

PPN 006 CARBON REDUCTION PLAN

DRAGADOS

Publication date: September 2025

COMMITMENT TO ACHIEVING NET ZERO

Dragados is committed to achieving net zero emissions by 2045. This commitment is structured within the Dragados 2025 Sustainability Master Plan (SMP2025), which defines the priorities, strategic lines, and objectives for all Group companies in relation to climate change.

BASELINE EMISSIONS FOOTPRINT

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline year: 2019

Additional details relating to the baseline emissions calculations:

The selected baseline year for our emissions calculations is the financial year 2019. This is the reference year against which our SMP2025 carbon reduction targets are measured.

Our methodology for calculating our carbon footprint is subject to continuous improvement to enhance the scope and quality of the data reported. To ensure consistency and comparability over time, the baseline emissions data for 2019 has been recalculated using the same improved methodology applied in subsequent years.

The calculation of our carbon footprint follows the guidelines of the Greenhouse Gas (GHG) Protocol's Corporate Standard.

Baseline year emissions: 2019	DRAGADOS GROUP
Emissions	Total (tCO₂e)
Scope 1	94,486
Scope 2 – market based	41,141
Scope 2 – location based	41,683
Scope 3	3,310,920
Scope 3.1 Purchased goods and services	2,738,567
Scope 3.2 Capital Goods	33,376
Scope 3.3 Fuel and energy related activities	22,898
Scope 3.4 Upstream transportation and distribution	135,565
Scope 3.5 Waste generated in operations	13,065
Scope 3.6 Business travel	11,120

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Scope 3.7 Employee commuting	14,194
Scope 3.8. Upstream Leased Assets	10,129
Scope 3.11 Use of sold products	181,417
Scope 3.12. EoL Treatment of Sold Products	25,734
Scope 3.13. Downstream Leased Assets	50,532
Scope 3.15. Investments	74,324
TOTAL EMISSIONS (SCOPE 2 MARKET BASED)	3,446,548
TOTAL EMISSIONS (SCOPE 2 LOCATION BASED)	3,447,089

Note: Dragados' primary activities involve the construction and engineering of infrastructure projects. Our business is not involved in the distribution of raw materials or finished products to end customers; therefore Scope 3.9 'Downstream Transportation and Distribution' has been excluded.

CURRENT EMISSIONS REPORTING

Reporting year: 2024	DRAGADOS GROUP
Emissions	Total (tCO ₂ e)
Scope 1	93,714
Scope 2 – market based	26,469
Scope 2 – location based	31,412
Scope 3	1,642,522
Scope 3.1 Purchased goods and services	901,022
Scope 3.2 Capital Goods	19,819
Scope 3.3 Fuel and energy related activities	27,470
Scope 3.4 Upstream transportation and distribution	46,704
Scope 3.5 Waste generated in operations	19,719
Scope 3.6 Business travel	7,176
Scope 3.7 Employee commuting	10,923
Scope 3.8. Upstream Leased Assets	344,095
Scope 3.11 Use of sold products	115,637
Scope 3.12. EoL Treatment of Sold Products	9,519
Scope 3.13. Downstream Leased Assets	12,686
Scope 3.15. Investments	127,753

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TOTAL EMISSIONS (SCOPE 2 MARKET BASED)	1,762,706
TOTAL EMISSIONS (SCOPE 2 LOCATION BASED)	1,767,648

EMISSIONS REDUCTION TARGETS

In order to continue our progress towards achieving net zero, we have adopted the following carbon reduction targets.

- Scope 1 emissions reduction of 30% by 2030 with an intermediate reduction target of at least 8% by 2025.
- Scope 2 emissions reduction of 60% by 2030 with an intermediate reduction target of at least 25% by 2025.
- Expand the scope of the carbon footprint to include relevant Scope 3 categories in order to set quantitative reduction targets for 2030 by 2025.

We project that carbon emissions will decrease over the next five years in line with our 2030 targets.

CARBON REDUCTION PROJECTS

COMPLETED CARBON REDUCTION INITIATIVES

The following environmental management measures and projects have been completed or implemented since the 2019 baseline. During 2024, despite an increase in the activity of the Dragados Group, our Scope 1 and 2 emissions have been reduced in absolute terms by 11.4% since 2019. Dragados and its subsidiaries are committed to carbon reduction through initiatives involving technological innovation and process optimisation.

Alternative Fuels

We are actively transitioning to lower-carbon fuel sources. At the High Speed 2 (HS2) Euston Station project, a hydrogen fuel cell was successfully used to power zero-emission electric equipment. In California, two major projects have utilised renewable diesel (HVO/R99) for machinery and fleet operations, an initiative that avoided 2,436 tonnes of CO₂e in 2023.

Renewable Energy Generation

We are increasing our use of on-site renewable energy. In 2024, 222 solar modules were installed at our Central Machinery Park, generating approximately 144,000 kWh and supplying 22% of the facility's total energy consumption. Furthermore, we have conducted successful pilot tests of a portable "Solar Cube" to power site accommodation, replacing traditional generators and reducing emissions.

Energy Efficiency

We continue to implement measures to improve energy efficiency. The Esfinge Dam project acquired an energy-efficient system composed of three smaller generator sets operating in cascade. This configuration is projected to save approximately 37,000 litres of fuel and over 100 tonnes of CO₂e during the project's execution period.

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FUTURE CARBON REDUCTION INITIATIVES

Green Hydrogen Plant

Our subsidiary DRACE GEOCISA is commissioning a pilot Green Hydrogen Plant. The project will utilise renewable energy from on-site solar panels and biogas engines to produce green hydrogen from recycled water. This initiative aims to create a benchmark for future sustainable installations.

Digitalisation and Artificial Intelligence

The AUR-AI Project is an ongoing initiative that uses Artificial Intelligence to optimise the performance of Tunnel Boring Machines (TBMs). The system aims to reduce the consumption of carbon-intensive materials and improve energy efficiency by optimising the TBM advance rate.

Climate-Resilient Infrastructure

The CLIMPORT Project is developing an innovative system for designing port infrastructure that is resilient to climate change. A core component involves assessing and integrating renewable energy potential, such as wind and wave power, directly into port operations to support the goal of achieving net zero.

DECLARATION AND SIGN OFF

This Carbon Reduction Plan has been completed in accordance with UK Government's *Procurement Policy Note (PPN) 006: Taking account of Carbon Reduction Plans in the procurement of major Government contracts*, and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Protocol's Corporate Standard and uses the appropriate Government emission conversion factors for greenhouse gas company reporting.

Scope 1 and Scope 2 emissions have been reported in accordance with UK Government's Streamlined Energy and Carbon Reporting (SECR) requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Protocol's Corporate Value Chain (Scope 3) Standard.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors.

Signed on behalf of Dragados:



Juan Antonio Aranda Ludeña

Quality and Environmental Director

Date: 2025.09.16

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APPENDIX A – DRAGADOS S.A. UK BRANCH BASELINE EMISSIONS FOOTPRINT

Baseline year emissions: 2019	DRAGADOS S.A. UK BRANCH
Emissions	Total (tCO _{2e})
Scope 1	2,782
Scope 2 – market based	125
Scope 2 – location based	916
Scope 3	106,396
Scope 3.1 Purchased goods and services	98,849
Scope 3.2 Capital Goods	988
Scope 3.3 Fuel and energy related activities	666
Scope 3.4 Upstream transportation and distribution	4,014
Scope 3.5 Waste generated in operations	380
Scope 3.6 Business travel	323
Scope 3.7 Employee commuting	413
Scope 3.8. Upstream Leased Assets	0
Scope 3.11 Use of sold products	0
Scope 3.12. EoL Treatment of Sold Products	762
Scope 3.13. Downstream Leased Assets	0
Scope 3.15. Investments	0
TOTAL EMISSIONS (SCOPE 2 MARKET BASED)	109,303
TOTAL EMISSIONS (SCOPE 2 LOCATION BASED)	110,094

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APPENDIX B – DRAGADOS S.A. UK BRANCH CURRENT EMISSIONS REPORTING

Reporting year: 2024	DRAGADOS S.A. UK BRANCH
Emissions	Total (tCO ₂ e)
Scope 1	0
Scope 2 – market based	23
Scope 2 – location based	85
Scope 3	305
Scope 3.1 Purchased goods and services	85
Scope 3.2 Capital Goods	7
Scope 3.3 Fuel and energy related activities	7
Scope 3.4 Upstream transportation and distribution	1
Scope 3.5 Waste generated in operations	40
Scope 3.6 Business travel	21
Scope 3.7 Employee commuting	143
Scope 3.8. Upstream Leased Assets	0
Scope 3.11 Use of sold products	0
Scope 3.12. EoL Treatment of Sold Products	0
Scope 3.13. Downstream Leased Assets	0
Scope 3.15. Investments	0
TOTAL EMISSIONS (SCOPE 2 MARKET BASED)	328
TOTAL EMISSIONS (SCOPE 2 LOCATION BASED)	390