with those stakeholders or interested parties that may affect or be affected by the activities of the Group and its Business Partners, with the aim of establishing channels of communication, consultation and contacts that contribute to the best sustainability performance of the Group and its Business Partners (the “**Stakeholders**”).

4. GENERAL PRINCIPLES

The Elecnor Group understands sustainability due diligence as a continuous and dynamic process that allows taking appropriate measures to identify and manage actual or potential adverse effects on human rights and the environment related to the business activities of the Group and its Business Partners in the activity chain, proportionate to their nature, scope, severity and likelihood.

In this regard, the Elecnor Group adopts a proactive approach by implementing the appropriate action frameworks and procedures to reduce the probability of incidents and the Group’s exposure to systemic risks, while promoting the identification of opportunities for the creation of sustainable value, based on knowledge of the markets and the Group’s strategic sources of supply.

To ensure the effectiveness of the aforementioned processes, the Group assumes and promotes the following principles that must govern its actions in all areas related to sustainability due diligence:

- **Regulatory compliance:** strictly comply with the regulations applicable at all times in the markets in which the Group is present, as well as with the good practice commitments assumed by the Group, periodically reviewing and updating, where appropriate, the Group’s internal regulations in order to ensure their alignment with the most widely recognized international standards.
- **Awareness:** foster a global culture that promotes respect for human rights and environmental protection throughout the activity chain, thus helping to promote the well-being of people and improve their quality of life.
- **Dual materiality:** consider the impact on third parties of the company’s activity on sustainability issues (environmental, social, human rights and governance factors), as well as the extent to which these affect the company’s performance, results and position (risks and opportunities or benefits).
- **Comprehensive risk management:** project due diligence on all management procedures and systems and, in particular, on the Risk Management System, with the aim of ensuring the existence of the necessary tools for proper management of sustainability due diligence aspects, including, where appropriate, mitigation, elimination and remediation measures and actions, and the continuous improvement of the Group’s performance in this area.
- **Proportionality:** take appropriate measures, proportionate to the severity and likelihood of actual or potential adverse effects, including, where the nature or necessary measures so require, the adoption of preventive or corrective action plans, taking into account the degree of involvement of the Company or its subsidiaries in this regard and, where appropriate, the ability to influence the Business Partner.
- **Business Partner Support:** collaborate, where appropriate, with Business Partners in the activity chain to ensure the effectiveness of measures related to the prevention, management and mitigation of actual or potential adverse effects.

- **Stakeholder Engagement:** maintain free, accessible and retaliation-free complaint, participation and consultation mechanisms so that Stakeholders can communicate and participate in the management of adverse effects.
- **Transparency as a factor of trust:** disclose and publicly communicate information on the Due Diligence processes and measures implemented to identify and manage actual or potential adverse effects, including the conclusions and results thereof.
- **Professionalism and training:** promote training initiatives for people providing services to Group companies and, where appropriate, among Business Partners, in order to inform about the adverse effects associated with the activities of the Group and its Business Partners in the activity chain and develop the necessary capabilities for their prevention, management and mitigation.

In the application and development of the aforementioned principles, all the Group's relationships will be developed with full respect for the regulations on privacy and data protection, also establishing the pertinent information security measures.

5. PERIODIC UPDATING OF THE PRIORITY AREAS OF DUE DILIGENCE ACTION

The Elecnor Group identifies the main risks of actual or potential adverse effects on human rights and the environment related to the sector, geographical locations and specific risk factors of the Group, compiling quantitative and qualitative information from the different areas of activity of the Company, its subsidiaries and its Business Partners in the activity chain, in order to determine the areas of activity most exposed to risk and enable the periodic assessment of those areas in which a greater probability and severity of adverse effects have been identified.

In line with the above, the Group has been identifying and periodically updating the priority areas of action for sustainability due diligence, following the action guidelines of the international frameworks of reference, under a risk-based approach and considering the Group's main Stakeholders. In this regard, occupational health and safety, climate change, dialogue with local communities, human rights and resource efficiency are recurring areas of action.

6. BUSINESS PARTNERS AND ACTIVITY CHAIN

The Elecnor Group encourages responsible and sustainable management of the activity chain by promoting among its Business Partners a commitment to best business practices and ethical standards, which contributes to offering the highest levels of quality to its customers.

In this regard, the Elecnor Group's Business Partner Code of Ethics and Conduct (the "**Business Partner Code of Conduct**") aims to extend to Business Partners the corporate culture of commitment to ethics and integrity in business, the defence of human, social and labour rights, the safety and health of workers and the prevention of occupational hazards, environmental protection and quality.

In order to achieve these objectives within the aforementioned deadlines, measures are contemplated that seek to guarantee the effectiveness of the principles of this Policy and the commitments assumed by the Group, highlighting the following measures for this purpose:

- **Maintenance of pre-qualification processes adapted to the nature and relevance of the Business Partners:**
 - As a general rule, all Business Partners are required to comply with the provisions of the Business Partner Code of Conduct, as well as to accept the Group's general purchasing and contracting conditions.
 - In the case of important Business Partners, they are additionally subject to a prior approval process consisting of an analysis of their documentation based on quality, environment, energy management, occupational health and safety, regulatory compliance, R&D&I, information security and sustainability criteria.
 - For relevant Business Partners, prior audit processes are contemplated applying environmental, social and governance criteria, in order not only to detect possible risks of adverse effects, but also to promote the development of the areas in which a greater probability and severity of adverse effects have been identified in order to achieve their alignment with the Group's policies, reevaluating their performance in these areas periodically in order to ensure the adequate monitoring of their performance.
- Carrying out verification activities during the term of the contracts in relation to compliance with the obligations and commitments assumed by the Business Partners, either by requesting certain documentation evidencing compliance with them, or by means of audits of the Group's own companies or independent third parties contracted for this purpose, without prejudice to the duty of the Business Partners to communicate as soon as possible any relevant information in relation to actual or potential adverse effects.

When verification activities detect actual or potential adverse effects, corrective actions whose non-compliance could ultimately determine the suspension or termination of the contractual relationship must be implemented, if necessary.

7. GOVERNANCE

This Policy includes the bases of the Group's governance in matters of sustainability established in the General Sustainability Policy of the Elecnor Group, contemplating in this respect the competencies and functions corresponding, on the one hand, to the Board of Directors and its Committees, the Appointments, Remunerations and Sustainability Committee and the Audit Committee, and on the other hand, to the Sustainability Committee and the person responsible for the sustainability function, with this governance being projected onto the various companies comprising the Elecnor Group.

8. REVIEW AND UPDATING

This Policy shall be reviewed and updated when circumstances so determine or make it advisable based on regulatory changes, international standards or criteria established by the supervisory and control authorities in the area of sustainability, in addition to circumstances related to the evolution of the structure and activities of the Elecnor Group.

9. DISSEMINATION

Elecnor Holding will promote the dissemination of this Policy in the Company and its Group, also taking into account its Business Partners and Stakeholders, and promoting awareness of it is a basic commitment of this Policy.

The Policy is available on the Group's website (www.grupoelecnor.com) and through internal communication channels for all employees.

10. ENTRY INTO FORCE

This Policy was approved by the Board of Directors of Elecnor Holding at its meeting held on 27 November 2024, coming into force as of that date, without prejudice to the Elecnor Group being able to avail itself of the deadlines contemplated in the applicable regulations regarding the enforceability of obligations in the area of sustainability due diligence.