



Sustainability Report

2021



TABLE OF CONTENTS

1 Letter from the Chief Executive Officer 04

2 Aligning Urbaser Group progress with the positive impact on people and the planet 06

| | |
|---|----|
| 2.1. Sustainability governance..... | 07 |
| 2.2. SDGs as a springboard for transformation..... | 10 |
| An impact model on a global scale | 12 |
| Urbaser Group in the world..... | 14 |
| 2.2.1. Urban Services..... | 16 |
| 2.2.2. Urban Waste Treatment..... | 22 |
| 2.2.3. Industrial Waste Treatment | 28 |
| 2.2.4. Integral Water Management..... | 30 |
| 2.2.5. Other business areas..... | 31 |
| 2.2.6. Working together on a shared purpose | 32 |
| 2.3. Ensuring sustainable performance..... | 34 |
| 2.3.1. Risks inherent to the activity | 34 |
| 2.3.2. Risk management system..... | 36 |
| 2.3.3. Operational risks..... | 38 |
| 2.3.4. Regulatory compliance risks | 42 |
| 2.3.5. Reputational risks..... | 45 |
| 2.3.6. Performance in 2021 | 46 |
| 2.3.7. Anticipating risks, identifying opportunities..... | 47 |
| 2.4. Ethical management at Urbaser Group | 49 |

3 A culture of innovation 54

| | |
|---|----|
| CIAM: at the forefront of innovation..... | 58 |
| L1. Waste treatment processes under the concept of circular economy | 59 |
| L2. Sustainable mobility solutions in urban services | 60 |
| L3. Technologies to reduce environmental impacts..... | 61 |
| L4. Processes for closing the water cycle | 62 |
| L5. Innovative solutions for the management of urban spaces | 63 |

4 The protection of the environment, the cornerstone of our operations 64

| | |
|--|----|
| 4.1. Integrated environmental management | 66 |
| 4.1.1. Main environmental figures..... | 67 |
| 4.1.2. Environmental provisions and assurances | 71 |
| 4.2. Committed to the climate..... | 72 |
| 4.2.1. Climate change mitigation..... | 72 |
| 4.2.2. Reducing our footprint | 77 |
| 4.2.3. Adapting to climate change | 79 |
| 4.3. Circular economy | 80 |
| 4.4. Biodiversity conservation | 83 |
| 4.4.1. Taking care of oceans and marine life..... | 84 |
| 4.4.2. Preservation of land and urban ecosystems | 85 |
| 4.4.3. Ecological infrastructures and sustainable facilities | 87 |

5 People, partners and drivers of our commitment 88

| | |
|--|-----|
| 5.1. Commitment to our employees..... | 89 |
| 5.1.1. Main employee figures | 91 |
| 5.1.2. Managing talent..... | 100 |
| 5.1.3. Promoting diversity and equal opportunities..... | 106 |
| 5.1.4. Well-being at work | 112 |
| 5.2. Committed to human rights | 118 |
| 5.3. Collaborating with suppliers | 120 |
| 5.4. Social impact generators | 122 |
| 5.4.1. Committed to social value creation | 123 |
| 5.4.2. Actions that underscore our commitment to people..... | 124 |

6 Reporting and materiality criteria 132

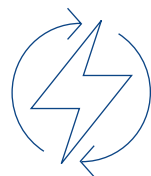
| | |
|---|-----|
| 6.1. Scope of information | 133 |
| 6.2. Materiality and stakeholder engagement | 134 |

7 Appendix on Tax information 136

8 NFR–GRI index 138

9 Independent verification report 150

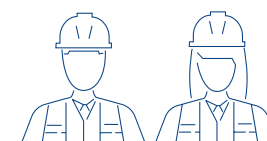
We generate



2,885 GWh

of energy

Employees



59,719

Growth in number of employees

31%

1

Letter from the Chief Executive Officer

GRI 102-14, GRI 102-15

In this Sustainability Report we aim to offer a clear overview of the leading position of Urbaser Group in terms of environmental management and circular economy. The report contains the measures in place to protect and mitigate the effect of progress on society and nature, as well as focus on using the best and most advanced technologies to generate added value for the solutions provided to our clients.

These and no other reasons explain why we plan to continue to grow organically in all our main areas throughout the year.

We have every ingredient required to continue along this path of growth: we bring together great know-how in the industry, we have put together a very valuable team able to execute significant operations and have earned the trust of our clients. All the above has led us to have been awarded with large contracts in 2021, such as the street-cleaning and waste collection contracts of cities as Madrid and Barcelona, and the construction of a new waste treatment plant in the Maldives. This success, together with the changes that we are undertaking, will ensure the continued relevance and leadership of Urbaser Group over the coming years.

REINVENTING THE BUSINESS TO CONTINUE EVOLVING

We are currently experiencing a unique and extraordinary time that is likely to leave an indelible mark on the company's history.

On the one hand, in October the company welcomed a new shareholder, the Platinum Equity investment fund. This new strategic partnership will enable us to speed up our growth and support our efforts towards creating new sustainable solutions that can help our clients to face the complex environmental challenges ahead.

On the other hand, the various environmental and social challenges we are facing –climate change, loss of biodiversity, generation of plastic, world population growth, widening inequality gaps and the post-pandemic society– call for an adaptation capacity from organisations like never before.

Tenderers are becoming increasingly aware that placing trust in businesses that show express commitment to environmental care and sustainability is a safe asset, particularly if we take the context and implications of waste management in society into

consideration. For this reason, the value proposition of Urbaser Group places us at the forefront in terms of contributing to the 2030 Agenda and fulfillment with Sustainable Development Goals at a local level, in every town, region, country or administration.

ACCELERATING ACTION TO MAXIMISE IMPACT

In 2021, we have begun to prepare our five-year ESG Strategic Plan, designed to position the Group as a leader in the industry. We have also created an ESG Committee to oversee governance in this area and regularly monitor the plan to add improvements and ensure our performance.

The legislative context is becoming increasingly demanding in environmental matters, with Europe aiming to be at the head of the international transition towards new green economy models, such as the circular economy and climate change mitigation. In this regard, Urbaser Group has fully embraced the European challenges and commitments; for this reason we are currently working on a decarbonisation plan supported by projects already in operation concerning fleet electrification and the commitment to purchase energy from renewable sources.

CIRCULAR ECONOMY: MOVING FROM AMBITION TO ACTION

In the current severe climate crisis, Urbaser Group is a major player with a leading position on an international scale in circular economy. The company is the only one in the industry at a European level that boasts its own innovation centre for the development of industry-scale projects. Without a doubt, the “Alfonso Maíllo” Technological Waste Innovation Centre (CIAM) consolidates our position as one of the world leaders in innovation adapted to environmental services. 2021 saw the start of the milestone CIRCULAR BIOCARBON project, led by the Group in collaboration with another eleven partners and five European countries, whose goal is to build the first biorefinery for the organic fraction of municipal solid waste and sewage sludge in Europe.

ALIGNING PROGRESS WITH POSITIVE IMPACT ON PEOPLE

Urbaser Group has mechanisms in place to continue to protect and contribute to the progress of the communities in which it operates, via a full worldwide community action agenda designed to promote social cohesion and the wellbeing of local communities. This approach also allows us to enter into key partnerships with NGOs, public administrations and other organisations in order to maximise the positive impact on the people. Along these lines, in 2021, we have also published our Corporate Policy on Human Rights, setting out our steadfast commitment to identifying and preventing any negative impact that our activity might bring about.

The business model of Urbaser Group and the 2030 Agenda for Sustainable Development are built upon a shared purpose to work towards improving the wellbeing of people, the planet and prosperity. At a time when the urgency to deal with social challenges is pressing, stepping forth to offer innovative solutions to such situations will allow us to continue to respond to the needs and expectations of our stakeholders.

JOSÉ MARÍA LÓPEZ PIÑOL
CHIEF EXECUTIVE OFFICER OF URBASER GROUP

Millions of euros - Turnover



2,551

Growth in turnover

11%

Ecological fleet



32%

Growth in ecological fleet

74%

“THE BUSINESS MODEL OF URBASER GROUP AND THE 2030 AGENDA FOR SUSTAINABLE DEVELOPMENT ARE BUILT UPON A SHARED PURPOSE TO WORK TOWARDS IMPROVING THE WELLBEING OF PEOPLE, THE PLANET AND PROSPERITY”

TO IMPROVE PEOPLE'S STANDARD OF LIVING AND CONTRIBUTE TOWARDS THE WELLBEING OF FUTURE GENERATIONS IS THE PURPOSE OF URBASER GROUP THROUGH ITS VARIOUS BUSINESS LINES, WORKING TO ENSURE PEOPLE'S ACCESS TO ESSENTIAL SERVICES WHILE, AT THE SAME TIME, MINIMISING THE ENVIRONMENTAL IMPACT CAUSED BY HUMAN PROGRESS.

Amid a context of urban expansion, the company is committed to promoting a sustainable development model in the cities, understood in terms of the wellbeing of its inhabitants and the implementation of solutions designed to provide a resilient response to environmental, social and economic challenges.

To achieve this, in 2021 the company began to work on its new ESG (Environmental, Social and Corporate Governance) strategy, setting out the main commitments in this area, lines of action and key indicators. Urbaser Group thus provides essential services for people, such as the collection and treatment of waste, the integral water cycle management and infrastructures related to sustainable mobility and road maintenance, adding the environmental and social perspective to the decision-making process in order to generate positive impact in the communities in which it operates.

The sustainability strategy of Urbaser Group is mainly articulated in its ESG Strategic Plan, whose actions and goals are driven, approved and monitored by the ESG Committee. The ESG Strategic Plan 2022–2025 will be structured in strategic and operational goals, applicable to the entire organization, within the following areas: climate change, environment, circular economy, biodiversity protection, health and safety, employees, sustainable value chain, cybersecurity and good governance. Quarterly ESG Committee meetings will be held throughout 2022 to assess compliance of yearly set goals.

2.1.

SUSTAINABILITY GOVERNANCE

GRI 103

Firmly focused on transparency and continuous improvement, Urbaser Group has an overseeing and management model which, as of 2022, is being led by a Committee as the body responsible for any initiatives in this area.

The Corporate Sustainability department forms part of the ESG Committee which reports directly to the Steering Committee and organises and promotes all initiatives and commitments in this regard. In the wake of the progress achieved with the 2018–2021 Sustainability Action Plan, Urbaser Group is currently drawing up the 2022–2025 ESG Strategic Plan which shall have specific goals for the various business lines and corporate areas.

This is a solid sustainable governance path that Urbaser Group has been traveling along for some time: since 2017 the content of the Sustainability Report is submitted for the review and approval of the Steering Committee and the Board of Directors. In addition, the Group has sustainability interlocutors in markets that are strategic

“THE COMPANY SUPPORTS THE ACHIEVEMENT OF THE UN SUSTAINABLE DEVELOPMENT GOALS, WHICH ADDRESS THE MAIN CHALLENGES FACED BY HUMANKIND”

for the company, such as Chile, Argentina, India and Colombia, which provides it with direct feedback on the social and environmental context in the different international markets, as well as better coordination in the implementation of initiatives under way.



2 Aligning Urbaser Group progress with the positive impact on people and the planet



ESG STRATEGIC APPROACH

GRI 103

A PLAN TO CREATE **SUSTAINABLE VALUE** IN THE LONG TERM

◆ Cornerstones of the plan ◆ Commitments ◆ Key indicators 3 4 5 8 10 11 12 13 14 15 16 17 SDG contribution

OPERATIONS MANAGEMENT

2021 STRATEGIC LINES AND PERFORMANCE



◆ Fight against climate change 13

- ◆ Decarbonisation of our facilities
- ◆ Renewable energy consumption in facilities

We generate

1,529

GWh in electricity

We consume

144.7

GWh of electricity from renewable sources

- ◆ Energy consumption
- ◆ GHG emissions
- ◆ Purchase of renewable electricity
- ◆ Generation and self-consumption of renewable energy

◆ Promoting circularity: recycling and efficient use of resources 12

- ◆ R+D+I projects focusing on circular economy



54%

of our R+D+I investment focuses on the circular economy

- ◆ Waste treated by type
- ◆ Recycled and/or avoided waste

◆ Promoting sustainable mobility 11 13

- ◆ Supporting an ecological fleet



32%

of the company's fleet is ecological

- ◆ Ecological fleet

◆ Protection of biodiversity 14 15

- ◆ Mitigation of impacts on biodiversity



33

protected spaces where we operate

- ◆ Control and remediation of environmental accidents
- ◆ Projects supporting terrestrial and marine biodiversity

ETHICS AND GOOD GOVERNANCE MANAGEMENT

2021 STRATEGIC LINES AND PERFORMANCE



◆ Ethical management 16

- ◆ Reinforcing communication and whistleblowing channels
- ◆ Training and transparency in ethics and good governance

11,860

hours of training for employees on Ethical Code

- ◆ Communications received via channels in place
- ◆ Training on Ethical Code

◆ Governance based on ESG criteria 16

Creation of ESG steering committees

- ◆ Measuring alignment with European taxonomy
- ◆ Establishment of ESG Committee at highest level

- ◆ European taxonomy
- ◆ Frequency of ESG Committee meetings



◆ Strategic and sectorial partnerships 17

- ◆ Collaboration agreements to achieve common goals

- ◆ Participation in working groups

PEOPLE MANAGEMENT AND SOCIAL IMPACT

2021 STRATEGIC LINES AND PERFORMANCE

201,539

hours of training for employees on health and safety



€ 9.7 M

invested in health and safety

◆ Safe and healthy work environments 8

- ◆ Training on health and safety
- ◆ Evaluation and control of accidents and preventive measures
- ◆ Certified health and safety management system

- ◆ Employees covered by ISO 45001
- ◆ Training on health and safety

- ◆ Investment in health and safety
- ◆ Accident rate

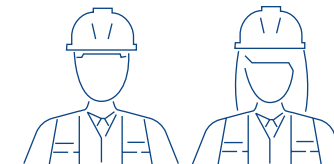


◆ Labour relations based on ethics 8

- ◆ Human Rights Policy
- ◆ Identification of risk related to human rights
- ◆ Management of absenteeism

- ◆ Turnover rate
- ◆ Absenteeism rate

- ◆ Reports received on breach of human rights



1,616

hours of training provided to employees on diversity, equality and inclusion

◆ Promotion of diversity and equal opportunities 5 10

- ◆ Training and promotion of diversity and equality
- ◆ Commitment to the recruitment of people at risk of social exclusion into company workforce

- ◆ Gender pay gap
- ◆ Training on diversity, equality and inclusion

- ◆ Agreements with social inclusion entities

◆ Supply chain responsibility 8

- ◆ ESG certifications and audits on strategic suppliers

100%

ESG-certified critical suppliers

- ◆ Critical suppliers classified as ESG
- ◆ ESG audited suppliers



◆ Actions with and for local communities 3 4 11 14 15

- ◆ Collaboration with NGOs to promote community wellbeing

- ◆ Actions aligned with the Corporate Citizenship Policy

€ 1.6 M

invested in community action activities

2.2.

SDGs AS A SPRINGBOARD FOR TRANSFORMATION

MAIN PROJECTS IN 2021

With a business model focused on the development of environmental services, at Urbaser Group we work hard to ensure compliance with the Sustainable Development Goals (SDGs) of the 2030 Agenda set out by the United Nations, as a common framework within which to speed up changes can deal with critical problems facing humankind in partnership with governments, the private sector and the general population.

In the midst of the Decade of Action, the company has a firm commitment to achieving the goals defined by

the SDGs, organising its actions in this regard, well aware of the responsibility shouldered by the private sector in dealing with the main challenges faced by society, from climate change to the eradication of poverty and social and economic advancement.

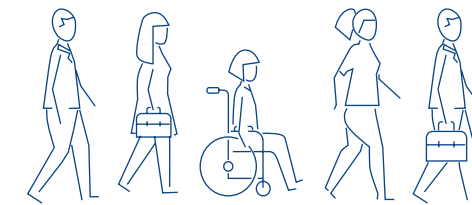
Urbaser Group focuses its contribution on four priority SDGs – although their interlinked nature means that the company is able to contribute to them all – via strategic partnerships deemed essential to move forward.

◆ Goal 2021 ◆ Degree of compliance



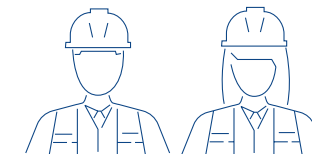
Commitment to the environment

- ◆ Deployment of the Technological Innovation Master Plan for the period 2019–2023.
- ◆ The company continued with the implementation and monitoring of the strategic and innovation lines, prioritising strategic line 1: Waste treatment processes under the concept of circular economy. The review of the plan will be presented during 2022.



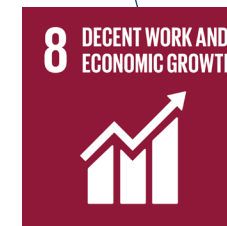
Commitment to society

- ◆ Implementation of the supplier management portal in Spain, including the certifications process thereof.
- ◆ During 2021 the SLP module from SAP ARIBA has been implemented in Spain for supplier management and certification procedure.
- ◆ Define and disclose new procedure for selection, certification and assessment of suppliers on a worldwide basis.
- ◆ The procedure for selection, certification and assessment of suppliers has been created and presented in the first quarter of 2022.



Commitment to our employees

- ◆ Worldwide implementation of the accident logging and reporting system.
- ◆ The system for communication of significant accidents has been implemented worldwide.
- ◆ Development of an organisational model for employees management and development.
- ◆ Design, implementation and presentation of the model in Spain at 85%.
- ◆ Inception of the programme to improve employee recognition and empowerment.
- ◆ 2021 has seen the completion of over 20 initiatives of the LoQue+iMPorTa programme, developed and implemented in Spain.
- ◆ Approval of the Corporate Policy on Human Rights.
- ◆ 100% of the companies within Urbaser Group that had obtained the health and safety certification have now been ISO 45001 certified.
- ◆ Policy published and internal controls in place for countries which might pose a risk in regard to the management of human rights.
- ◆ The goal set by the company has been achieved in 2021: 100% of the companies in Urbaser Group that were OSHAS 18001 certified have now become ISO 45001 certified.

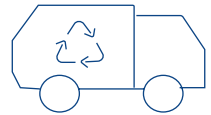


AN IMPACT MODEL ON A GLOBAL SCALE

GRI 102-2, 102-6, GRI 103, GRI 203-2

Urbaser Group plays a key role in the advancement of the circular economy, acting as a strategic partner in cities and industries all over the world, providing efficient and innovative environmental management solutions which it implements through its business areas.

URBAN SERVICES



- Street and beach cleaning
- Urban waste treatment
- Public landscaped areas



We manage

11.1 Mt

of solid urban waste per year

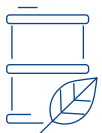
We provide service for
70 M
people

We take care of
5.6 Mm²
of clean beaches all over the world

Clean streets
8 Mkm

We take care of
25 Mm²
of parks and gardens

INDUSTRIAL WASTE TREATMENT



- Waste collection and transport
- Waste treatment and valorization

We recover
75%
of hazardous waste

We manage

2.4 Mt

of industrial waste/year

URBAN WASTE TREATMENT

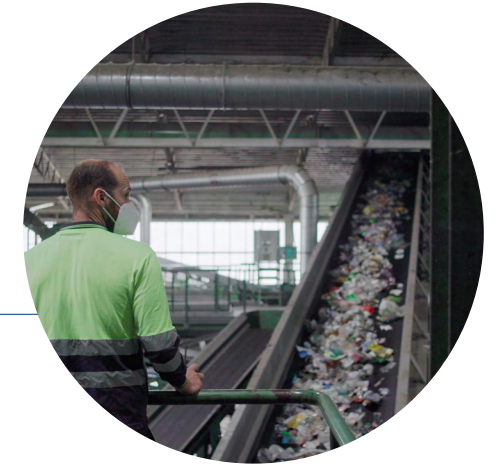


- Municipal waste treatment plants
- Controlled landfills
- Waste valorization

We manage

20.4 Mt

of waste



We manage

75

municipal waste treatment plants

We generate

2,885 GWh

of energy

We recover

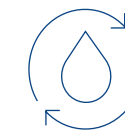
1.1 Mt

of waste

239,181t

compost produced for agricultural use

WATER CYCLE MANAGEMENT



- Management of water supply network and sewer mains
- Management of water treatment plants
- Maintenance of fountains

136 Mm³/year

of treated water

We provide service to

7.2 M

people

We generate

1.2 GWh

of renewable energy

656 tCO₂e

avoided due to recovery of sludge in WWTP

OTHER SERVICES



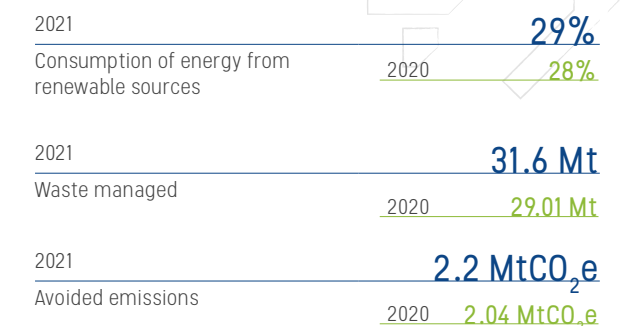
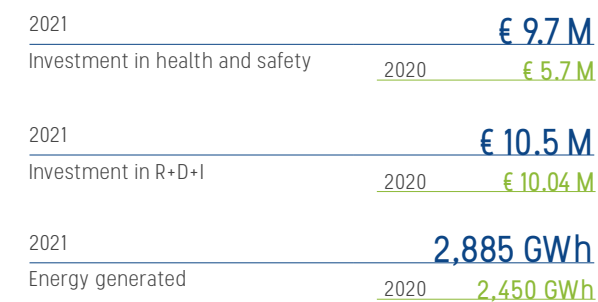
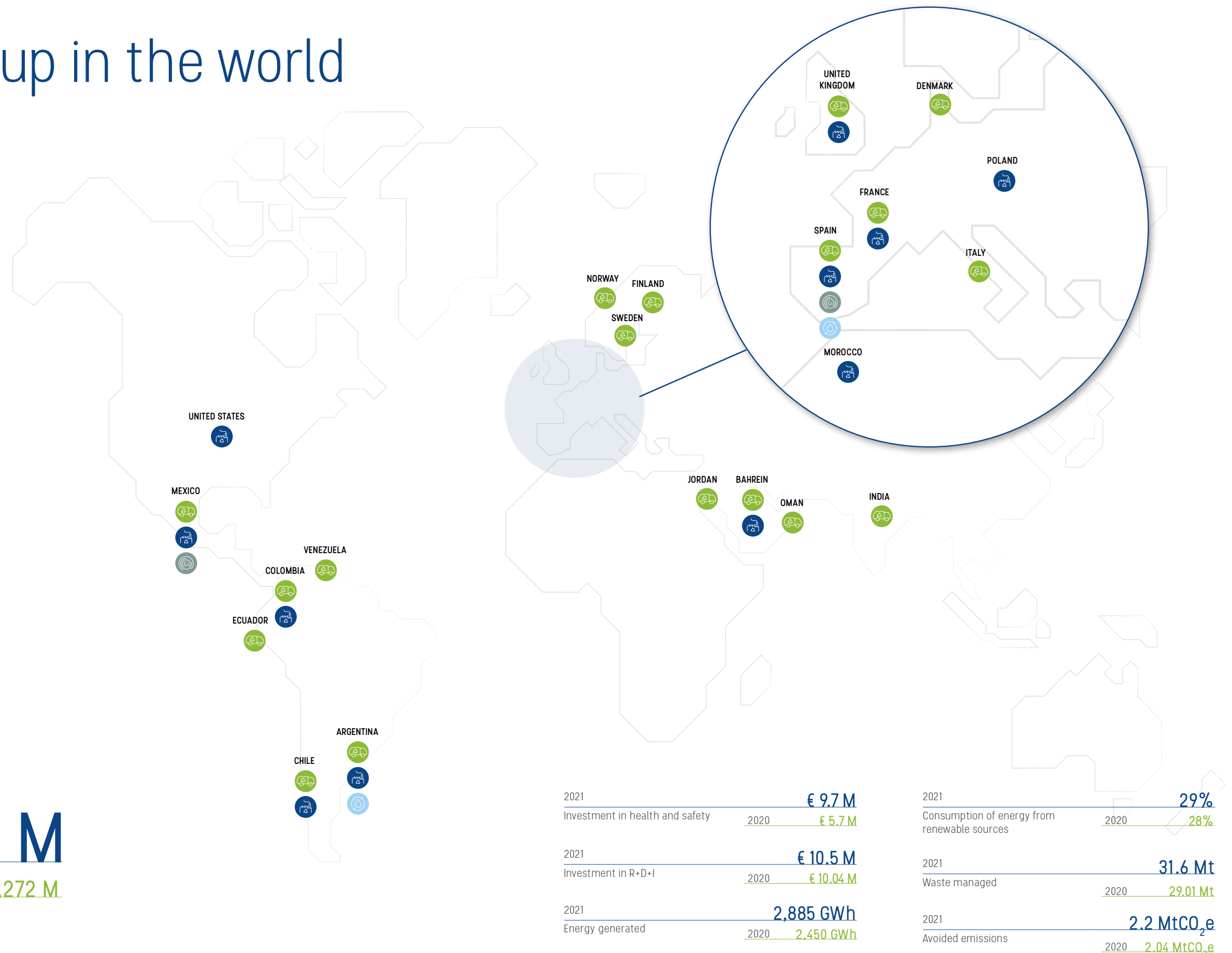
- Health and welfare
- Cleaning of indoor spaces
- Sustainable mobility
- Winter road maintenance
- Surveillance and security

Urbaser Group in the world

GRI 102-4, GRI 102-6, GRI 102-7



INTERNATIONAL PRESENCE



2.2.1.

Urban Services

Flexible and integrated solutions

The Urban Services area, one of the most important in Urbaser Group, is responsible for the collection of solid urban waste, street and beach cleaning and park and garden management.

These services have a direct influence over the quality of life of millions of people all over the world.

The SENSIoT global platform gathers data on assets involved in the service, processing and sharing it with the City Platforms to improve control and decision-making.

SENSIoT (SMART ENVIRONMENTAL SERVICES WITH I O T)

PERFORMANCE, QUALITY AND OPTIMISATION OF COSTS FOR THE ADMINISTRATION

IMPROVEMENT OF THE QUALITY OF SERVICES PROVIDED

BUSINESS BENEFIT
Action

We manage more than

11.1 Mt

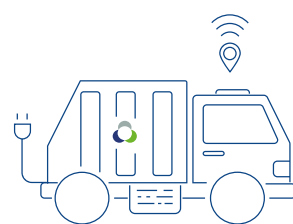
of solid urban waste per year



OPTIMISATION OF SERVICES FOR CITIZENS

Optimisation of routes according to the information received on the status of waste containers:

- Reduction of carbon footprint
- Reduction of noise pollution and consumption



Zero emission and electrical vehicles

MORE LIVEABLE AND SUSTAINABLE CITIES

8 Mkm

of streets worldwide

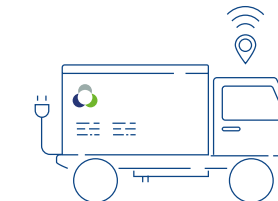
GLOBAL ENVIRONMENTAL IMPROVEMENT

URBAN WASTE COLLECTION

Dedicated to urban service management

88%

of Group's workforce



Urbaser Group is a pioneer in the use of clean energies (gas, electricity)

We take care of

25 Mm²

of parks and gardens

MAINTENANCE OF PARKS AND GARDENS

Consumption of 100% renewable electricity in Spain

ACCESSIBLE SERVICES

Waste containers adapted for people with functional diversity

STREET AND BEACH CLEANING

5.6 Mm²

beaches per year

The GESMART project provides real time data on:

Road cleaning vehicles

Geopositioning, speed, performance, emissions and fuel consumption.

Waste containers

Identification of containers and filling level.

Street furniture

Incidents, damage.

Through its Urban Services business area, Urbaser Group provides an essential service that directly affects the quality of life of citizens of over 20 countries worldwide. Moreover, in 2021 this business area achieved its target of a 50% presence in Spain and 50% international presence.

The Urban Services area is highly labour intensive; therefore, knowledge of the various labour regulations and the integration of a proper employee management system are critical for optimal performance in every country.

The company carries out its activity within local regulatory frameworks and according to the clauses agreed in each contract, thus complying with the legislation of every business location and implementing any procedures of an environmental, labour or social nature that may be required. Labour policies and procedures were strengthened during 2021, with special attention paid to workers' health and safety.



Business lines in the Urban Services area

- Street and beach cleaning
- Urban waste collection
- Public landscaped areas



According to the United Nations, 3,500 million people, half the world population, currently live in cities and this figure is expected to increase to 5,000 million by 2030.

In the face of this growing urban development, Urbaser Group plays a key role with its range of urban waste collection solutions, becoming pioneers in the use of clean energies and the integration of new technological developments designed to improve the efficiency of the services.

The Group thus emphasises the value of waste collection as a key factor for future smart cities and their contribution to SDG 11: Sus-

tainable cities and communities, with a direct impact on goal 11.6: "By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management."

During 2021, Urbaser Group took part in the "Sustainable Cities 2030" initiative, organised by Forética.

Rethinking cities: projects for sustainable urban development

New contracts

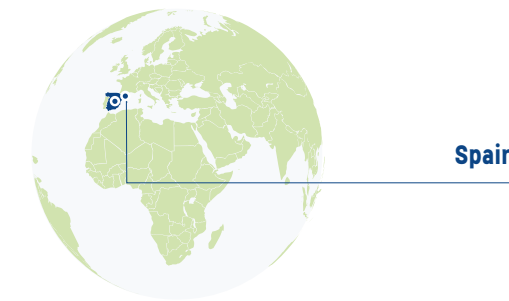
Street cleaning in the capital of Spain

Urbaser Group has historically had a significant presence in the city of Madrid, with almost 3,000 employees involved in operations in this city in previous years. With the award of the new street cleaning contract in 2021,

these activities have been resumed, expecting to employ 1,700 workers over the next six years.

This contract covers the districts of La Latina, Moncloa-Aravaca, Fuencarral-El Pardo, Puente de Vallecas, Villa de Vallecas, Moratalaz and Vicálvaro, amounting to a total of 23.8 km² of pavements and streets and the provision of service to over 1,100,000 citizens.

The street cleaning solutions of this project use state-of-the-art technology, centred on increasing service efficacy and reducing emissions in its operations. Specifically, a fleet of some 350 vehicles will be used, of which 75% will be sustainable.



Spain

Duration **6** years**1,700** workers**1,100,000** people**23.8 km²****75%** Ecological fleet

Cleaning and collection in Barcelona

In 2021 and for the third time running, Urbaser Group was awarded the cleaning and waste collection contract for the East side of the city of Barcelona. This contract shall have a duration of eight years, extendable by an additional two years, coming into effect in 2022.

This project will employ 1,036 workers, of which 20% of jobs shall be offered to people with special needs and/or at risk of social exclusion, thus promoting the full integration of these communities in the workforce.

The project, with a value of 475 million euros, covers the district of Sant Andreu, the district of Sant Martí and all the beaches of the city, amounting to 17.6 km² and the provision of service to over 388,000 citizens.

In addition, the fleet assigned to the project, comprising 417 vehicles, shall be 80% electric, with a complex battery charging infrastructure and using vehicles of different sizes, different energy needs and multiple charge systems, thus minimising atmospheric emissions and noise during the performance of the service.

Duration **8** years**1,036** workers**388,000** citizens**17.6 km²****80%** Ecological fleet**20%** of social exclusion

BEST PRACTICES: SPECIAL CLEANING OPERATION ON THE EVE OF THE SAN JUAN FESTIVITY

In an event that generates over 40,000 kg of waste, in 2021 Urbaser Group implemented a specific cleaning operation to reduce the environmental impact of this festivity. The measures implemented in this operation managed to achieve a 55% increase in the rate of selective waste collection over the previous year, meaning that 62% of waste will be eligible for recycling (lightweight containers).

Performance in 2021

Our largest contract in Asia



Urbaser Group has worked on the largest contract awarded to the company worldwide during 2021: city cleaning services in the state of Chennai, in the South of India, for an eight year period.

The contract, of an approximate value of 480 million euros and carried out in collaboration with Sumeet, comprises cleaning and waste management services in seven areas of the nine that make up Chennai, a region with over 3.7 million inhabitants and a surface area of 207 km².

In order to ensure the proper separation of waste at source, the project includes over 3,000 electric rickshaws for door-to-door waste collection.

Duration

8

years

Area

207 km²

€ 480 M

3.7 M

inhabitants

+3,000

e-rickshaws

10,600

employees

2,500 t

waste/day



India

Waste collection and street cleaning in Ecuador

Similarly, in 2021 Urbaser Group has been carrying out operations in Ecuador, as part of a contract for waste management, street sweeping and cleaning of the city of Santiago de Guayaquil, located along the Pacific shore, of an approximate value of 360 million euros. The operation was carried out via the Urvaseo consortium, comprising Urbaser Group and Valango, with a duration of over seven years.

The scope of the project includes the collection of solid urban waste throughout the city of Guayaquil, the largest and most populated city in the Republic of Ecuador, with close to 2.7 million inhabitants.

Duration

7.5

years

€ 360 M

2.7 M

inhabitants



Ecuador

Colombia



City cleaning in Colombia

The Group has also carried out activities as part of the cleaning service contract entered into with the city of Montería, situated in the north of Colombia, during 2021. The award of this contract brings the total number of operations of Urbaser Group in the country to ten.

Through this project, involving 280 employees, the company has taken over the management of approximately 16,500 tons of waste per year, providing service to a population of 120,000.

280

employees

120,000

inhabitants

16,500 t

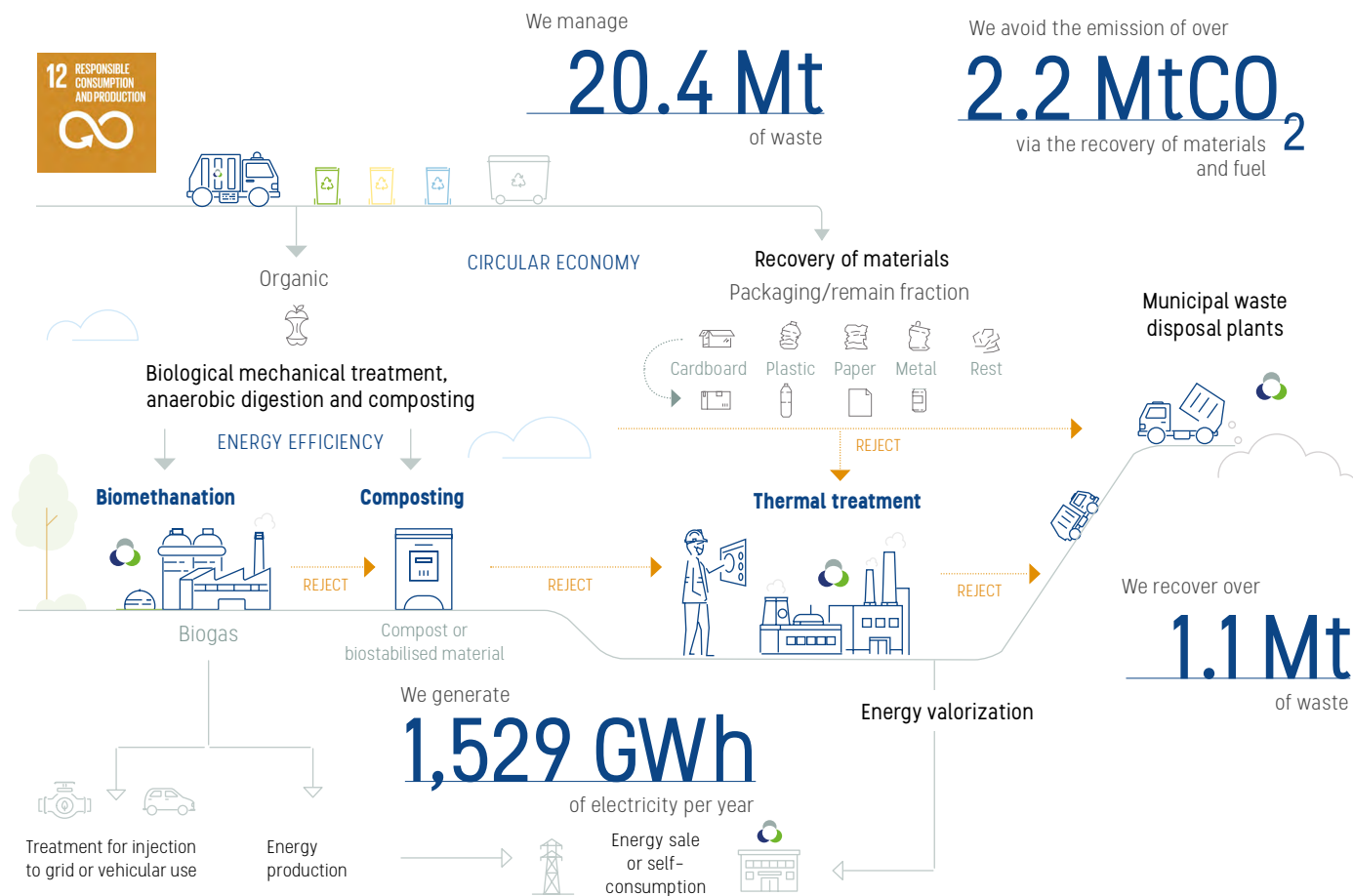
annual waste



2.2.2.

Urban Waste Treatment

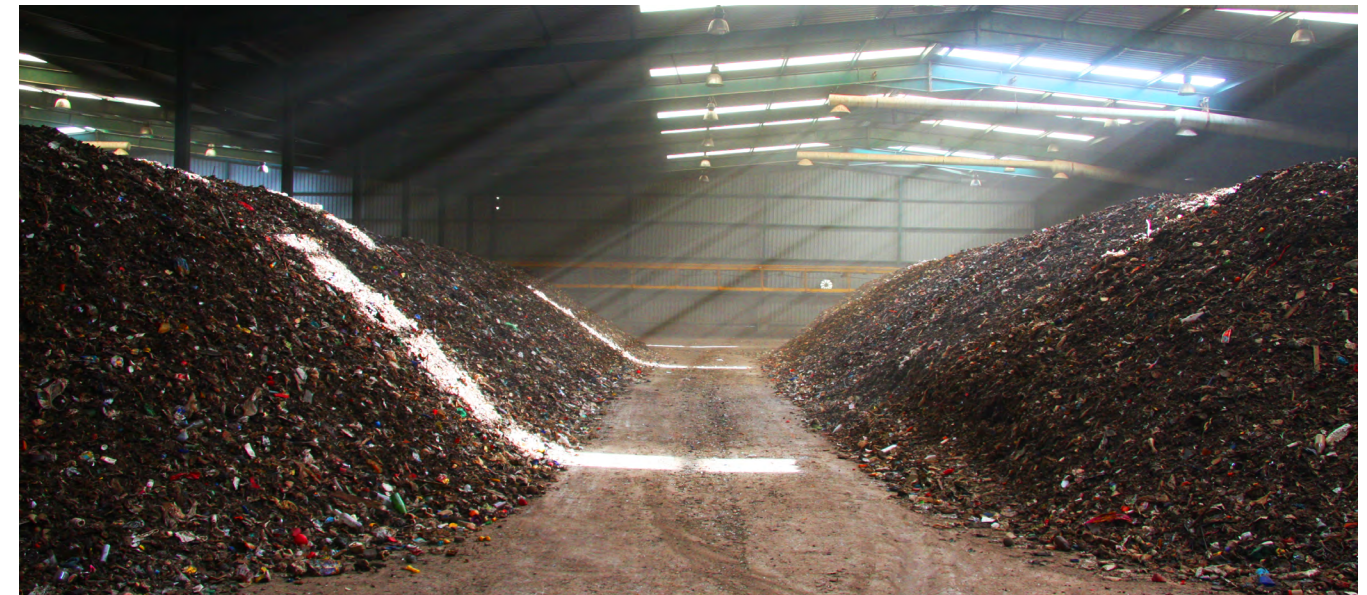
GRI 103



The Urban Waste Treatment area is responsible for the management and treatment of solid waste from cities, comprising activities from design, construction and commissioning of treatment facilities, to the maintenance thereof and management of all operations.

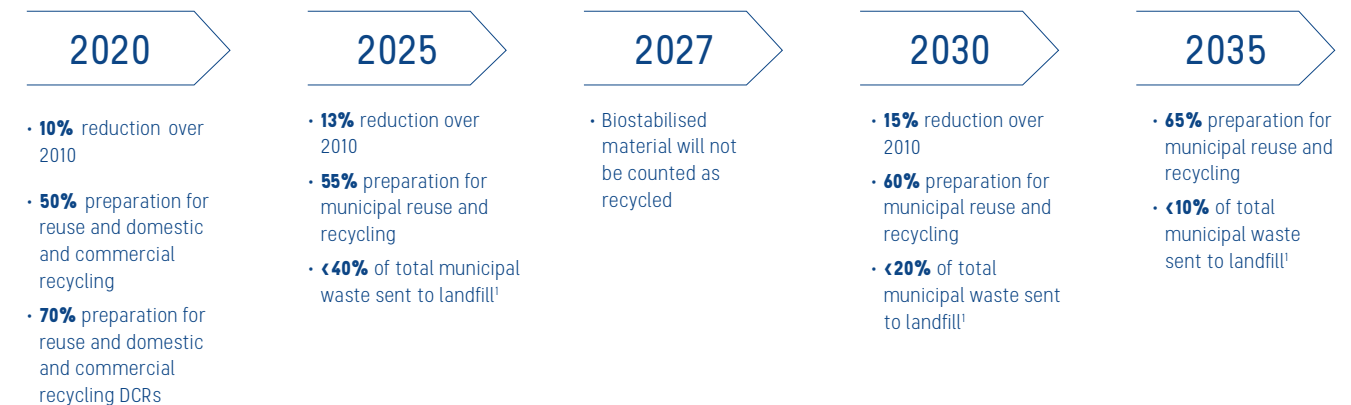
When carrying out this process, Urbaser Group must comply with all the legal regulations of every country as well as the contract specifications; in the first instance and within the general scope

of waste management, is the European Union legislation on the circular economy, known as the Circular Economy Action Plan which includes the Waste Framework Directive (2008/98/EC), Directive 199/31 on the landfill of waste and Directive 94/62 on packaging and packaging waste. This waste framework Directive sets forth a management hierarchy with waste reduction as a top priority, followed by reuse and recycling, energy valorization, with elimination being the least desirable option.



All such legislation is transposed in all member states into national legislation which, at the very least, must consider the targets set in the directives. In accordance with this hierarchy, the circular economy Action Plan establishes the following management goals:

WASTE MANAGEMENT TARGETS



Urbaser Group must then comply with the specific legislation of each country, with the European legislation setting the guidelines at an international level and, finally, any regional legislation.

The activities performed by Urbaser Group in the area of urban waste treatment are focused on the classification of waste, the separation of recyclable waste and the subsequent return to market of the latter, as well as disposal of rejects. As for the treatment of organic material, the company activity focuses on separating it from the rest of the waste and treating it for the production of agricultural fertilizer or biogas manufacture. Within the scope of these services, opportunities are offered for more complex treat-

ment of waste that is harder to recycle. Once the waste has been shipped to the facilities, the Urban Waste Treatment area will apply two ways depending on the contract with the client:

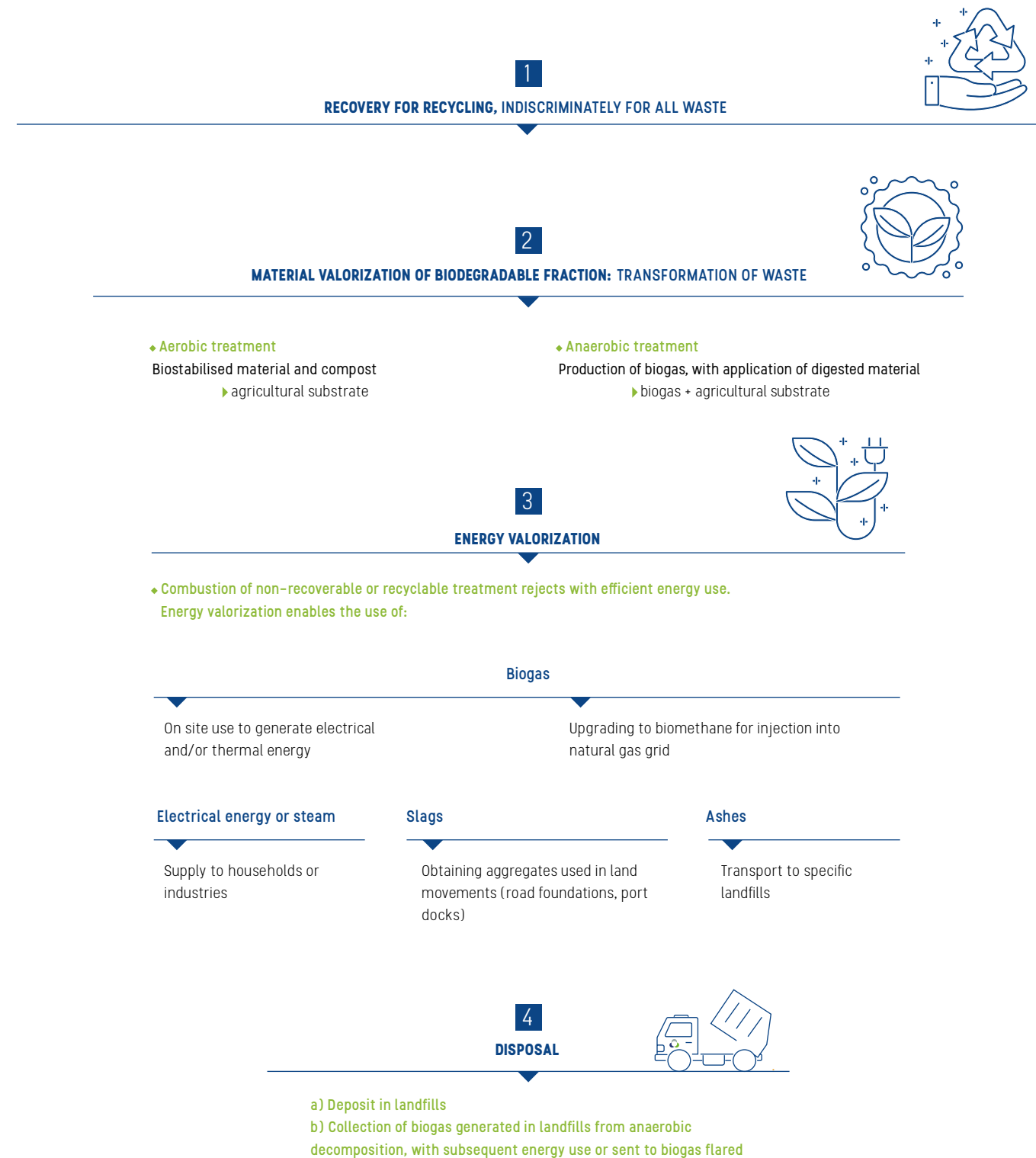
- 1. Treatment plant:** waste is treated in facilities with cutting edge technology for the optimal treatment to enable the recovery of materials for recycling, depending on waste type.
- 2. Sending to landfill:** this process is carried out in accordance with the legislation in force in each of the countries in which it operates.

1. R.D. 646/2020 on landfill sites.

WASTE HIERARCHY

INTEGRAL URBAN WASTE MANAGEMENT PLANT

In an integral treatment plant the circular economy is integrated into the processes, with the final goal being to send the least possible quantity of waste to landfill. The different treatment processes carried out in these facilities are classified according to what is known as the “waste hierarchy”.



According to UN estimates, if the world population should grow to 9,600 million people by 2050, the equivalent of almost three planets will be needed to provide the natural resources required to maintain our current lifestyle.

This forecast, based on current consumption trends, reflects the urgent need to design new solutions that place the circular economy at the core of the production and commercial system.

Aware of this reality, at Urbaser Group a large share of resources is invested in leading this transformation, assuming its role as a leading company in the design, financing, construction and management of facilities dedicated to treatment, waste recovery and energy efficiency during the processes.

At the heart of the innovation model is the “Alfonso Maíllo” Technological Waste Innovation Centre (CIAM), a facility with over 5,000 m² fitted with the latest technology designed to test international R+D+I projects providing solutions to global challenges

related to waste treatment. The company contributes in this way to SDG 12: Responsible consumption and production.

Similarly, Urbaser Group assumes its role as a strategic player in driving the energy transition and fighting against climate change. For this reason, it actively takes part in a number of different work groups related to renewable energy and waste, as well as disseminating knowledge and awareness of these issues via different forums and associations of which it is a member. Among such relationships are the Association of Public Cleaning and Urban Environmental Maintenance Businesses (ASELIP), the Association of Renewable Energy Companies (APPA) and the Spanish Biomass Platform (BIOPLAT).





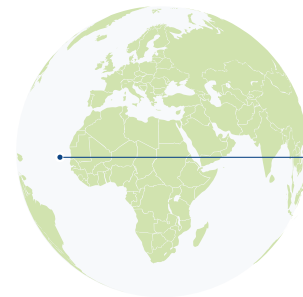
The future of urban waste: projects that materialize the circular economy

New contracts

Treatment plant in Tenerife

In 2021 and through a joint venture, Urbaser Group was awarded a new contract in Tenerife valued at 397 million euros for a period of 15 years, extendable for an additional four years.

This contract includes facility maintenance, repair and replacement activities, machinery, ecological fleet and other plant items, as well as the execution of works of extension and improvement of existing waste management infrastructures.



Spain

Duration **15**
years

€ **397 M**

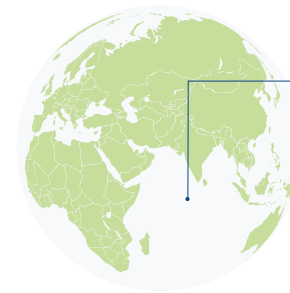
THIS OFFICIAL AWARD IS GRANTED AFTER MORE THAN 35 YEARS OF OPERATIONS OF URBASER GROUP ON THE ISLAND.



Energy valorization plant in the Maldives

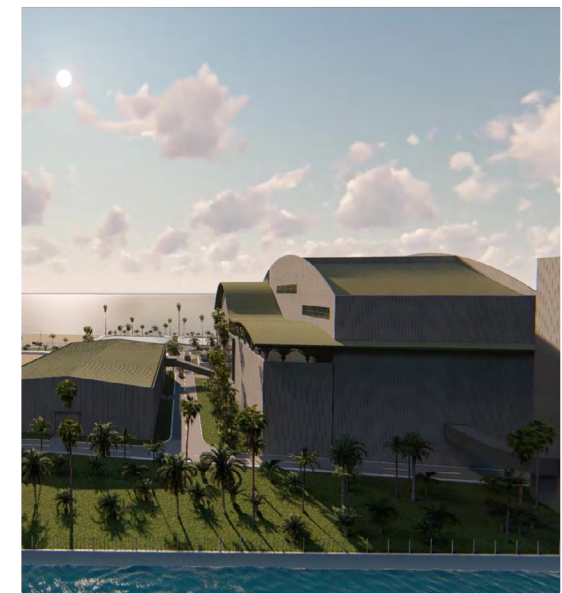
In 2021, Urbaser Group won the contract for the design, construction and operation of a waste energy valorization facility in Thilafushi, the Maldives. The contract, of a value of 265 million euros, has a concession period of 15 years. The facility will have a management capacity of 500 tons of waste per day, a 13 MW electricity production installation, a slag recycling plant, a system to control gas emissions and a landfill for the disposal of waste generated during the process.

Through this facility, the aim is to contribute to solving part of the high rate of environmental pollution of the island of Thilafushi and 32 nearby islands, caused by a deficient collection and uncontrolled waste dumping, with the ensuing deterioration of the living conditions of their inhabitants.



The Maldives

Underpinned by the company's commitment to designing solutions that encourage the generation of clean energy and fight against climate change, the facility will produce renewable energy to tackle land availability and electricity restrictions in the islands, and will be designed to respond to any climate change disasters and threats, such as rising sea levels.



€ **265 M**

Management **500 t**
waste/day

Electricity production **13 MW**

Organic valorization plant in Canopia

In 2021, Urbaser Group won the renewal of the optimisation, operation and maintenance contract for the organic valorization facility of Canopia (Bayonne) for a four year period, and yearly amount of 6.7 million euros. The company has been operating this plant for the last seven years, so this is an important award from a strategic perspective.

In addition, the contract includes the execution of optimisation works at the facility, consisting of the improvement of the quality of compost produced, the improvement of the air and odour treatment at the facility and the upgrading of the facility's atmospheric emissions to comply with the latest ICPE regulatory requirements.

At all times the company has sought to ensure the continuity of the service provided under any circumstances, as well as the useful life of the facility, always in accordance with all applicable technical criteria.

Duration **4**
years

€ **6.7 M**
year

4,300 t
selective organic waste/year

2,700 t
reject fraction of collection point/year

76,700 t
treated waste/year

7.1 Mm³
biogas/year

20,400 t
regulated compost production



France

1,500 t
metallic materials recovered

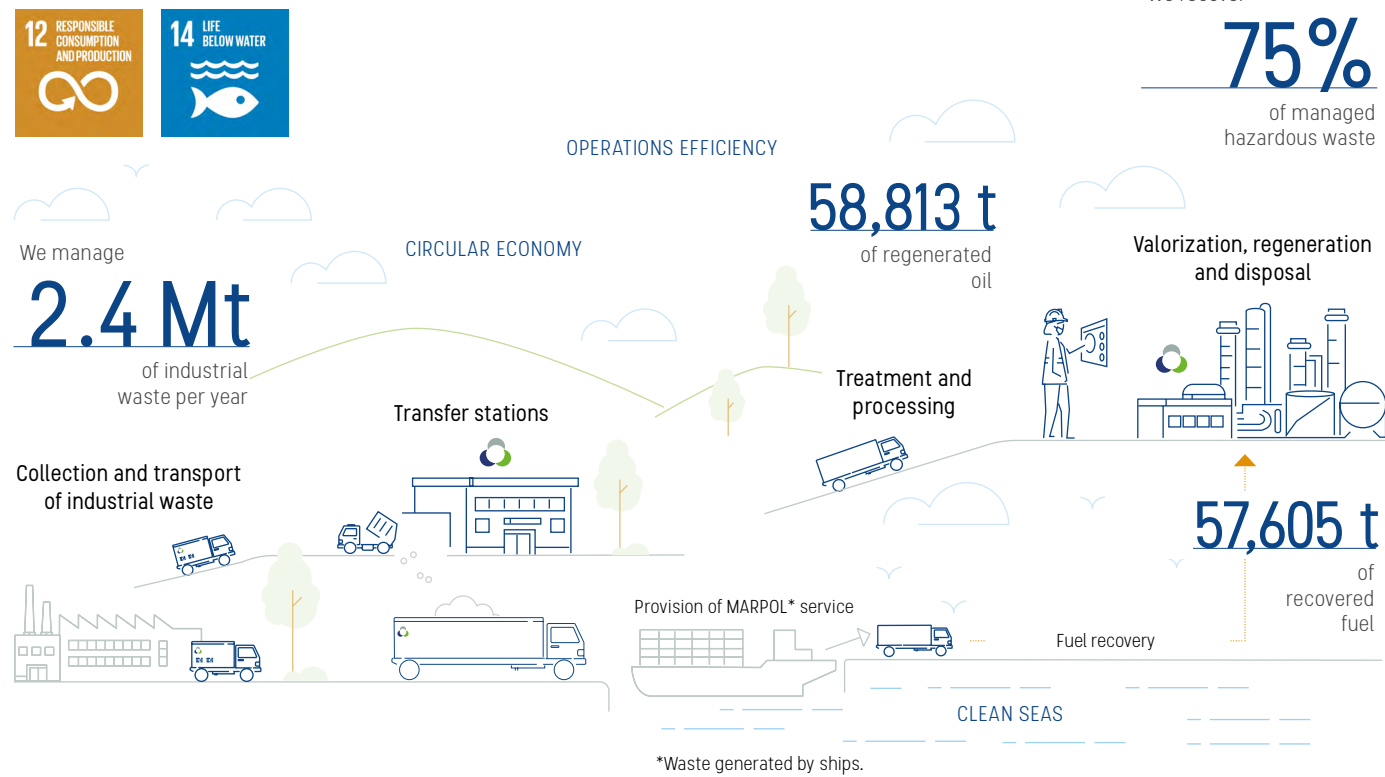
Electricity production/year **14 GWh**

-52%
treated material rejects

2.2.3.

Industrial Waste Treatment

GRI 103



Sertego is a company belonging to Urbaser Group dedicated to the integral and sustainable management of industrial waste, both hazardous and non-hazardous. It is responsible for all stages in the management cycle, from collection and transport through to the processes of recovery, recycling, valorization, regeneration and disposal of industrial waste.

The company is present in Spain, France and Morocco, providing solutions that address:

- **Regenerated base lubricants:** treatment of oil used to obtain bases that can be transformed into new types of industrial lubricants.
- **Recovery of fuel:** collection of MARPOL² fuels in over 32 ports in Spain and Tangier for cleaning and treatment, to obtain recycled fuel.
- **Waste collection and transport:** management and treatment of industrial waste, hazardous and non-hazardous, including collection from producer, classification and volume minimisation, through to final delivery to end manager.
- **Waste treatment and disposal:** via treatment and classification facilities and landfills.

2. The management of MARPOL fuel came about in the wake of the International Convention for the prevention of pollution by ships, MARPOL 73/78. It applies to approximately 97% of active ships and requires proper management of waste and avoidance of waste discharge into the sea.



According to the United Nations, the livelihoods of 3,000 million people depend on marine and coastal biodiversity, a figure which highlights the enormous consequences that ocean pollution can have in terms of destroying marine and coastal biodiversity.

Through the operations carried out by Sertego, Urbaser Group enjoys a strategic position to drive the concept of zero waste in the industry, via innovative solutions that put science and technology at the service of the great environmental challenges, such as ocean pollution.

The company contributes in this way to SDG 14: Underwater life through performance in SDG 12: Responsible consumption and production, with target 12.4 acting as the roadmap in this business area: "To achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment".

Innovation and efficiency in environmental services

First electrical battery recycling plant in Spain

In 2021, Sertego partnered with Endesa to launch what will become the first electrical vehicle battery recycling plant in Spain.

This project, requiring an investment of 13 million euros, will have the capacity to treat 8,000 tons of batteries per year and will create 50 direct new jobs and other indirect jobs relating to the services yet to be quantified.

A new joint company will be created to execute the project, which will manage the collection of electrical batteries in Spain and Portugal, as well as the storage and transport to the Cubillos del Sil plant for subsequent treatment. Once at the treatment plant, any batteries eligible for reuse will be adapted and the remainder will be electrically discharged, disassembled and submitted to a separation and crushing process.

This process will enable the recycling of materials such as plastic, aluminium and copper, as well as the black-mass, a fraction that is rich in strategic metals that are highly valued in Europe, like cobalt and nickel, essential for the manufacture of new batteries.

Investment
€ 13 M

8,000 t
batteries/year

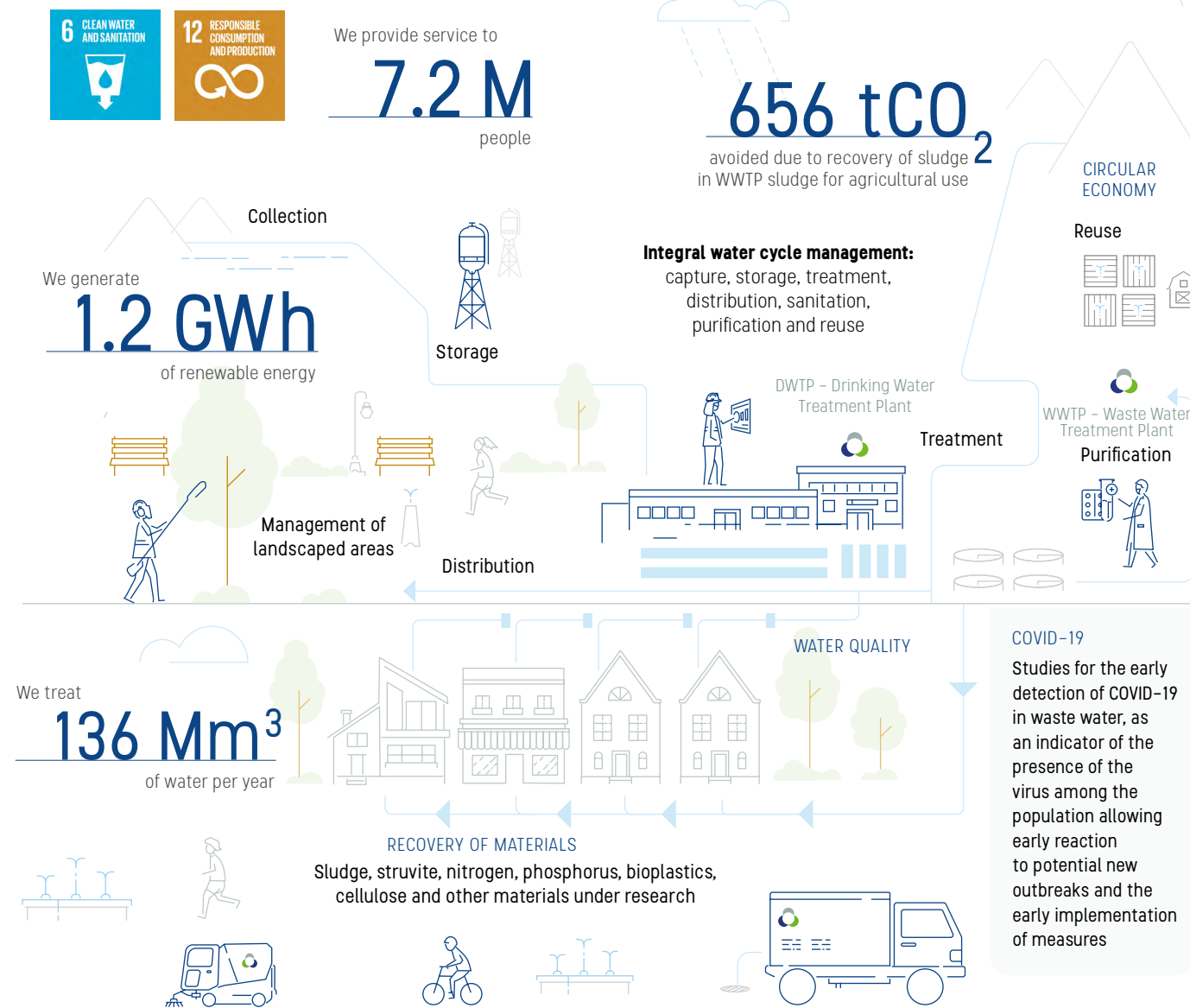


Spain

2.2.4.

Integral Water Management

GRI 303-1



SOCAMEX, S.A.U. and SAMSA are two water engineering companies belonging to Urbaser Group, being the brands that specialise in integral water management. They work with public and private clients, offering water engineering and treatment services to businesses, municipalities and communities. Solutions include the collection and purification of water through to treatment, regeneration and reuse, or else its return to the natural environment.

Most of the clients of this area belong to the public sector, which determines the regulatory and legal scope of action of the company, which must comply with the requirements set out in every contract awarded, including the legislations inherent to each country as well as any regional regulations.

The companies boast over 30 years of experience in the integral water cycle and has a workforce of over 600 people all over the world: 65% of them work in Spain, providing service to over 50 cities and many towns, and 35% operate internationally in several countries in South America.



Through SOCAMEX and SAMSA, Urbaser Group helps to close the water cycle, by driving the circular economy and generating new materials and tools associated with the efficient management of this natural resource.

Its solutions guarantee access to a basic resource, while also ensuring that its return to the natural environment is carried out under conditions that are the same or better than when it was captured, thus contributing to SDG 6: Clean water and sanitation. In line with its commitment to this goal, the company builds its management of water resources on three principles:

- **Social equity:** making possible and ensuring access by the people to this basic resource, while making sure that when the wa-

ter returns to its natural environment, it does so in the same conditions as those when it was captured.

- **Economic efficiency:** guaranteeing access to almost eight million people.

- **Ecology:** supporting innovation in projects designed to obtain high quality materials from waste water.

2.2.5.

Other business areas

HEALTH AND WELFARE

The goal of this area is to add value to the company via various business lines designed to improve people's quality of life. Among them, the Home Care Service (SAD) carries out work in care homes for the elderly, family mediation, integration of minors, gender violence interventions, social mediation, etc.

SURVEILLANCE AND SECURITY

Integral guarding, protection and security services for people, businesses and institutions under the conception of integral security focused on professionalism, technology, efficiency, flexibility and commitment to the client.

SUSTAINABLE MOBILITY

Public bicycle lending services (bikesharing), carsharing services, carpooling and all manner of mobility solutions based on sustainability, as well as advanced urban logistics systems, studies on sustainable urban mobility plans, management of intelligent charging grids and all manner of smart city mobility proposals.

CLEANING OF INDOOR SPACES

Management of professional cleaning and disinfection services, actions to combat COVID-19 and ancillary services in hospitals, care homes, schools, industries, offices, etc.

WINTER ROAD MAINTENANCE

Assistance in treatment of road surfaces with thawing systems, removal of snow and/or ice, and guarding roadworthiness in adverse weather conditions.



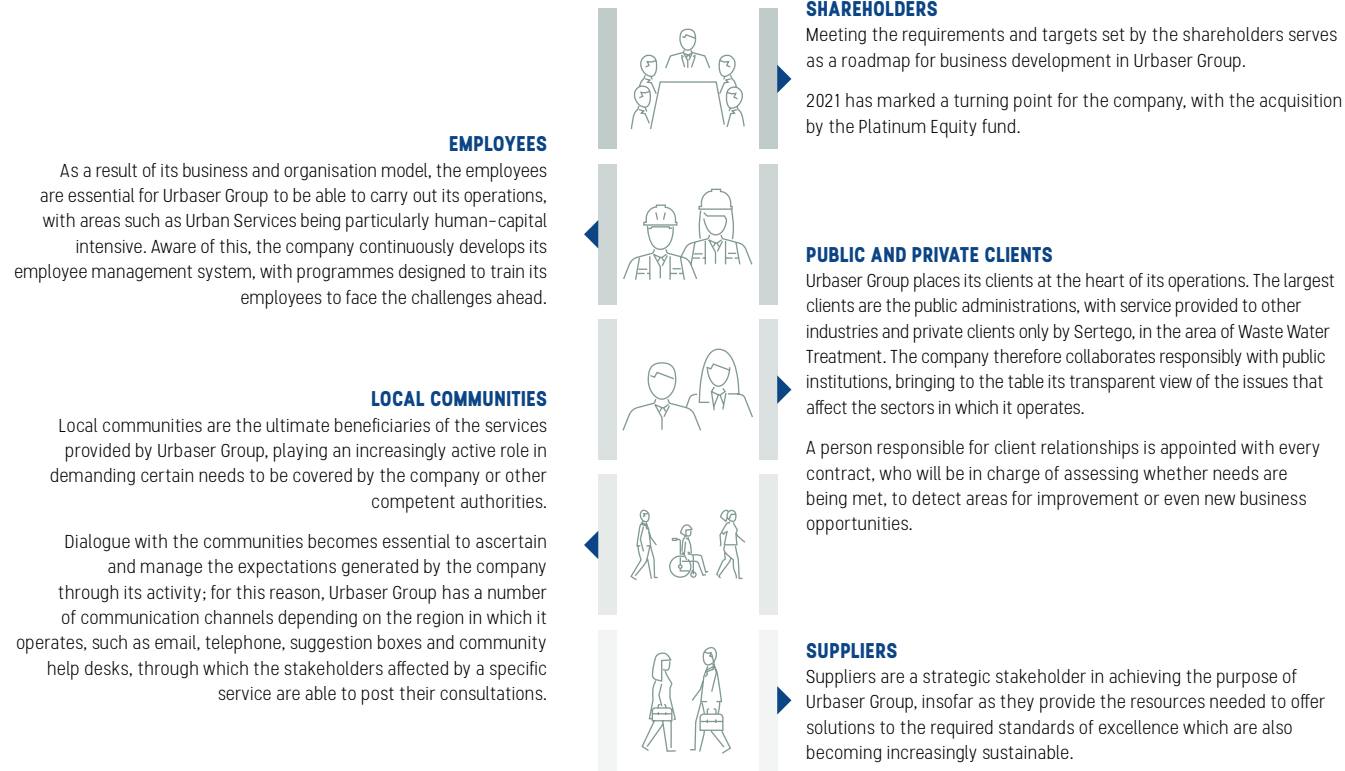
2.2.6.

Working together on a shared purpose

GRI 102–40, GRI 102–42, GRI 102–43, GRI 103

In the face of a new reality marked by the greater demand by citizens for corporate social responsibility, additionally calling for this conversation to be two-way –due in part to the accessibility and immediacy of current communication channels–, Urbaser Group implements a process of continuous improvement to increase the positive impact of its solutions, while simultaneously generating resources that enable a constant dialogue with all its stakeholders in an effort to meet their expectations.

Our stakeholders



Active participation in transformative dialogue

GRI 102–13

Aware of its strategic role in working towards a model that integrates energy transition, the circular economy and efficient resource management, Urbaser Group actively takes part in various working groups, standardisation committees and intersectorial dialogues, at both a national (Spain) and European level.

The main participations by the Group in 2021 have been:

| ASSOCIATION | PROJECT | TASK |
|--|--|--|
| CEN CLC JTC 14 WG 5 UNE CTN 216 GT9 | Participation in standardisation groups – CEN CLC JTC 14 WG5 – CEN/TC 343 Solid Recovered Fuel – CEN/PC 408 Biomethane | – Participation in over 50 meeting on the standards of guarantee of origin of energy. |
| ASELIP– Association of Public Cleaning and Urban Environmental Care Businesses | Sectorial representation in ministries, Spanish Climate Change Office (OECC), local authorities and autonomous regional communities. | – Participation in several meetings and regulatory public consultations, regarding the circular economy and energy transition. |
| Spanish Confederation of Business Organisations (CEOE) via ASELIP | Participation as ASELIP: Task force on Waste and Task Force on Circular Economy | – Sectorial representation. Participation in several meetings and regulatory public consultations, regarding the circular economy and energy transition. |
| APPA – Association of Renewable Energy Businesses | Sectorial representation. Presentation of two talks on renewable gases at ENERCLUB and in the 5th Congress on Renewable Energies | – Presentation of two talks on renewable gases at ENERCLUB and in the 5th Congress on Renewable Energies. – Participation in several meetings and regulatory public consultations, regarding the circular economy and energy transition. |
| AEAS – Spanish Water Supply and Sanitation Association | Sectorial representation | – Participation in several meetings and regulatory public consultations, regarding the circular economy and energy transition. |
| Fger– Forum of Waste Energy Generators | Sectorial representation | – Participation in several meetings and regulatory public consultations, regarding the circular economy and energy transition. – Participation in European Committee for Standardisation (CEN) and coordination with the Spanish standardisation group (UNE) regarding guarantees of origin (>50 meetings). |
| Platform for the promotion, defence and development of biogas and biomethane | Sectorial representation | – Participation in several meetings and regulatory public consultations, regarding the circular economy and energy transition. |
| BIOPLAT – Spanish Biomass Platform | Sectorial representation | – Participation in several meetings and regulatory public consultations, regarding the circular economy and energy transition. |
| CONAMA | CONAMA 2020 | – Participation in CT 41. New regulatory framework on waste to promote the circular economy. |
| GASNAM – Sustainable transport association | Sectorial representation | – Participation in meeting and regulatory public consultations regarding the circular economy and energy transition. |
| | Catalogue of Circular Economy Good Practices | – Publication of an Urbaser Group project in the 1st Catalogue of Circular Economy Good Practices, published by the MITERD. |
| MITERD | Biogas/Biomethane Task Force | – Participation in the Biogas/Biomethane TF in the Subdirectorate General of Hydrocarbons, as experts and interested sector. |
| IDAE | Biogas/Biomethane Task Force | – Collaboration in consultations on the biogas roadmap. |

2.3. ENSURING SUSTAINABLE PERFORMANCE

GRI 102–11, GRI 102–15, GRI 103

2.3.1.

Risks inherent to the activity

The market is currently undergoing a period of change. Both at a legislative level –with strong and increasingly restrictive environmental regulation in matters of waste, water, climate change and climate emergency measures–, and at a cultural and social level in aspects such as diversity, social and labour integration, equality or inclusion, the transformations happening in the sector directly impact the actions and decisions of Urbaser Group worldwide.

As an international leader providing environmental services in several countries, the Group has a decentralised operations structure and independent management of the companies within it, having to adapt to the different realities in order to respond to such changing circumstances. Urbaser Group thus manages the various risks that might affect the operations and achievement of its goals, as well as impacts on society, the economy, the environment or its several stakeholders.



To this end, it carries out the analysis, monitoring and management of risks and opportunities using an identification, assessment, management and monitoring system, along with the implementation of preventive and mitigation measures, based on the following principles:



PRINCIPLES

Integrating the view of risk, both in terms of government bodies and business management.

Define the basic guidelines in order to **standardise the working criteria** of the several business areas and achieve a reasonable level of internal control.

Establish **mechanisms for the identification, assessment, analysis and reasonable control** and information of the various risks to which our activities are exposed.

Ensuring compliance with the laws and values set forth in the Code of Conduct, under the principle of ‘zero tolerance’ towards commission of unlawful acts.

Involve the several company business lines and corporate areas as risk management units with different responsibility levels.

Maintain an adequate level of independence between the risk taking areas and those responsible for their analysis, control and monitoring.



TARGETS

Promote continuous improvement to increase efficiency and capacity for response

Protect the reputation and results of the company, generating trust and offering guarantees to our stakeholders

Analyse the strategic goals with controlled volatility

Moreover, the risks and opportunities are assessed in quantitative and/or qualitative terms, in collaboration with the different areas and management departments of the company, based on factors such as “impact” and “likelihood of occurrence” to:

In order to ensure an adequate control environment that keeps critical risks within the levels accepted by the company Board of Directors and generating a culture that assumes this role as a differentiating strategic factor, Urbaser Group has a risk management system based on the design and implementation of controls aimed to detect and mitigate relevant compliance aspects, such as misconduct or breaches of applicable regulations.



LOW LEVEL

May not require an additional action plan



MEDIUM LEVEL

Analysed on the basis of risk appetite and company strategy



HIGH LEVEL

They require proper management

2.3.2.

Risk management system

The risk management system is structured upon three separate defence levels that work in coordination with one another. The first affects the business areas, whereas the second and third levels apply to the cross-cutting areas in the organisation, which have specific supervisory and internal control responsibilities at a corporate level.

Risk management system



FIRST LINE OF DEFENCE

Operations management
Business units

Internal control measures

SECOND LINE OF DEFENCE

Financial controls (MiFID)

Quality

Information security

Compliance

THIRD LINE OF DEFENCE

Internal audit

The risk management procedures and the mechanisms that ensure these are maintained within acceptable limits are validated and approved by the Steering Committee of Urbaser Group, with the CEO being responsible for approving corporate policies and their pertaining control system.

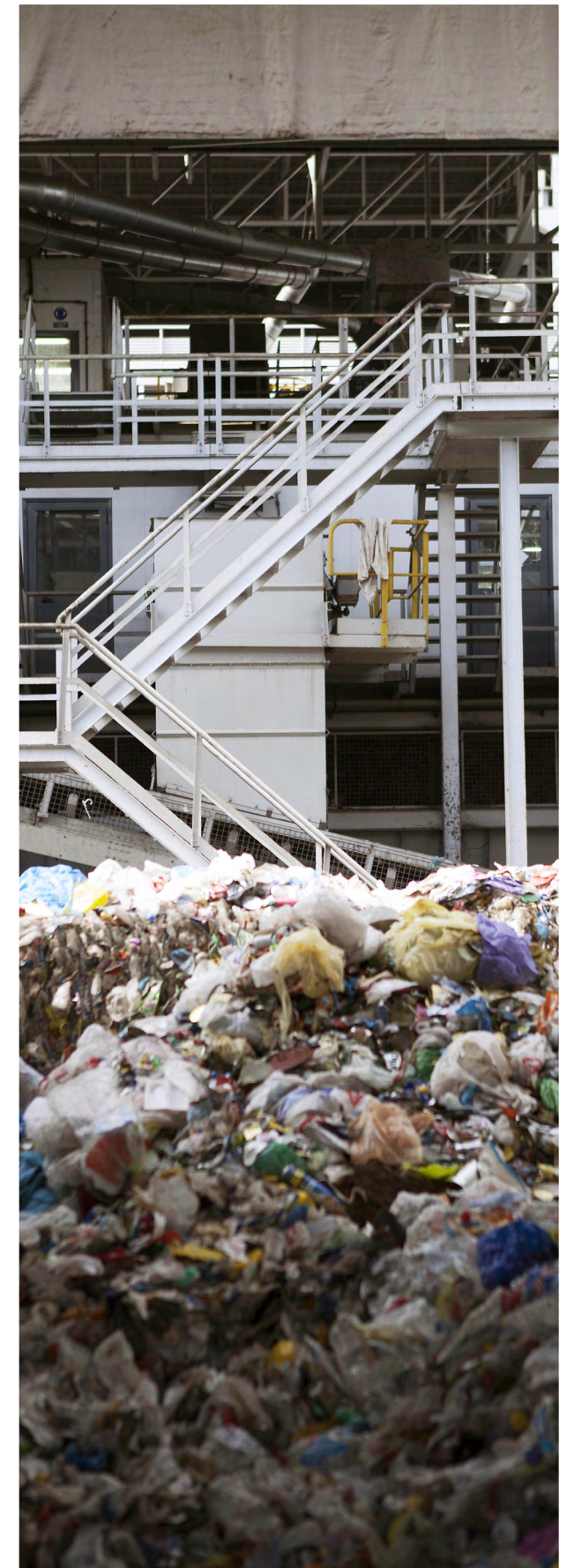
The main function of the Internal Audit Department, an independent and objective assurance and consultation body, is to support the Steering Committee and the CEO in their oversight role, by preparing recommendations reports and conclusions. Which are communicated both to the Top Management of Urbaser Group and the heads of the areas evaluated. In addition, it provides support to the rest of the company in ensuring the effective achievement of their responsibilities and targets, through functions such as:

- Reviewing the **veracity, reliability and integrity** of the financial and operations information.
- Making recommendations for the remediation of any weaknesses identified in the performance of their function, drafting **regular reports** both for the Steering Committee and the parties assessed, with subsequent monitoring thereof.
- Assessing the **degree of compliance with company internal rules**, instructions and procedures and propose any updates required to improve processes and mitigate associated risks.
- **Reviewing internal regulations** prior to final approval.
- Perform **analyses or investigations** entrusted to it by the Steering Committee or the Regulatory Compliance Committee.

The risks and opportunities described below apply to companies, joint ventures and businesses of Urbaser Group in Spain. No distinctions have been made between short/medium/long term risks, having considered short term risks to date.

At an international level, Urbaser Group has advanced in risk management, particularly in information security, respect for human rights, protection of the company's reputation and corporate image and ensuring an adequate level of control in supplier assessment and approval processes.

The risk factors to which, in general terms, the company is subject to changes in competitive, economic, political, legal, regulatory, social, environmental, business and financial conditions, are described as follows.



2.3.3.

Operational risks

GRI 102-11

In Urbaser Group these risks are those which are directly associated with the key business processes, such as those connected to service contracting or bidding, the quality thereof, relationships with stakeholders, environmental risks arising from the activity, purchases and subcontracting, as well as other risks associated with business processes such as those involving human resources, health and safety and compliance with legislation and tax regulations of application.

Among these operating risks, the organisation is subject to specific risks related to the business, such as the collection of urban and industrial waste, the treatment thereof, the management of operations and organisation and any others relating to the human resources comprising the workforce, with risks involving health and safety being particularly relevant.

In accordance with Law 26/2007 and European Union Directive 2004/35/EC on Environmental Responsibility, at Urbaser Group the environmental risk analyses (ARMas) are carried out in facilities where priority 1 and 2 activities are performed, having currently completed that pertaining to priority 3 activities in 2021 (in 2020 2 ARMas were performed as pilot tests). In addition, all the pertaining financial guarantees (9 in total) have been furnished. The overall purpose of this is to assess whether or not to provide a financial guarantee to cover against environmental risk and submit the pertaining affidavit in this regard to the competent authority within the established deadline.



POLLUTION AND CLIMATE CHANGE GRI 103, GRI 305-5

Specifically, in the performance of the company's business, the effects caused by climate change might lead to risks for the company. On the one hand, due to the lack of technological adaptations in line with regulatory changes designed to reduce polluting gases, as well as the prices of GHG (Greenhouse Gas) emissions or the new

means of transport with an impact on project business plans, and, on the other, due to the extreme climate events that might affect the infrastructures of Urbaser Group.

CONTROL MECHANISMS:

MITIGATION POLICIES AND MEASURES

Through its Corporate Policy on Quality, Health & Safety, Environment and Energy, Urbaser Group assumes the commitment to protect the environment through the prevention of pollution, contributing to the mitigation of climate change via its energy strategy and carbon footprint reduction.

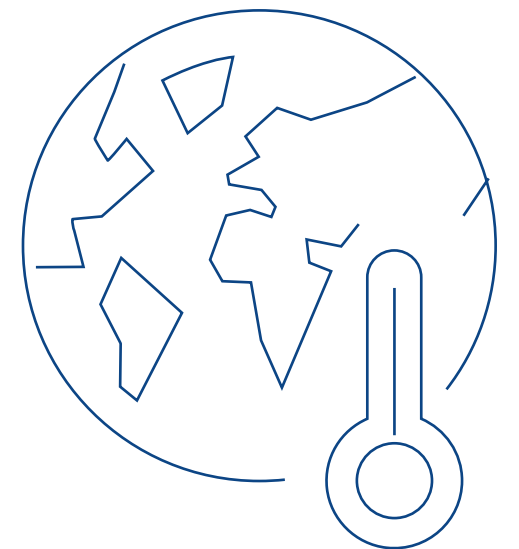
To this end, it has implemented atmospheric emission mitigation measures and supports the use and generation of clean energy and renewable gas in its business activities, provided it is technically and financially feasible. An example of this commitment is the fact that the company has been the first to obtain the Offsetting certification provided by the Spanish Climate Change Office, obtained on the basis of mitigation measures in place to reduce GHG emissions and the offsetting thereof.

The activities of the company that are potentially most polluting for the atmosphere are submitted to regular controls, both internally -through proper maintenance and technical inspection of machinery, power generators, air conditioning installations and compressors- and externally, through the authorisation and notification of the pertaining government authorities.

At Urbaser Group, and in compliance with the legislation in force, the sealing and degasification of landfills is carried out (as the first source of emissions arising from the company's activity) by sending the captured biogas to be flared, boiler or electricity generation engines.

In addition, biogas capture optimisation projects are under way to minimise the environmental impact caused by its emission into the atmosphere, given its global warming potential is 28 times higher than that of CO₂. Although the company recommends and makes available to all of its clients the technology to carry out these processes, the decision and final destination of the gas captured depends on the body that has contracted the company's services, with the latter being responsible for the management of climate risk.

As for noise pollution, the company has procedures to develop noise measurements and proper technical maintenance and inspection of mobile equipment in an effort to reduce potential noise pollution generated by its activities as much as possible.



PROTECTION OF BIODIVERSITY

This risk may arise in company operations that could have a significant impact on biodiversity and the environment in our operations. Among them, possible spillages or discharges that might be caused as a result of the execution of works, exploitation of

CONTROL MECHANISMS:
MITIGATION POLICIES AND MEASURES

To mitigate these potential situations, Urbaser Group has an Environmental Management System in place which defines the guidelines to be followed in the event of occasional spillages, to ensure that voluntary spillages have the pertaining authorisation, for proper storage management of hazardous substances or to carry out regular water quality controls, etc.

Sertego, a company belonging to the Group, carries out activities to treat MARPOL waste at different ports of Spain, as set forth in the International Convention for the Prevention of Pollution from Ships. As a result of its activity, there is risk of fuel spillage during the provision of the service, both on land and in the sea.

landfills or the management of industrial waste, such as oil and MARPOL waste (mainly hydrocarbon waste) from ships to avoid it being disposed of in the sea.

To avoid such discharge risks, regular inspections and maintenance of the equipment are carried out, and procedures and controls have been put in place when performing these services, particularly at the point of coupling of the MARPOL extraction hose.

Thanks to the proper execution of these controls, the likelihood of a risk of polluting marine ecosystems is low. However, due to the significant impact it might have, contingency measures have also been put in place, describing in detail how to act in the event of MARPOL discharge into the sea, taking place during the provision of the MARPOL service. These controls are laid out in the Internal Maritime Plans (PIM) in accordance with Royal Decree 1695/2012, of 21 December, approving the National System of Response to marine pollution, approved by the Harbour Master’s office of every Port Authority.

In addition, in accordance with the impact studies carried out in many of our facilities, the establishment of mitigation measures to minimise risk is mandatory. In such cases, Urbaser Group seeks to provide solutions that are respectful of biodiversity, creating value and moving beyond what is merely mandatory.



SUSTAINABLE USE OF RESOURCES

This specific risks might arise from changes in the energy regulations that might lead to an increase in costs or a depletion of raw materials, leading to higher costs and the search for new solutions.

CONTROL MECHANISMS:
MITIGATION POLICIES AND MEASURES
Urbaser Group prioritises the efficient consumption of energy and natural resources it uses, as reflected in its Corporate Policy on Quality, Health & Safety, Environment and Energy.

With the aim of improving energy performance and efficiency, as well as consolidating its commitment to mitigating climate change, the company has an Energy Management System to define plans and actions to be implemented.

As for the consumption of water resources, the activities carried out by Urbaser Group (waste collection and treatment) do not involve large consumption of water, therefore posing a low risk for the company. With regard to street cleaning and parks and garden maintenance activities, with a higher consumption of water due to street cleaning and irrigation of gardens, the company has good practices concerning the use of recycled water and consumption reduction devices, among others.

LABOUR RISK RELATED TO EMPLOYEE HEALTH AND SAFETY

All risks related to the health of workers at the workplace that might cause injuries or diseases which impact the short or long term physical or emotional wellbeing of the people and their families.

CONTROL MECHANISMS:
MITIGATION POLICIES AND MEASURES
The goal of Urbaser Group of ensuring a safe and healthy workplace is articulated in its Corporate Policy on Quality, Health & Safety, Environment and Energy.

The implementation of a Management System in the most important activities ensures the proper health and safety management of employees. The monitoring of indicators enables measures and decisions to be taken when improvements or reviews are called for, as well as establish employee training measures with a view to improving performance indicators. The ISO 45001 standard is the first international standard that sets forth the basic requirements to implement an Occupational Health and Safety Management System. The achievement of the target set by the company of 100% of subsidiaries in Urbaser Group that were OSHAS 18001 certified should make the transition to the ISO 45001 Standard was reached in 2021.

RELATED TO THE ADAPTATION TO THE ENVIRONMENT AND SUSTAINABLE DEVELOPMENT

This risk can be generated as a result of a lack of adaptation to changes in the legislations of the autonomous communities in which the organisation operates that seek to support decentralisation and drive local markets (local suppliers, local materials, local staff, etc.). To this end, the company works to encourage the proximity factor, provided the technical and financial solvency and all the requirements set forth in company policies are assured.

CONTROL MECHANISMS:
MITIGATION POLICIES AND MEASURES
In order to help drive the development of the communities in which

Urbaser Group operates, the organisation has a Corporate Citizenship Policy, which defines the actions to be carried out in order to generate a positive impact in the areas which it is present, with the premises of shared value and respect underpinning all community relations.

This policy sets forth action guidelines and principles on the matter, ensuring compliance with the legislation in force and embracing ethical commitments. On the basis of this Policy, procedures and controls have been put in place to regulate the approval and follow-up of collaboration opportunities in social projects, which might arise with both public institutions or private organisations.

2.3.4.

Regulatory compliance risks



These are the risks that might arise from Corporate governance, any company litigation, regulations, data protection law, possible changes in tax regulations and civil liability in terms of heritage integrity.

FIGHT AGAINST CORRUPTION, BRIBERY AND MONEY LAUNDERING

GRI 102-16

Specifically, in the course of performing the business activity of Urbaser Group, this risk mainly arises insofar as relationships are held with public officials, as a result of coordinating the tender procedures and any possible incidents that might arise during contract management.

On the other hand, in light of the high degree of operational decentralisation and the independent management of the companies within the group, this risk might arise from relationships held with suppliers and authorities.

CONTROL MECHANISMS:

MITIGATION POLICIES AND MEASURES

The company has a Criminal Offences Prevention Model designed to mitigate the risks of committing any crimes that might carry criminal liability for the company. In order to comply with this model, Urbaser Group has a Regulatory Compliance Committee (CCN) that is responsible for ensuring respect for the company's ethical principles, as well as detecting and mitigating any breaches of applicable regulations or instances of misconduct. This Committee reports directly to the Board of Directors.

Urbaser Group has Code of Conduct of compulsory compliance for all employees, irrespective of the type of contract that defines their professional or employment relationship, which aims at establishing the framework of reference to understand and put in practice the behaviours and expectations that the company place in each of them, in accordance with the principles of loyalty, good faith, integrity and respect for the law and ethical values defined therein. In addition, it applies to all company subsidiaries and investees/joint ventures of which the Group is the majority partner or shareholder or over which the group holds a controlling role.

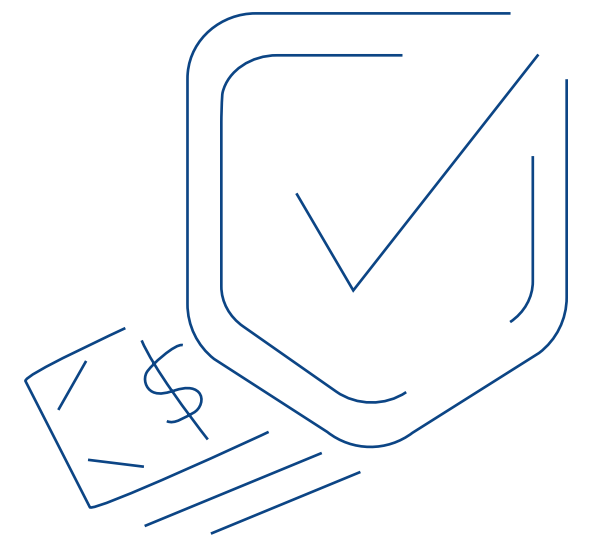
The Regulatory Compliance Policy, of a similar scope, enables the company, on the one hand, to strengthen its commitment to good corporate governance and, on the other, to diligently exercise due control in the organisation, minimising as much as possible the risk of bad practices or regulatory breaches in the performance of our activity.

The goal of the Corporate Anti-Corruption Policy of Urbaser Group is to promote a culture of compliance, via ethics, integrity and the fight against corruption and other unlawful conduct. Thus, this

Policy implements the principles set out in the Code of Conduct, describing guidelines that company employees must follow in all interactions held with government officials (taking into consideration that 80% of turnover pertains to public sector clients), as well as with private clients.

With the aim of enabling the reporting of any conduct that might contravene the guidelines set forth in the Code of Conduct of Urbaser Group, there is a Reporting and Whistleblowing Channel by way of a form on the website, which is accessible to any employee, client, supplier, partner and member of the community in which the company is present.

In an effort to ensure the effectiveness of internal policies and procedures, a Disciplinary System of general application has been established, detailing the penalties and sanctions that might be applied to any conducts that imply or might imply criminal risks and which might affect the company³.



3. Scope 2021: Spain.

PUBLIC HEALTH

As a company that carries out drinking water treatment, Urbaser Group is firmly committed to complying with all legal requirements regarding sanitary criteria of the quality of water for human con-

CONTROL MECHANISMS:

MITIGATION POLICIES AND MEASURES

All drinking water supply centres have a Supply Self-Management Programme or else a Water Sanitation Plan (for towns with more than 50,000 inhabitants), which includes the description of the supply infrastructure, the maintenance programme and analysis programme: frequency, sampling points, testing parameters, among others. For instance, the determination of Legionella, a parameter that depends

sumption, the specifications of analysis methods, exploitation and commercialisation of water.

on the characteristics and properties of the water and the temperature of the air and of the water itself, must be carried out in certain locations where required by the health inspectorate, as laid out in the aforementioned Supply Self-Management Programme or Water Sanitation Plan, as the case may be. This parameter will be obligatory in the new future water directive to be published shortly.

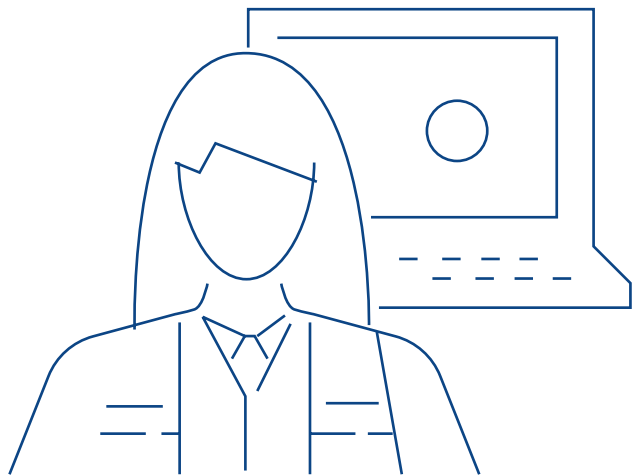
INFORMATION TECHNOLOGY AND DATA PROTECTION

The increasing dependency on the Internet, new information technologies and the increase in communications means that the risk for businesses of suffering a cyberattack has grown in recent years.

At the start of 2021, a cyberattack of external origin took place against some of its software systems, but thanks to the controls in place to mitigate these types of threats and the human team in the Cybersecurity area, this was dealt with quickly and efficiently.

However, in the wake of the cyberattack the area has been reinforced, with review of existing controls and procedures and implementation of new controls to maximise the protection of information systems and adapt them to the most advanced data security protocols in the market to protect all company assets that handle sensitive information.

Furthermore, work was done in 2021 on the Data Protection Policy, currently at a review stage, expected to move on shortly to the approval and publication phase.



2.3.5.

Reputational risks

These risks might arise as a result of the company failing to meet stakeholder expectations. In this regard, all the risks analysed above have an impact on the company reputation, including risks of operational, environmental and social violations, along with risks related to ethics and compliance.

In the case of Urbaser Group, operational risks stemming from obsolete infrastructures or risks related to ethics and breaches by third parties over which the company has not operational control, along with cybersecurity risks. The cultural change in society

where the awareness of individuals has considerably increased is also a factor to be taken into consideration with regard to the company's reputation. Among all these factors are:



OPERATION AND REGULATORY COMPLIANCE IN THE SUPPLY CHAIN

In Urbaser Group, although aware that it is impossible to exercise absolute control over the actions of third parties with whom contractual relations are held, everybody –individuals and companies alike–

are expected to meet the same ethical standards and principles, particularly suppliers, agents, consultants and companies managing outsourced operations.

CONTROL MECHANISMS:

MITIGATION POLICIES AND MEASURES

The Group has a Corporate Procurement of Goods and Services Policy, which defines the scope of action and basic guidelines that must govern all purchases, including supplier selection guidelines with goals such as compliance with legislation in force, contract award procedures based on criteria of competitiveness and transparency, development of relationships based on trust and observance of international agreements.

The organisation has spent years ensuring awareness of its Supplier Ethical Code, extending the application to all suppliers, contractors and collaborators of the values and principles that govern the actions of the company and which seeks to ensure stable and long-lasting business relationships based on honesty, transparency and trust, avoiding any conduct that might damage the Group's

reputation and have adverse consequences for the company or its environment.

The company also has a purchase management system to register, approve, and assess suppliers by performing a complete analysis of them in an effort to minimise risks according to the criteria set forth in the Procurement Policy and Procedures.

This approval and assessment of suppliers allows Urbaser Group to ensure that any third party that supplies goods or provides services is qualified according to standards of transparency and business ethics, human and social rights, health and safety, quality, environment and energy.

2.3.6.

Performance in 2021

Along with the abovementioned risks, the company has detected other risks inherent to its activity which, thanks to the controls in place, have been shown a low probability of occurrence or a very limited impact and, therefore, have been currently classified as “low risk” for Urbaser Group. These are the following:



Circular economy and waste prevention and management



Social relations



Universal accessibility by people with disabilities



Equality



Respect for human rights



Lack of employees with adequate technical skills



In line with the commitment undertaken, the Group has continued to work on the management of risks related to human rights, implementing company-wide controls that are adapted to new countries and designed to reduce the company's exposure to the main threats detected in this regard.

The Corporate Human Rights Policy came about for the purpose of encompassing the commitments undertaken by Urbaser Group, respecting and promoting internationally recognised standards in this area (particularly, those which directly affect its business activity and operations carried out by its employees), which was then disclosed to all employees.

As mentioned earlier, the company also continues to advance in improving the management of risks related to information technology and corporate communications. Through the regular

review, updating and reinforcement of the security policies, rules and procedures, Urbaser Group is able to intervene, react and protect its information assets in the event of any security incident that might affect it, as well as align all its activities and services with the most stringent local and international information security guidelines.

When in February 2021 Urbaser Group's Information Security management system was subject to a cyberattack, the company put the right procedures in place and informed all its employees, clients and suppliers thereof.

Furthermore, during 2021, inroads have been made in the international implementation of other initiatives focused on the standardisation and homogenisation of internal rules and procedures.

2.3.7.

Anticipating risks, identifying opportunities

GRI 102-15, GRI 201-2

Global risks also constitute challenges and opportunities for the economy, both at a macroeconomic level –for countries– and a microeconomic level, for companies. In this regard, Urbaser Group plays an active role and anticipates these risks, identifying opportunities that crop up on the global scenario.



The Global Risk Report 2022, published every year by the World Economic Forum, highlights the most concerning environmental risks regarding the health of the planet on a 10 year horizon: the failure of climate action, extreme climate and loss of biodiversity, as well as other social risks such as the debt crisis and geoeconomic confrontations, added to others such as the increase of cyber-vulnerability and greater international mobility barriers.

In this context, global approach action becomes more necessary than ever, highlighting the transformative power of public-private partnership and seeks to settle discrepancies following the impact of the COVID-19 pandemic and other international tensions. Addressing challenges that are common to all, such as strengthening climate action, improving digital security and the re-establishment of subsistence means and social cohesion.

Given that some of the countries in which the company operates are within the EU, which aspires towards international leadership in

sustainability and climate change adaptation, Urbaser Group sees itself as a guarantor of this mission at a global level in all the countries in which it operates.

Some of the manifestations of this European leadership –in line with Sustainable Development Goals– include the EU Climate Change Adaptation Strategy, presented in February 2021 in an effort to achieve climate neutrality by 2050 or the New Green Deal with which, in 2019, the European Union traced its roadmap towards sustainability. The latter includes, among others, a number of measures designed to reduce greenhouse gas emissions (GHG) and support cutting edge research and innovation through policies and cohesion programmes such as Next Generation, which offers an opportunity to advance investments and reforms to help increase resilience in the face of climate crises, as well as speed up the decarbonisation of the economy. Both proposals show that ecological transformation is an opportunity and that non-action comes at great cost.

THIS REPORT CONTAINS A DESCRIPTION OF ALL THE PROJECTS EXECUTED BY THE COMPANY AS AN AGENT THAT IS COMMITTED TO A MORE SUSTAINABLE FUTURE

EUROPEAN UNION
CIRCULAR ECONOMY
ACTION PLAN

Recycling rate

65%
of municipal
waste by 2035

Landfill reduction

10%
by 2035

Goal 2025

55%
in recycling of
municipal waste

It is necessary for both the public and private sectors to work together in this regard. The public strategy supports the private sector in identifying risks and orienting investment towards adaptive measures to deal with climate change, by offering solutions like the European taxonomy, that helps them focus on sustainable and resilient activities. In summary, correcting the perception that adaptation is only a cost: it is an investment.

Also required is a smarter adaptation of infrastructures and businesses, based on state-of-the-art technology and on digital transformation, to obtain better data on risks and losses related to climate change, which are critical to improving the accuracy of assessments.

Among the measures of the European Green Deal is the European Climate Law, passed with the aim of achieving climate neutrality by 2050, and the European Climate Pact, which seeks to foster commitment to climate action by citizens and public-private players, earmarking 25% of the EU budget to this effort, with the support of the European Investment Bank.

In line with these policies, Urbaser Group is developing energy efficiency projects, organising street lighting maintenance activities in buildings and installation of electrical vehicle charge points, as well as purchasing renewable energy.

By way of a practical example of sustainable performance in Spain, Climate Projects for the reduction of GHG emissions are under way, promoted via the Carbon Fund for a Sustainable Economy (FES-CO2). Moreover, work is carried out daily to reduce emissions: since the carbon footprint began to first be calculated back in 2013, the intensity of scope 1 and 2 emissions in the 2019–2021 period has dropped by 14.2% thanks to the consumption of renewable energy and energy efficiency.

On the other hand, in face of the world risks of depletion of resources, Urbaser Group is closely linked to the move towards a circular economy: over 54% of the innovation is directed to the circular economy, which lies at the core of the company's business. And targets are set in accordance with the EU Circular Economy Action Plan, which establishes a recycling rate of 65% of municipal waste and reduction of landfilling to 10% by 2035, with the goals for 2025 being: 55% recycling of municipal waste.

Urbaser Group shows its commitment via a number of different actions or support for initiatives that promote the ecological transition, such as the execution of R+D+I projects that study the transformation of waste into new raw materials –thus reducing its disposal in the landfill–, or the participating in various sectorial associations for the development of technical studies and consultations on European and national legislative proposals regarding the circular economy.

For this reason, and alongside the risks detected, opportunities are also identified such as the support for technology and infrastructures to help maximise the recovery of resources contained in waste through recycling plants, the support for technologies to develop industrial infrastructures for recycling and valorization that help produce better and more secondary raw materials plus the improvement of selective collection of organic and textile waste, cooking oils or hazardous waste, which require new fleets to provide these services.

Urbaser Group is aware that it is also affected by these global risks, both at a business and personal level; however, it is also aware that it is part of the solution. This report contains a description of all the projects executed by the company as an agent that is committed to a more sustainable future.

2.4.

ETHICAL MANAGEMENT AT URBASER GROUP

GRI 103, GRI 102–17

Governance culture and values

Urbaser Group builds its relationships and the conduct of its employees towards third parties on principles and values that include leadership and transparency, professionalism, solidarity and innovation, integrity and respect for people, as well as equality and work-life balance.

These values, reflected in the Code of Conduct that aims to promote the development of operations in an ethical, professional and honest environment, in accordance with the basic principles of contractual good faith and the legislation in force, must guide the behaviour of all the companies within the Group, being of application to directors, executive managers and employees of the company. They also aim to establish the ethical principles and action guidelines that must govern the performance of the company's activities and business relationships, both internally, with

regard to its employees, executives and directors in the performance of their duties, and externally, in the market and with its competitors.

Corporate governance is based on the principles of efficiency and transparency in decision-making, helping to promote profitability and sustainable growth. It is moreover organised in accordance with several corporate rules, policies and procedures for making responsible decisions to ensure the good performance of the company.



Corporate governance and corporate policies

GRI 102-16, GRI 102-18, GRI 102-19

The various corporate policies and procedures in Urbaser Group outline the framework of action to ensure responsible decision-making, regulatory compliance and good business performance.

The corporate policies designed to establish this action framework have been approved by the CEO and are applicable to all the companies of which Urbaser Group is a partner/majority shareholder or are under the control of the Board. Their publication serves to strengthen the company’s commitment to good corporate governance practices and transparency as the strategic cornerstones for achieving sustainable growth and increasing competitiveness, trust and the positive impact it generates in all environments in which it operates.

GOVERNING BODIES OF URBASER GROUP

The governing bodies representing and managing Urbaser Group are as follows:



General Meeting



Board of Directors



Chairman



Chief Executive Officer

SHAREHOLDERS

100% of the shares of Urbaser, S.A.U. belong to the company Platinum Equity⁴, a global capital investment firm based in the USA, Europe and Asia, specialising in mergers, acquisitions and corporate operations that offer critical mission products, services and solutions in several industries.

Prior to the acquisition, the company was subject to an exhaustive due diligence process during which the shareholders were apprised of all the corporate policies of Urbaser Group, including the Code of Conduct and the Corporate Anti-Corruption Policy.



General Meeting

The General Meeting is the representational body of the shareholder/s in which decisions are made on issues which, according to what is set forth in the Company Bylaws, fall within its purview.



Board of Directors

The Board of Directors of Urbaser Group is the most senior management and representative body. The functions of the Board of Directors concern all matters that are not expressly reserve by Law or the Bylaws to the General Meeting. The following are some of the duties carried out by this body:

- Legal and extra-legal representation of the Company.
- Management and administration of all matters concerning the corporate purpose of the Company and its assets and business.

In 2021, the Board of Directors met seven times, with an attendance rate of 100%.

THE BOARD OF DIRECTORS IS COMPRISED OF:

MARY ANN SIGLER
Director and Chairperson of the Board of Directors

JOSÉ MARÍA LÓPEZ PIÑOL
Director and Deputy Chairman of the Board of Directors

MIGUEL LIRIA PLAÑIOL
Director-Board member

IGNACIO PALLARÉS CAPDEVILA
Non member Secretary

50% of the members of the Board of Directors are under the age of 50 and the other 50% is over the age of 50.

4. It acquired the company in 2021.



STEERING COMMITTEE

The Steering Committee is comprised of seven members with a broad multi-disciplinary experience, managing the company in accordance with the guidelines and strategies approved by the Board of Directors. It is also the body responsible for communicating the shareholder guidelines to all the employees.

The Sustainability area reports directly to a member of the Steering Committee; this means that any decisions involving sustainability are made at the most highest level.

The Regulatory Compliance Committee and the supervisory role of internal audit ensure the good governance of the company through the implementation of controls and procedures to determine the best course of action.

REMUNERATION POLICY OF BOARD MEMBERS

The sole shareholder of the company approved, in accordance with the Bylaws, a maximum amount of remuneration for members of the Board of Directors.

INTERNAL REPORTING AND WHISTLEBLOWING CHANNEL

All employees, clients, suppliers, partners and members of the communities in which Urbaser Group operates may use the internal channels in place to report any potential irregularity, breach or behaviour that is not ethical, lawful or which contravenes the rules governing the company.

Through its corporate website (www.urbaser.com), which includes all the countries in which it operates, the ethical channel can be ac-

cessed to report any incidents related to the breach of the principles set out in the Code of Conduct.

During 2021, a total of 27 reports were received, of which 24 were settled and three were investigated pending resolution (19 were received in 2020, all settled in 2021), through these channels and/or other formal complaint mechanisms.

THE FIGHT AGAINST CORRUPTION, BRIBERY AND MONEY LAUNDERING GRI 205-2

In an effort to prevent corruption, money laundering and bribery, Urbaser Group has a Corporate Anti-Corruption Policy designed to promote a culture of compliance and the fight against corruption, bribery and other unlawful conducts.

On the one hand, it has a Crime Prevention Model, which is a structured control system designed to mitigate the risk of committing crimes from which they may derive criminal liabilities for legal persons, including those referring to corruption risks.

In order to comply with this model, Urbaser Group has a Regulatory Compliance Committee (CCN) that is responsible for ensuring respect for the company’s ethical principles, as well as detecting and mitigating any breaches of applicable regulations or instances of misconduct.

During 2021, over 5,000 employees were apprised of the existence of the Code of Conduct, of which more than half were new recruits who additionally benefited from specific training on the Code of Conduct and anti-corruption policies.

| Country | Number of employees informed/ trained on Code of Conduct/ Anti-Corruption Policy in 2021 | % workforce per region |
|----------------|--|---------------------------|
| Colombia | 733 | 36% |
| Sweden | 462 | 100% |
| United Kingdom | 726 | 48% |
| Oman | 0 | 0% |
| Mexico | 6 | 2% |
| Morocco | 0 | 0% |
| Jordan | 0 | 0% |
| Italy | 0 | 0% |
| France | 20 | 2% |
| Finland | 347 | 101% |
| Spain | 57 | 0% |
| Chile | 2,684 | 53% |
| Bahrain | 0 | 0% |
| Argentina | 0 | 0% |
| Norway | 5 | 1% |
| Denmark | 312 | 53% |
| Venezuela | 130 | 121% |
| United States | 5 | 63% |
| Ecuador | 0 | 0% |
| India | 80 | 1% |
| TOTAL | 5,567 | 9% |

Of the 59,719 employees at 31 December 2021, 56,105 are in operational jobs with no direct exposure to corruption risk.

With regard to the fight against money laundering, training has been provided on the Code of Conduct in Mexico and, throughout 2022 and with the aim of reinforcing the workforce’s level of awareness and consolidating the understanding and compliance with the Code of Conduct and the corporate policies of Urbaser Group, specific training programmes will be provided in several countries.

In the spirit of continuous update and improvement of its Compliance Model, Urbaser Group will continue to place value on the creation of any policies deemed appropriate to consolidate the company’s position in matters of anti-corruption and working towards the implementation of crime prevention models in all countries in which it operates.



3 A culture of innovation



INNOVATION IS ONE OF THE MAIN DRIVERS FOR SUSTAINABLE DEVELOPMENT IN URBASER GROUP, FOCUSED ON THE DESIGN OF SOLUTIONS TO OPTIMIZE WASTE MANAGEMENT PROCESSES AND OPERATIONS IN URBAN ENVIRONMENTS THAT ARE CAPABLE OF ADAPTING TO THE PRESENT AND FUTURE CHALLENGES OF AN INCREASINGLY DYNAMIC AND CHANGING ENVIRONMENT.

GRI 103

Innovation management in the company is transversal to all business areas and is also participative, encouraging collaboration among employees, Public Administrations, scientific organisations and civil society, in the search for joint solutions.

The quality of the R+D+I of Urbaser Group is reflected in an increase in financial support from the European Commission for the development of projects through aid programmes such as Horizon 2020. In 2021, investment in innovation reached 10.49 million euros, with 43 projects under way.

In addition to first rate facilities and technological equipment, the organisation boasts a highly qualified multi-disciplinary and is committed to promoting a culture of innovation among its employees. Thus, as well as having experts dedicated exclusively to research activities, technicians and operators in other areas spend part of their working day on such activities. In 2021, the team of Urbaser Group dedicated an average of 40,000 hours to innovation projects.

In Spain, Urbaser Group has an R+D+I Management System that has been certified under the UNE 166002:2014 standard to develop innovative actions, fostering a culture of open collaboration that generates top quality know-how to be applied in the execution of projects to the different business lines. In addition, this R+D+I Management System follows the recommendations established in by the European Committee for Standardization UNE-CEN/TS 16555-1:2013.

The essential nature of the services provided and its high technological development provide the company with the capacity required to search for solutions that tackle and take over the increasingly critical environmental challenges we face.

In line with this commitment, Urbaser Group has a sustainable development model that is structured through its Technological Innovation Master Plan 2019-2023, containing the main lines of research related to the circular economy, smart cities and the culture of innovation.

In 2021, several innovation projects have been developed using the five main strategic lines of the plan as a roadmap.



INNOVATION

STRATEGIC LINES OF URBASER GROUP

BUSINESS AREAS



Urban Waste Treatment



Industrial Waste Treatment



Urban Services



Water Management



'Alfonso Maíllo' Innovation Centre (CIAM)

Over 5,000 m² dedicated to R+D+I projects related to all stages of waste treatment

9 12

IMPACTED SUSTAINABLE DEVELOPMENT GOALS



Innovation Line 1

Waste treatment processes under the concept of circular economy

ICAREPLAST

Integrated catalytic recycling of plastic waste to obtain chemical products

9 12

CEUS

Circular economy for the valorization of urban plastic waste

SEALIVE

Circular economy strategies and advanced biological solutions to keep our land and sea alive and protected from plastic pollution

URBIOFIN

Demonstration of an innovative integrated biorefinery for the transformation of urban solid waste into new biologically based products

9 12

CIRCULAR BIOCARBON

Converting carbon from complex organic urban waste streams into value added products

4 9 12

TECMARPOL

New bituminous binder for road surfaces using

VRADSPR

Valorization of distilled asphalt waste from regeneration of used oils using pyrolysis

9 12 14

Innovation Line 2

Sustainable mobility solutions in urban services



Sustainable mobility

Development and implementation of sustainable mobility solutions using electrically propelled vehicles, CNG, LPG or hybrids as an alternative to those powered by polluting fossil fuels.

Design, manufacture and commissioning, in cities like Madrid and Barcelona, of vehicles of a width of under 2 m, with noise generation below 90 dB and a high load capacity with different configurations: 26 t, 18 t and 14 t.

Innovation Line 4

Processes for closing the water cycle



CIRCULAR BIOCARBON

Converting carbon from complex organic urban waste streams into value added products

6 9 12



LIFE GREEN SEWER

Innovative secondary treatment of waste water with recovery of resources

4 9

Project 0

Demonstration of technological and planning tools for circular, integrated and symbiotic water usage

6 9

Innovation Line 5

Innovative solutions for urban spaces management



INNOMAD – Street cleaning innovations in Madrid

Innovations in street cleaning, consisting of a design of a new multifunction sweeping trolley, an automatic sweeping waste collector, both manual and mechanical, and a street cleaning machine fitted with vacuum cleaning functions and water pressure cleaners.

9 11

SENSIoT-Platform

Set of Internet of Things solutions geared for environmental services

9 12

Innovation Line 3

Technologies to reduce environmental impacts



CIAM: at the forefront of innovation




The CIAM, “Alfonso Maíllo” Centre for Technological Innovation, situated in Spain, is the cornerstone of innovation in Urbaser Group. With 5,000 m² of surface area, semi-industrial scale equipment and pioneering facilities, this centre makes possible the execution of R+D+I projects for the verification and validation of technical and financial feasibility.

When developing new waste treatment techniques there are a number of factors that complicate the process, including the heterogeneity of the waste itself, its seasonality (variations in type and quantity) and the need to have large amounts of waste to be able to assess the effectiveness of a specific process. The CIAM responds to this need by researching new models of integrated and sustainable waste management to reduce rejects as much as possible and add value to the by-products. Among the types of testing that carried out at CIAM are:

Its multi-disciplinary team of researchers, the state-of-the-art equipment and the available of waste on a large scale, make CIAM an opportunity for clients, administrations or research centres to develop projects with sustainable investments.

This collaborative model thus provides technically and financially viable results as well as being an example of good practices, attracting European R+D+I funding.

Tests performed at CIAM

-  Thermal processes (biofuels, CSR, energy valorization, etc.)
-  Biological processes (biorefineries, anaerobic digestion, composting, odour treatment, leachate treatment, etc.)
-  Physicochemical analysis

L1. Waste treatment processes under the concept of circular economy

GRI 103



CEUS

The CEUS project is co-funded by the CIEN Strategic Programme of the Technological Industrial Development Centre (CDTI) whose goal is to research and implement new treatments for the recovery of plastic waste arising from the “all in one” collection system that are currently not being reused.

This project aims to achieve an additional source of plastic supply, thus reducing the consumption of fossil fuels. The classification and treatment processes will be improved and the properties of these heterogeneous plastics will be adapted to transform them into new plastic products. A RFID radiofrequency identification system has been installed in the project for tracing different packaging typologies and performing recyclability studies. This facility enables the efficiency analysis of waste treatment plants classification systems and, in addition, it helps research delamination process of multi-layered materials, as well as odour elimination and polymer compatibilization. Finally, the end chippings and scales are transformed for conversion into new plastic bags, clothes hangers, food containers and pallets.

BUSINESS AREA

 Urban Waste Treatment

CIEN-CDTI Strategic Programme


iCAREPLAST

The iCAREPLAST programme aims to obtain high added value chemicals from heterogeneous mixtures of plastics from solid urban waste.

To this end, it carries out a combined process of pyrolysis, catalytic treatment, membrane separation and oxycombustion, which produce high added value chemicals (aromatics and alkylaromatics) from heterogeneous mixes of plastics from waste.

This process will enable the recovery and valorization of liquid and gaseous streams generated, rich in hydrocarbons, including CO₂, as well as solid by-products (coal), all seeking to maximise energy balance, minimise the environmental footprint and guarantee economic sustainability.

BUSINESS AREA

 Urban Waste Treatment

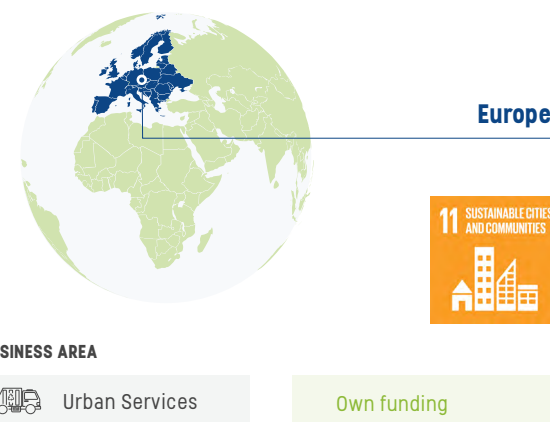
Horizon 2020 Programme

L2. Sustainable mobility solutions in urban services

Sustainable mobility

The performance of innovative actions to develop 100% sustainable mobility solutions in urban services, through the implementation of vehicles that are not powered by polluting fossil fuels, encouraging the improvement of the air quality in the cities and aligned with the commitment of carbon neutral cities by 2030.

Similarly, Urbaser Group focuses its efforts on developing vehicles with special features to improve waste collection and transportation and street cleaning services: in particular, the design, manufacture and commissioning, in cities like Madrid and Barcelona, of vehicles under 2 m wide, with a noise generation below 90 dB and a high load capacity with different configurations: 26 t, 18 t and 14 t.



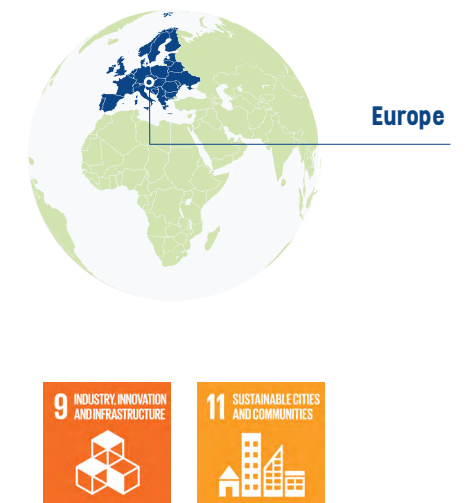
L3. Technologies to reduce environmental impacts

SENSIoT-Platform: industry 4.0 for the city

The company has developed a set of IoT solutions geared for environmental services under the worldwide registered trademark SENSIoT-Platform.

The platform is based on Microsoft Azure technology, formed by state-of-the-art information processing services. This technology connects, processes and centralizes the information stemming from different sensors placed in the city (fixed and mobile assets) and shares it with the City Platforms, with the objective of improving control and decision-making.

The main feature of SENSIoT is the mass collection of information generated by the Urbaser Group IoT devices installed in different assets, such as the extensive fleet of vehicles and smart waste containers, thanks to electronic devices and the latest telecommunications standards such as 3G/4G, Sigfox, LoRAWAN and NB-IoT. This information is then consolidated so that it can be used by advanced software tools.



BUSINESS AREAS

Urban Services

Own funding

Urban Waste Treatment

Water Management

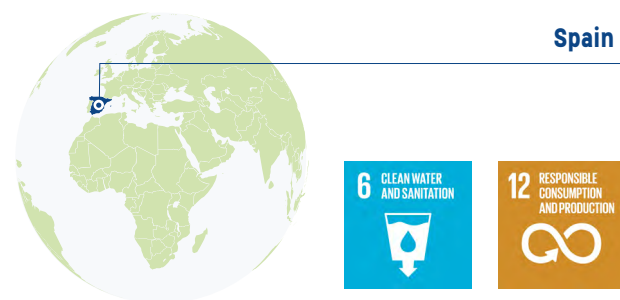
L4. Processes for closing the water cycle

LIFE GREEN SEWER

The main objective of this project is the implementation at pilot scale of a new secondary treatment of waste water which will apply both to urban and industrial waste water, formed by the joint application of new and resource-efficient technology; in particular, direct-indirect osmosis with an anaerobic membrane bioreactor.

This new system will enable the recovery of resources, in line with the EU's Circular Economy Action Plan (CEAP), obtaining biogas, nutrients and water for reuse. In addition, it will also enable the monitoring and reduction of emerging polluting discharges and pathogens, as well as reduce energy consumption and water losses, and reduce the operating costs of secondary waste water treatment.

The project is co-funded by the European Commission under the LIFE programme (EU financing instrument for the environment and climate action).



BUSINESS AREA



LIFE Programme

CIRCULAR BIOCARBON

The European flagship circular economy project coordinated by Urbaser Group, which will develop the first biorefinery in Europe on an industrial scale to valorize the organic fraction of urban solid waste and WWTP sludges into high value added products.

This project, which boasts the participation of eleven partners from five European countries, began in early June 2021 and will continue through to June 2026, in line with the European Commission's commitment to promote the circular economy and the achievement of SDG 12.

The biorefinery, with a global budget of 23 million euros, of which the European Commission will fund a total of 15 million euros, is a unique and integrated model in which the processing lines will be implemented in two different locations: in Zaragoza (Spain) and in Sesto San Giovanni (Milan, Italy). The lines to be implemented in Spain will start to be built in 2022 at the "Alfonso Maíllo" Innovation Center and in the Complex for the Treatment of Urban Waste of Zaragoza (CTRUZ).

The CIRCULAR BIOCARBON project will be the first and only project to open up to new business ventures based on a circular vision of the joint treatment of the organic fraction of solid urban waste and sewage sludge.



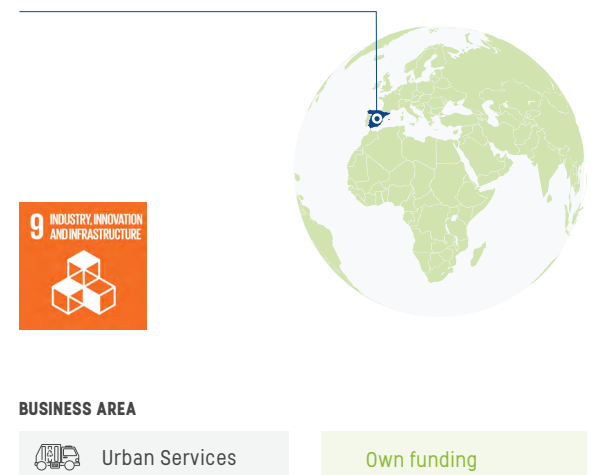
L5. Innovative solutions for the management of urban spaces

INNOMAD – Street cleaning innovations in Madrid

Development of different innovative solutions within the area of urban cleaning for cleaning public spaces in the city of Madrid. Among three solutions developed, which have been protected by the utility model, are:

- **Street sweeper trolley prototype:** proprietary design that includes changes that facilitates its manoeuvrability and adaptability to the current needs of the operator and, in general, of the cleaning service.
- **Automatic collector prototype:** collector design that connects with the back loading refuse collection trucks, helping to collect waste from manual sweeping and mechanically collected by the cleaning service.
- **Street cleaning machine:** the modification of a vacuum cleaner to add a water pressure cleaner for cleaning streets or collecting leaves more efficiently.

Spain



The environmental strategy of Urbaser Group seeks to respond to the commitment to its stakeholders. This strategy is based on an internal view of efficiency in the management of direct impacts on the company, as well as an external perspective focused on searching for solutions that are built on sustainable innovation of all operations, to help reduce external impacts related to the various business areas: Urban Services, Urban and Industrial Waste Treatment, Integral Water Management and other services for the community.

In 2021 work is under way to draft an ESG Strategic Plan 2022–2025 with specific goals for each business lines and corporate areas, in line with material issues. The contribution of the company to the great challenges of the 2030 Agenda is materialised through the management of the impacts in each of these areas.



4 The protection of the environment, the cornerstone of our operations >>

4.1.

INTEGRATED ENVIRONMENTAL MANAGEMENT



GRI 102–11, GRI 103

Urbaser Group materialises its contribution to the 2030 UN Agenda via its environmental strategy, integrating sustainable innovation in all operations: seeking solutions to help improve energy efficiency (SDG 7) and the circularity and efficient management of water (SDG 6), promoting circular economy and responsible production and consumption (SDG 12) and supporting the development of projects that provide solutions to combat the pollution of land ecosystems (SDG 15), marine ecosystems (SDG 14) and drive the transition towards a low carbon model (SDG 13).

2021
3
internal audits on the Energy Management System

2020
4

2021
19
energy audits

2020
24

2021
203
internally audited centres on environmental matters

2020
262

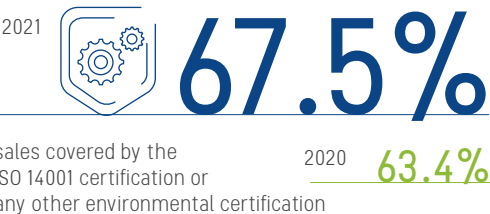
2021
35
environmental complaints received and duly settled

2020
8

This quest for solutions is the backbone of the Corporate Quality, Health & Safety, Environmental and Energy Policy which sets forth a number of principles that ensure the utmost quality in the provision of services and guarantee customer satisfaction, as well as the protection of the environment, the prevention of pollution, respect for the value of natural resources and the conservation of biodiversity.

All Group facilities have implemented an Integrated Quality, Health & Safety, Environmental and Energy Management System, in accordance with the ISO 9001, ISO 14001, ISO 45001 and ISO 50001 standards, ensuring targets are reached and the dissemination of the corporate policy is continuously improved. In addition, the Energy Management System, in accordance with the ISO 50001 standard, helps to improve energy performance, to increase efficiency and to reduce any environmental impacts that might arise from the activity in the facilities in which it is implemented.

In accordance with Law 26/2007 and the European Union Directive 2004/35/EC on Environmental Responsibility, Urbaser Group has carried out environmental risk analyses (in Spanish, ARMAs) in facilities where it is mandatory, according to the schedule set forth in the regulations and to the order of priority of the activities carried out. The overall purpose of this is to assess whether or not to provide a financial guarantee to cover against environmental risk and submit the pertaining affidavit in this regard to the competent authority within the established deadline. ARMAs will be subject to review and update in the event of modifications taking place



in the facilities that are believed to be relevant in terms of the environmental risks that these may pose, acting accordingly with regard to furnishing a financial guarantee. Similarly, the set of policies and mechanisms that the company has implemented to mitigate environmental risks has been already explained in the section on operational risks of this report.

In order to ensure compliance to the management system, internal audits are performed in the different services and facilities. Furthermore, in Urbaser Group, the functions and responsibilities of the company members are defined in terms of the achievement of goals and targets set forth in the pertaining management systems for quality, health and safety, the environment and energy.

4.1.1.

Main environmental figures

GRI 103

Efficient water management

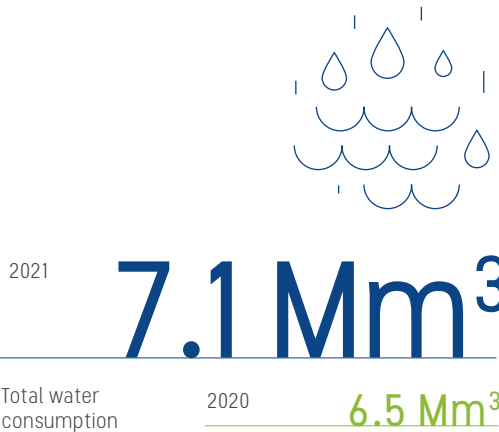
GRI 303–1, GRI 303–5

Water consumption

Due to the inherent nature of the company, the activities it carries out are not particularly intensive in terms of natural resources consumption, other than water usage. Nevertheless, the control and measurement of resources is carried out for the utmost optimisation of usage.

Within the context of control of natural resources consumption, a series of mandatory general guidelines are established in order to avoid unnecessary water consumption. Among those guidelines, it is worth mentioning individual behaviour rules, such as turning off taps and irrigation hydrants when not in use, all the way to control mechanisms such as the installation of flow restricting devices and other water saving devices at the facilities, such as use of rainwater.

| Total water consumption (m³) | | |
|---|--------------|--------------|
| | 2020 | 2021 |
| Well or ground water | 1,601,321.71 | 2,174,444.61 |
| Mains water | 4,273,811.25 | 4,448,661.47 |
| Rainwater | 200,932.71 | 230,261.00 |
| Water from treatment plant | 461,197.14 | 243,271.64 |
| Demineralised water | 5,008.00 | 5,513.00 |
| of which, water reused in service or facility | 331,570.10 | 341,481.09 |
| Total consumption | 6,542,270.81 | 7,102,151.72 |



Water bodies affected by collection or discharge

The collection and discharge of water is necessary at Urbaser Group for the performance of certain activities:

1. Waste treatment at plants
2. Supply of drinking water through water purification plants (DWTP), at waste water treatment plants
3. Execution of works

For this reason, the company and the environmental authorities have established prevention measures to minimise potential effects on the species that may exist in river ecosystems, such as respect-

ing the system of environmental water flows and the technical requirements set forth by the government authorities themselves.

| Water discharges (m³) | | |
|--|--------------|--------------|
| | 2020 | 2021 |
| Waste water generated during operation | 853,607.22 | 531,347.82 |
| Water contained in disposed waste | 863,605.84 | 988,978.63 |
| Total discharge | 1,717,213.06 | 1,520,326.45 |

Consumption of raw materials

Urbaser Group is committed to the efficient use of energy and other raw materials, insofar as the rational use of resources and the pursuit of the utmost efficiency using the best available technology constitute a basic principle with regard to reducing the impact on material resources, the territory and ecosystems.

Nowadays the company is working to find solutions to replace plastic bags in street bins with other materials, to reduce the company's plastic consumption and avoid such bags to get into the sea in coastal areas.

Consumption of raw materials

| | 2020 | 2021 |
|-------------------------|----------|----------|
| Potash (t) | 3,037.33 | 3,357.96 |
| Wire (t) | 2,092.25 | 2,412.38 |
| Lubricants (t) | 2,077.45 | 2,157.91 |
| Wheels (t) | 1,544.21 | 1,478.87 |
| Rubbish bags (millions) | 41.11 | 40.98 |

Own-generated waste

GRI 306-2

As in any other industrial activity, Urbaser Group generates waste from its own activities. Among this waste, that generated from the maintenance of facilities and machinery such as used oil, batteries, contaminated rags and containers, etc. The company guarantees the proper management and treatment of the waste it generates, both hazardous and non-hazardous, always collected by an authorised waste manager that has been previously selected by the company.

In 2021, the company generated 23,148.34 tons of hazardous waste and 8,087.08 tons of non-hazardous waste (in 2020, 22,383.36 and 7,451.27 tons, respectively), both arising from its activities. In 2021, the company managed to recover 75% of hazardous waste (in 2020, 78%).

The company activities include leakage control, with special attention paid to control of leachates from managed waste, as well as the leakage of volatile compounds that might take place at the facilities.

Urbaser Group minimises the amount of waste generated in all its activities, by prioritising reuse, recycling and energy valorization as waste management methods. When this is not possible, such waste is handed over to an authorised manager for optimal treatment.

Own-generated hazardous waste by type of disposal method (t)

| | 2020 | 2021 |
|-------------------------|-----------|-----------|
| Disposal | 3,500.40 | 5,682.48 |
| Valorization | 17,443.52 | 16,557.23 |
| Sludge for purification | 1,439.44 | 908.62 |

2021



75%

of hazardous waste recovered

2020 78%

Energy generation and consumption: energy efficiency in operations

GRI 103, GRI 302-1

The waste treated in Urbaser Group's facilities constitute a source of energy that can be used in various processes which require use of energy; both for self-consumption and to export electricity and thermal energy.

There are different processes like biogas generation or waste and biomass to energy valorization, which enable electricity generation (most of which is consumed by the Group during waste and water treatment).

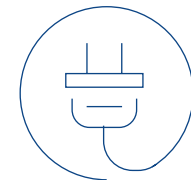
Of this generated electricity, 64% of which is renewable (66% in 2020), 19% is used for self-consumed and the remaining 81% is exported (in 2020, 18% self-consumed and 82% exported).

During 2021, the Group managed to reduce its energy consumption by 946 MWh thanks to energy efficiency measures (7,268.96 MWh in 2020).

Energy consumed (GWh)

| | 2020 | 2021 |
|--|----------|----------|
| Direct consumption (fuel, self-consumed electricity and heat) | 1,727.67 | 2,386.57 |
| Of which, from renewable sources | 213.74 | 713.32 |
| Indirect consumption (grid electricity) | 272.92 | 265.14 |
| Of which, from renewable sources | 146.79 | 144.70 |

2021



64%

of the electricity generated is renewable

2020 66%

2021

946 MWh

reduction of energy consumption due to energy efficiency measures

2020 7,268 MWh

Energy generated (GWh)

| | 2020 | 2021 |
|------------------|----------|----------|
| By source | | |
| Electricity | 1,374.75 | 1,528.61 |
| Heat | 1,075.69 | 1,356.98 |
| By source | | |
| Renewable | 1,471.17 | 1,669.30 |
| Non-renewable | 979.27 | 1,216.29 |
| By use | | |
| Self-consumed | 594.73 | 897.73 |
| Exported | 1,855.71 | 1,957.89 |

Emissions

GRI 305-7

Air quality

With a view to increasing the transparency of the information reported on atmospheric emissions arising from the Company’s business activity, Urbaser Group has for years not only been reporting its CO₂ emissions, but also other significant atmospheric emissions. Monitoring such figures enables the company to control parameters and develop new alternative solutions.

| Other significant emissions (t) | | |
|---------------------------------|----------|----------|
| | 2020 | 2021 |
| NOx | 1,622.57 | 1,963.79 |
| SOx | 267.85 | 384.03 |
| Particles | 91.40 | 179.76 |
| Other gases | 1,211.86 | 2,770.44 |

Noise and light pollution



Urbaser Group has certified environmental management systems under ISO 14001, which help to ensure it does not exceed the levels established in the legislation regarding noise and light pollution, helping to prevent and improve the management of the company’s environmental impacts, risks and opportunities.

The company’s Environmental Management System documentation includes a procedure to identify potentially noise polluting activities and the need to control noise emissions is established according to the legislation in place in each municipality.

When processing the Integrated Environmental Permits required by some of the company’s activities, the minimum distance from urban centres is established, in an effort to prevent any kind of noise

or light pollution. Urbaser Group meets such legal requirements, both at a central government level and in terms of laws and ordinances enacted by the Autonomous Communities and City Councils in the regions in which it operates.

For any activities that might be considered to have a significant noise impact or when established by the pertaining permits or licences, noise measurements of the activity are performed during the times of day when such an activity is performed.

In addition, the operational control of the mobile machinery used is carried out to maintain the engine, gear transmission, body and other items that might generate noise in optimal working condition.

4.1.2.

Environmental provisions and assurances

GRI 102-11

Urbaser Group currently benefits from an international insurance programme that is structured in two tiers to cover against its environmental liability. This insurance programme has been issued in accordance with Law 11/2014 (26/2007) and the European Union Directive 2004/35/EC on Environmental Liability.

The geographical scope of this insurance warranty extends and is limited to the liability arising from physical injury, material damage, immissions, disturbances or obstructions, damage to the environment, as well as any consequential damages arising therefrom, and/or pure economic loss, occurring in countries all over the world⁵.

The programme provides cover to the activities carried out by Group companies in accordance with the information contained in the Annual Report and/or the corporate purpose (bylaws) of such companies and/or any complementary information provided, as well as any other new activities that may be added during the year. Such activities are included within integral waste management (collection, treatment, regeneration and/or disposal of urban waste, household waste, industrial waste, operation of treatment and disposal facilities, etc.) and the promotion and exploitation of all kind of services (cleaning and repair of buildings and integral maintenance of installations and buildings, street furniture, water cycle management,

conservation and maintenance of parks and gardens, preservation of natural resources, etc.), among many other areas.

The compensation limits of each of the two tiers of the insurance programme are €35,000,000 and €25,000,000 (excess of €35,000,000) respectively.

The value of the environmental provisions of Urbaser Group at 31 December 2021 amounted to 76.48 million euros (68.08 million euros in 2020).

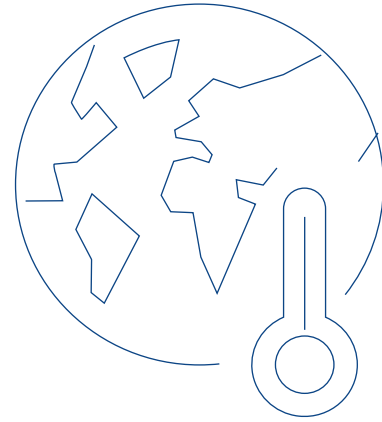


5. Except for OFAC (US Office of Foreign Assets Control)



4.2.

COMMITTED TO THE CLIMATE



4.2.1.

Climate change mitigation

GRI 302-1, GRI 302-5, GRI 305-5

With a view to reducing greenhouse gas emissions, since 2013 Urbaser Group has been calculating its carbon footprint throughout the organisation on a voluntary basis. To this end, the required mechanisms to gather, quantify and disseminate have been developed in order to study and report its impact. The main goal is to identify the sources and activities that generate the most emissions, so as to design mitigation actions.

The company calculates the three carbon footprint scopes, applying methodologies (GHG Protocol and EPE Protocol) and recognised emission factors at an international level (IPCC) and in Spain (INE), adopting a control approach towards the inventory, quantifying and declaring 100% of the emissions generated by

the companies over which the Group has operational control. To this end, the Group has developed a proprietary tool, Urge CO₂, for calculating emissions by business area, service and even process.

In addition, the Group has a Mitigation Plan for the emissions generated by its activity, with one main goal: a 5% reduction in the intensity of scope 1 and 2 emissions in 2022 over that of 2017.

The main measures in place to achieve this emissions reduction target can be summarised in the following actions:

Implementation of energy efficiency measures in facilities and services

GRI 103, GRI 302-1, GRI 302-3, GRI 302-5, GRI 305-4

Energy is saved in facilities management thanks to measures such as the sectorisation and monitoring of electrical consumption, which enables higher consumption areas to be detected with a view to optimising use, replacing less efficient equipment or reconsider the process, the gradual replacement of conventional lighting with LED technology or the installation of thermal insulation at critical points.

As for the management of the vehicle fleet, the company applies measures such as route optimisation, the installation of telematics systems, automatic control of tyre pressure, use of ECO tyres and the provision of efficient driving courses, among others.

The energy intensity of Urbaser Group in 2021 reached 0.92 GWh/million euros revenue (in 2020, 0.88).

Renewable energy consumption in facilities

Urbaser Group generates renewable energy thanks to waste to energy valorization and, in addition, thanks to the solar PV installations which also contribute towards this undertaking. A share

of the renewable energy generated is consumed at the treatment plants themselves, thus contributing towards reducing GHG emissions.

Implementation of framework agreements by countries and emissions reduction through renewable energy guarantees of origin

The company has committed to purchasing electricity from renewable sources, planning to reach 100% by 2025.

TARGET 1

222,182 MWh

in 2023

Via the purchase of 100% renewable electricity in countries with an annual consumption above 50,000 MWh.

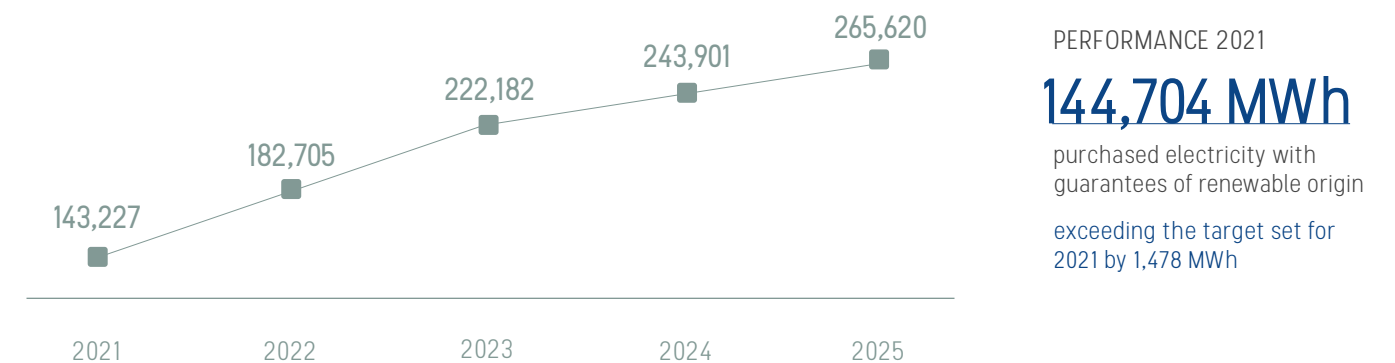
TARGET 2

265,620 MWh

in 2025⁶

Via the purchase of 100% renewable electricity in countries with an annual consumption above 1,000 MWh.

Yearly growth target in the purchase of electricity with renewable origin (MWh)



In turn, through its electricity distributor and under its electricity framework agreement, Urbaser Group has purchased 100% of energy with a guarantee of renewable origin, which means that all the electricity consumed under this contract in Spain has been generated from renewable energy sources and therefore has a zero emissions factor. The consumption of grid electricity with guarantee of renewable origin translates into a substantial yearly reduction in GHG emissions, being one of the main measures in place to reach the target of carbon footprint reduction.

Moreover, the renewable energy generated at the Group's facilities implies the generation of guarantees of origin. In keeping with the circularity target, part of such guarantees have been used by the company in 2021 to reduce emissions from purchasing non-renewable electricity.

6. An amount that would account for 97% of the total electricity purchase of Urbaser Group.

Use of electricity and alternative fuels in the vehicle fleet

GRI 103, GRI 305-4

Urbaser Group seeks to adapt its services to the new paradigm faced by the communities in which it carries out its activity, which, in addition to excellence and flexibility, also demand low environmental impact solutions that improve the quality of life of the population. To achieve this, the organisation has measures in place that not only allow for greenhouse gas emissions to be reduced, but also the reduction of other polluting particles that are harmful to health which are emitted at local levels due to the fossil fuels used in vehicles, such as NOx, SOx, among others, thus contributing to the improvement of air quality.

With this in mind, the company undertakes, as part of its ESG strategy (and in line with SDGs 11 and 12) to add the highest number of ecological vehicles to its fleet all over the world, with the strategic target of 35% by 2025. This ambitious target depends on external factors which might slow down the transition, such as the current lack of vehicle charging points in most of the countries in which it operates.

In this regard, the company has a gradual fleet renewal plan in place, aiming to replace vehicles using fossil fuels with others with zero or low emissions. This plan is one more inroad made in the longstanding experience amassed by Urbaser Group in terms of electrical vehicles, which was begun back in 2000.

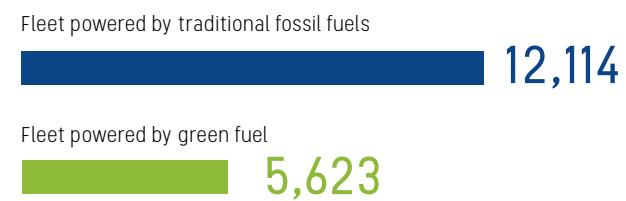
The Group currently has 1,670 low emission vehicles and 3,959 zero-emission vehicles (in 2020, 927 and 516 respectively), and the largest private NGV charge centre in Spain.

As a result of this renovation, the fleet has increased in 2021 by 74% over 2020. In 2021, 42% of the gas for vehicles consumed by the company has renewable origin, compared to 45% in 2020.



Active distribution of the fleet by fuel type

Current distribution of worldwide fleet



Low emission and zero emission active fleet

| | |
|------------|-------|
| Electrical | 3,959 |
| CNG | 919 |
| LPG | 470 |
| Hybrid | 275 |



Global challenges to be faced

In recent years, the increase in regulations and policies based on zero emissions all over the planet have encouraged many countries to work together to achieve this common goal. However, and although it would appear that the commitment to sustainable mobility is becoming increasingly widespread, some regions and countries lack the necessary infrastructure to render this type of mobility feasible. The presence of Urbaser Group in over 20 countries means that the implementation of ecological fleet projects poses an enormous challenge in some of them, due to the level of local social and economic development, their legislation or even their culture.

These are some of the challenges faced by the company in the various regions:

CENTRAL AND SOUTH AMERICA

Depending on the country, regulations on polluting emissions are more or less active; however, there is a strong tendency towards using vehicles powered by traditional fossil fuels instead of clean vehicles.

MIDDLE EAST

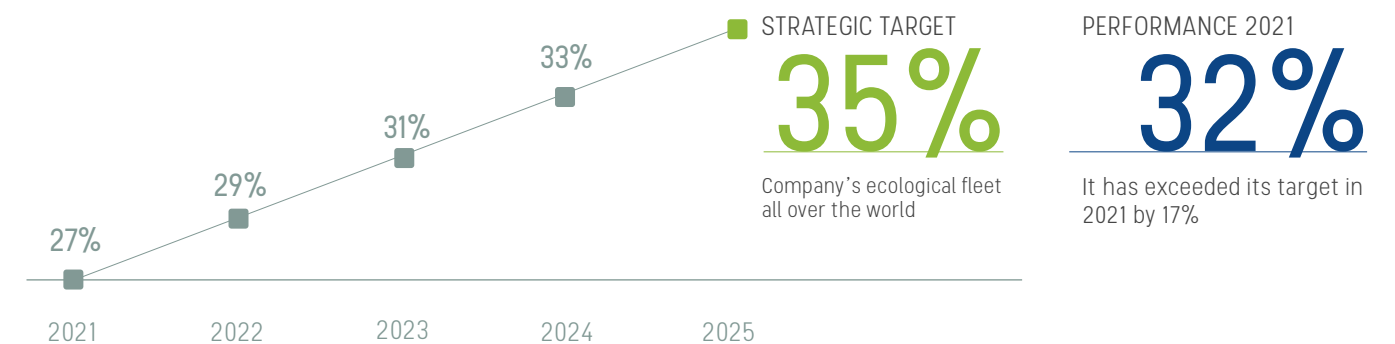
In most countries the economy depends on the export of oil and its by-products. The use of traditional fossil fuels is linked to their low cost within the region.

ASIA

This is the most asymmetrical region, including countries with considerable technological development and environmental awareness, to countries with a low level of socioeconomic development, where the only option is to choose vehicles powered by traditional fossil fuels.

Committed to having an ecological fleet

Ecological fleet increase yearly target (%)





Good mobility practices in Urbaser Group

Vehicle trials using alternative fuels

HVO BIOFUEL IN THE CITIES OF SELBY AND GOSPORT

Use of HVO⁷ biofuel in six vehicles in the city of Selby (UK) instead of traditional diesel. This biofuel is ISCC certified (International Sustainability Carbon Certification), allowing for carbon emissions to be reduced by 90% compared to diesel, particles by 85% and NOx by 30%. During 2021, tests have been performed with these six vehicles: four RCVs⁸, one mechanical sweeper and one cage tipper, having scheduled tests to confirm the reduction of declared emissions of the HVO compared to diesel.

In addition, HVOs have also be used in the city of Gosport as contingency fuel in the face of the fuel crisis. Results have shown that, in addition to reducing emissions, they did not produce notable side effects in the fleet MPG⁹.

CONVERSION OF RCVS TO USE LPG AND RE-MOToring DIESEL ENGINE VEHICLES TO LPG ENGINES

In 2021, a trial began in Waltham Forest (UK) to adapt a diesel engine to be powered by a mix of diesel and LPG. This produces a substantial reduction in vehicle emissions (up to 52%), as well a generate financial savings in overall fuel costs.

There is a project under way in Spain to refit old diesel trucks with new LPG engines. This will provide them with a second useful life, as well as transforming them into ECO environmentally recognised vehicles.



United Kingdom

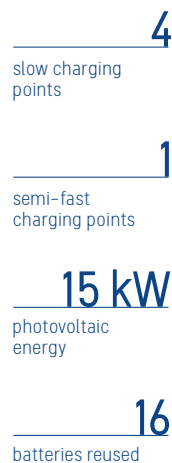
Recargo

The Recargo project (Charge project) is taking place at the headquarters of Urbaser Group in Barcelona, consisting of an innovative project that seeks to provide a second useful life to vehicle traction batteries. A system has been developed to capture solar energy through photovoltaic panels, that can be used to charge the fleet of electrical vehicles used for waste collection and street cleaning, as well as supply energy to the offices. In addition, any excess energy is stored in the reused batteries to deal with possible peak demand.

This smart and sustainable charging system will ensure the success of the company's electrical fleet: it optimises grid energy consumption, reduces the power required and prioritises vehicles according to charge status.



Spain



7. HVO: Hydrotreated Vegetable Oils. This is renewable diesel whose raw material is used cooking oil, obtained via a treatment using hydrogen as the catalyst.

8. RCV: Refuse Collection Vehicles.

9. MPG: miles per gallon.

4.2.2.

Reducing our footprint

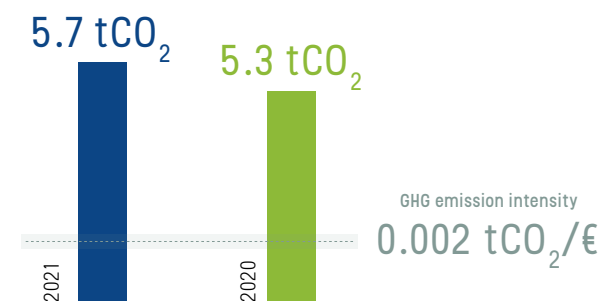
GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5

The increase in renewable energy consumption, both at facilities and by the fleet, as a result of the application of the measures detailed earlier, as well as the participation in Climate Projects, has meant that the intensity of scope 1 and 2 emissions has been reduced by 14.2% in the period 2017-2021, having reached 0.0087 tCO₂e/k€ of revenue.

In addition, in 2021 the company has reached 32% ecological fleet, thus exceeding the target set for this year (27%). This measure, added to the generation of renewable energy, the recovery of materials and fuel and the valorization of compost, has enabled the avoidance of 2,213,695.57 tCO₂e emissions into the atmosphere in 2021 (in 2020, 2,043,289.67 tCO₂e), equal to an increase of 77% over the emissions avoided in 2016.



Global carbon footprint of Urbaser Group (MtCO₂)



GHG emissions included in the intensity ratio: direct (scope 1), indirect (scope 2) and other indirect emissions (scope 3).

Global carbon footprint of Urbaser Group (tCO₂e)

| | 2020 | 2021 |
|-----------------------|--------------|--------------|
| Scope 1 | 188,667.48 | 200,637.24 |
| Scope 2 | 19,408.66 | 21,772.68 |
| Scope 3 ¹⁰ | 5,093,235.77 | 5,485,734.08 |



10. Scope 3 includes indirect emissions generated by goods and services purchased and acquired, leased assets, activities related to fuel and energy and employee business travel. In line with the EPE Protocol guidelines, it also includes emission sources over which Urbaser Group has no control.



Best practice: Urbaser Group, the first company in the industry to obtain the “Calculo, Reduzco y Compenso” seal of approval issued by the MITERD

Since 2013, Urbaser Group has been calculating its greenhouse gas emissions in Spain using its Urge CO₂ tool. The external verification of this calculation is carried out in accordance with the ISO 14064 standard, which has allowed for the footprint to be entered in the MIT-ERD¹¹ Carbon Footprint Register, obtaining the “Calculo y Reduzco” (“Calculating and reducing”) seal of approval.

Thanks to the initiative of offsetting part of the greenhouse gas emissions generated by the activity in Spain since 2019, the Group has also earned the “Calculo, Reduzco y Compenso” (“Calculating, Reducing and Off-setting”) seal of approval issued by the Spanish Climate Change Office (OECC), becoming the first company in the sector to obtain it.

Use of Renewable Energy with Guarantees of Origin

Those facilities of Urbaser Group which produce electricity from the biogas generated in the biomethanation facilities, or from the biogas extracted from landfills or else from the energy valorization of waste, generate Renewable Energy with Guarantees.

Until 2020, the company acquired renewable energy with guarantees of origin directly from their distributor, but in 2021 it has begun to use part of these REGOs to reduce its emissions derived from the purchase of electricity from the grid.

Beyond a merely financial operation, this action means the commencement of a circular economy practice.



Best practice: the Urbaser Group forest in Arganda del Rey

As part of its initiative to offset its carbon footprint, Urbaser Group has organised its own emissions offset project. The company has reached an agreement with the City Council of Arganda del Rey (Madrid) under which it has been allocated, for the next four years, a plot of land of 5.3 hectares for planting and maintaining around 4,200 trees, all selected for being species indigenous to the area and their high carbon capture efficiency.

During this time, the Group will maintain and replant in order to guarantee the proper management of the forest, located in specially protected non-buildable rural land located in the Parque Regional del Sureste, thus contributing towards the regeneration and conservation of a natural area rich in biodiversity and the recovery of a degraded natural space.

When selecting the species, factors such as climate, characteristics of the soil, orography and the specific composition of existing ground cover have been taken into account. The species are: stone pine (*Pinus pinea*), olive tree (*Olea europaea*), holm oak (*Quercus ilex*), Portuguese oak (*Quercus faginea*), almond tree (*Prunus dulcis*), English hawthorn (*Crataegus monogyna*) and elm (*Ulmus minor*).

The Urbaser Group forest in Arganda is currently being entered in the MITERD register as an absorption project; thanks to this, the Group will be able to offset part of its CO₂ emissions, guaranteeing the obtention of the seal of approval of “Calculo, Reduzco y Compenso” in the years ahead.

Clima Projects

The so-called Clima Projects are emission reduction initiatives developed in Spain that are promoted by the Carbon Fund for a Sustainable Economy (FES-CO₂) and designed to lay out the path for the transformation of the Spanish production system into a low carbon model.

At the end of 2021, Urbaser, S.A.U. submitted 67,060 tCO₂e to the FES-CO₂ (pertaining to 2020) as verified emission reductions (VERs) for the landfills of Caudete, Las dehesas, Zonzamas, Elche and joint venture Ebro, projects that have been presented and accepted in the call for Clima Projects 2017.

The five facilities taking part in the Clima Projects, awarded by the Ministry for the Ecological Transition, confirm the company's firm commitment to driving initiatives aligned with sustainability and the reduction of the carbon footprint of its business activity.



2020

5

facilities
Clima Projects

2020

67,060 tCO₂eFES-CO₂

2020

24.4% tCO₂ereduced in comparison to 2019¹²

4.2.3.

Adapting to climate change

GRI 302-5

In addition to the mitigation strategies as the main measure to adapt to climate change, the company promotes self-consumption of energy in order to reduce energy dependency from third parties.

Urbaser Group generates renewable energy thanks to the energy exploitation of waste and, in addition, thanks to the solar PV installations which also contribute towards this undertaking.

Of the total energy generated in 2021, 29% was self-consumed at the company's own facilities and services, thus helping reduce energy dependency from outside sources.



The company's effort to encourage the use of renewable energy and efficient use of local resources is materialised, among others, in the development of a number of photovoltaic facilities which, in turn, promote the use of self-generated energy.

11. MITERD: Ministry for the Ecological Transition and the Demographic Challenge.

12. The emissions reduction of 2020 has been certified.

4.3.

CIRCULAR ECONOMY

GRI 103

The circular economy is the backbone of the sustainable development of Urbaser Group, acting as a catalyst of its innovation culture. This concept is integrated into the company's various business areas, producing solutions that contribute towards the energy transition and climate action.



Business base

54%

R+D+I investment focused on circular economy

Circular Economy Pact – Spain

Urbaser Group is signatory of the Circular Economy Pact promoted by the Government of Spain, as part of its commitment to the optimisation of material recovery and energy valorization processes and with the aim of helping to meet the targets set by the European Union in this area.

3

Ongoing projects in SOCAMEX

URBIOFIN LIFE GREEN SEWER
CEUS CIRCULAR BIOCARBON
Project Ô

MATERIALS RECOVERED FOR RECYCLING

Waste contains materials which, once recovered, can be recycled for subsequent reintroduction into the market replacing other raw materials.

COMPOST AND BIOSTABILISED MATERIAL PRODUCED AND RECOVERY OF SLUDGE FOR AGRICULTURAL USE

Sludge obtained from wastewater treatment, compost and biostabilised from urban waste treatment are occasionally used as agricultural substrate, replacing traditional fertilizers the production of which is considerably polluting.



INDUSTRIAL WASTE TREATMENT

17

treatment plants worldwide

VRADESPIR

REGENERATION OF USED OIL

Obtention of base lubricants through the regeneration of used oil in industrial waste treatment plants for use as raw material by an external agent.

57,605 t

of recovered fuel for reintroduction into the market

TECMARPOL ICAREPLAST SEALIVE

FUEL RECOVERY

Obtention of fuel from waste for use by a third party, such as fuel oil obtained from MARPOL in the industrial waste treatment area.

BIOGAS PRODUCTION

The biodegradable material contained in the waste is decomposed through bacterial action. If this decomposition takes place in the absence of oxygen, whether spontaneously in landfills or as part of biomethanation processes in anaerobic digestion, biogas is produced with a 50-70% methane content. The biogas can be used on site to generate thermal or electrical energy or can be purified for injection into the natural gas grid, thus replacing fossil fuel with 100% renewable fuel.

Use of Renewable Energy with Guarantees since 2021

ENERGY VALORIZATION OF WASTE REJECTS

Any materials present in rejects (non-recyclable) which have energy potential must valorised in the form of energy. Due to the content of biodegradable materials, 50% of the energy generated there is of renewable origin.

1,529 GWh

electricity generated

PHOTOVOLTAIC PANELS

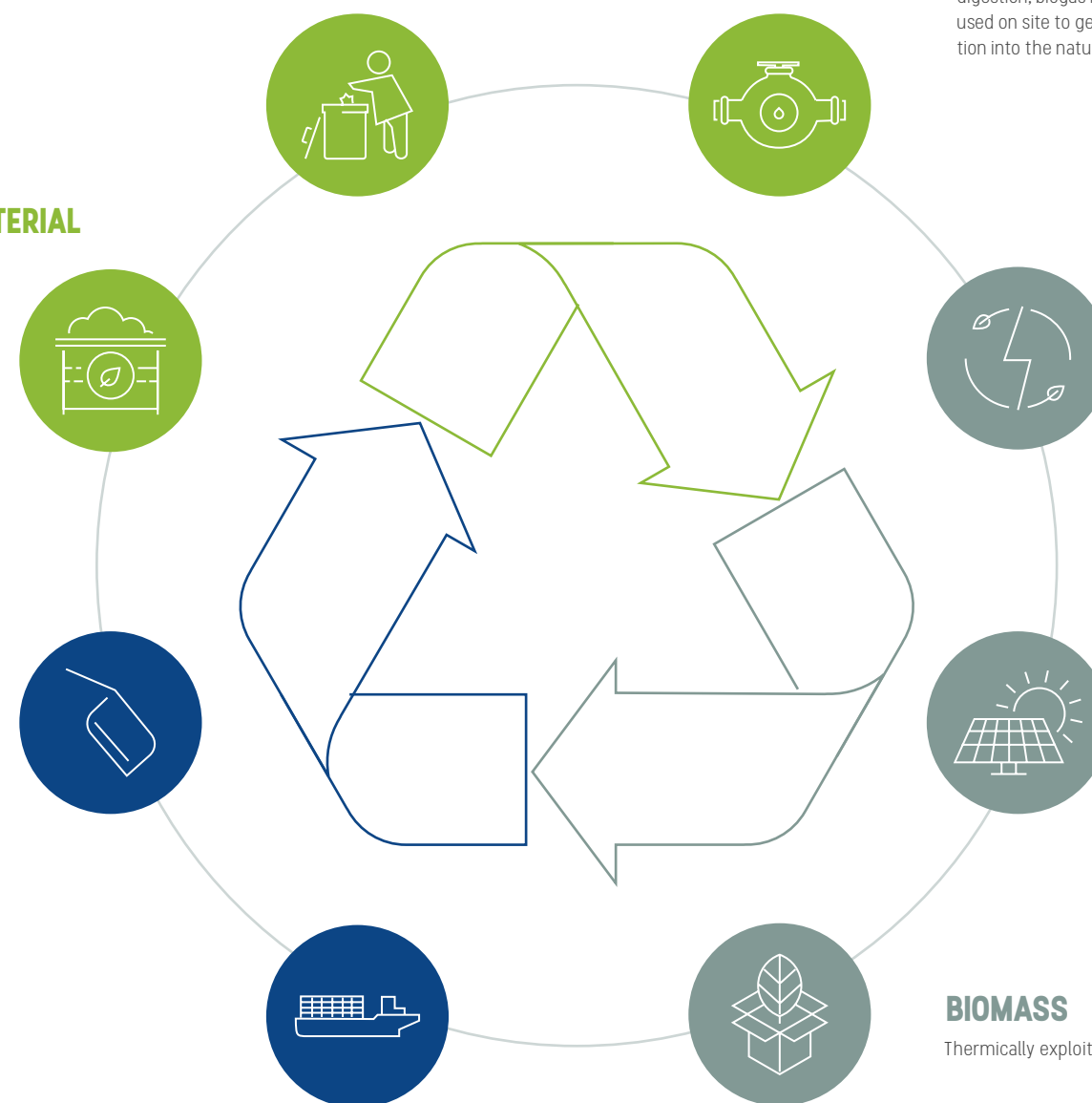
Generation of renewable energy using photovoltaic panels.

13 MW

electricity production

BIOMASS

Thermically exploited biomass waste.



Best practice: Project Ô



Through SOCAMEX and since June 2018, Urbaser Group has been taking part in the Project Ô innovation project, co-funded by the European Commission through the Horizon 2020 programme.

The aim of this project is a paradigm shift regarding the use of water, promoting the transition from linear to circular models in the use of this resource. The idea is to obtain excellent quality regenerated water from several sources, including waste water, through the implementation of low cost technologies that are easily adapted to existing treatment facilities. Furthermore, these technologies to be added to the facilities are energetically efficient and enable the recovery of other resources associated with water.

To achieve this target, the project considers the establishment of pilot sites in four countries within the consortium: Spain, Italy, Israel and Croatia. At the close of 2021, the pilot in Spain is being built in the WWTP of Almendralejo (Badajoz), managed by SOCAMEX. Once in operation, this pilot will enable 20 m³ of waste water per day to be treated for elimination of emerging pollutants and producing safe water for reuse. The pilot will also provide the possibility of treating industrial discharge prior to delivery into the WWTP, thus avoiding damage during the biological treatment phase.

Thanks to the technical optimisations achieved, the treatment of waste water is improved, new resources are recovered and energy efficiency is increased, all of which constitutes an example of environmental innovation applied to the circular economy while also contributing to SDG 12.

4.4.

BIODIVERSITY CONSERVATION



GRI 304-1, GRI 304-2

Urbaser Group champions protection of biodiversity as a necessary factor for the achievement of a global sustainability model, therefore considering the conservation of animal and vegetable species essential for economic development and social advancement.

In line with this commitment, the company assess possible effects on biodiversity of all its operations, establishing environmental surveillance plans to ensure proper management, control and monitoring of preventive and corrective measures associated with every centre or service.

The Group provides services in 33 protected areas (19 in 2020) located in Spain, Argentina, France, UK and Sweden. These services range from selective refuse collection or beach cleaning, to the execution of small works within the waste water treatment plants respecting, in all cases, the special environmental protection controls (air, water, soil, species, etc.) established in the specifications for such services, as well as in the legislation of application to such areas.

Urbaser Group,
present in the
First Catalogue of
Good Circular Economy
Practices of the
MITERD*

[ACCESS FULL CATALOGUE](#)


Proceso termoquímico para la obtención de green diésel de automoción a partir de residuos plásticos procedentes de RSU

Madrid Nacional

Ámbito de acción y relevancia de la NPEO en E3

Medidas de/o que fomenten la valorización, recuperación para procesos de aprovechamiento energético acorde a la jerarquía de residuos.

Objetivos

1. Transformar, mediante proceso termoquímico, residuos plásticos de naturaleza poliolefínica procedentes de las plantas de tratamiento de residuos sólidos urbanos (RSU) en diésel de calidad de automoción, que pueda ser utilizado en la flota de vehículos de Urbaser.
2. Aumentar la viabilidad comercial de tecnologías poco implantadas.
3. Reducir la incineración y/o depósito en vertedero.
4. Contribuir activamente a la reutilización de materiales.

Descripción

La actuación ha incluido una validación técnica:

1. A escala de laboratorio, para optimización de los parámetros del proceso (temperatura, presión, etc.) y caracterización de las diferentes fracciones líquidas obtenidas para alcanzar calidades de producto adecuadas para su uso en motor.
2. A escala de planta piloto, de 125 kg/h, en un entorno industrial, para demostración de la viabilidad técnica (condiciones de operación, porcentaje de conversión a líquido y distribución de los productos), económica y medioambiental del proceso.
3. Además, se han realizado ensayos de motor, para estudio de efectos sobre las prestaciones (potencia y consumo) y emisiones generadas, y de vehículo real de la flota de Urbaser, para observar problemas de conductibilidad o efectos secundarios que puedan dañarlo.

Resultados Clave

Emisiones Energía Residuos

Ahorro Competitividad Potencial ingresos Innovación

Empleo Conocimiento Cooperación Desarrollo Sostenible

Principios de E3

Objetivos ODS

Dificultades o retos identificados

- Cambio de comportamiento/falta de conciencia o cooperación.
- Problemas de cantidad.
- Problemas de calidad.
- Acceso a financiación.
- Altas inversiones iniciales.
- Volatilidad del precio.
- Otros: Cumplir con especificaciones del RD 61/2006.

Entidad

Urbaser S.A.U. en colaboración con CLH, URIC, ITO-CSIC.

Más información: <https://www.urbaser.com/>

* MITERD: Ministry for the Ecological Transition and the Demographic Challenge.

4.4.1.

Taking care of oceans and marine life

Protection of marine biodiversity



Jordan



Collection of

+12,000kg

of waste over the last two years

The coastline of Aqaba, along the Red Sea, is a sought-after spot for divers given their spectacular coral reefs which in recent times have been affected by marine waste. For this reason, Urbaser Group has for some years been collaborating with several local authorities and organisations in the region to help raise awareness and collect waste on the beaches of the Jordanian city. Through the various programmes under way, over 12,000 kg of waste have been collected in the last two years.

THE ROLE OF WOMEN IN THE FIGHT AGAINST PLASTIC POLLUTION

In cooperation with the Royal Society for the Protection of the Marine Environment, in 2021 the Group has held a two-day programme entitled "The role of women in dealing with the problem of plastic pollution", designed to tackle the plastic pollution problem of Aqaba, Jordan. During the second phase of the programme, financed by the Heinrich Foundation, the Community of the Sa-

hel Women's Association, the Aqaba Women's Association, the Goodwill Society and the Women's Committee of the Princess Basma Centre were invited to take part.

This workshop involved a group of experts, technicians and representatives of official institutions. The workshop studied the social, economic and legal impact of the instructions to regulate the circulation of plastic, it came up with a number of alternatives to plastic use and it organised an awareness campaign on the use of plastic bags and their impact.

On the second day, a beach cleaning exercise was held in collaboration with the Hotel Mövenpick Talabeh. In addition, a visit was organised to the Green City recycling business and to the Maamoun Yassin Foundation to discover the amount of plastic that is collected, classified and recycled.

The support provided by Urbaser Group to schools and its environmental education work in the city of Aqaba has been recognised in 2021 by the Ministry of Education.

4.4.2.

Preservation of land and urban ecosystems

The Vale Landscape Heritage Trust (VLHT)

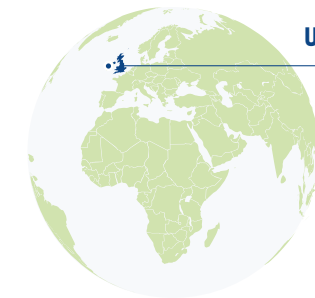
At Urbaser Group, through its subsidiary Severn Waste Service, support is provided to the Vale Landscape Heritage Trust (VLHT) since it began its activity in 2003. This organisation was created to protect the landscape and biodiversity, paying special attention to small areas around the cities, thus generating great value for cities which were not being addressed by other organisations which did not wish to manage spaces that were so small in size and financial return.

Since its modest beginnings, the organisation has evolved and achieved important milestones, with Severn Waste Service as the sole source of funding. It currently protects over 140 hectares of land in more than 20 spaces. Managed areas include alluvial plains, orchards and meadows which, as well as having been protected, most have also been restored or improved.

It is worth highlighting certain actions carried out by this organisation: the use of wildflower seeds harvested by VLHT in restored landfill sites, planting of a commemorative orchard for the local

BBC Hereford and Worcester radio station, the growing and sale of local fruit and awareness efforts in relation to local traditions and the protection of wildlife.

The work of this organisation has shown that long term management of biodiversity generates economic profit when wildlife begins to flourish.



United Kingdom

+140 ha

protected

+20

spaces



Sanitation in Matanza–Riachuelo and the River Plate



Cleaning of
17.48 km
of river course

In 2021, Urbaser Group cleaned and collected waste in one of the ten most polluted places in the world: the Matanza–Riachuelo river basin. In this 64 km long river, which starts in the province of Buenos Aires and spills into the River Plate, the company joined the cleaning efforts of a stretch of 17.48 km, from Puente La Noria to Vuelta de Rocha.

Cleaning efforts were made along a stretch of the River Plate, namely covering the course from Arroyo Raggui to the mouth of the Matanza–Riachuelo basin, excluding the port area.

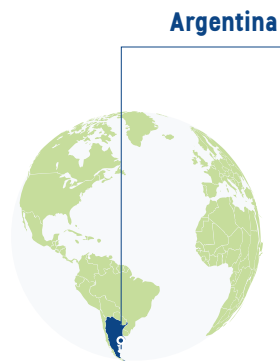
A total of 17.48 km, where the following activities were carried out:

- Cleaning the path, the mouths of the streams and separate collection of waste.
- Removal of large objects by hand or using machinery.
- Transport and final disposal of collected waste.

Along the course of this stream lives 10% of the population at risk of exclusion of all of Argentina, receiving large volumes of industrial waste from nearby factories, causing a huge environmental and public health impact. This is the most built-up and industrialised area of the country, as well as the most polluted river in Latin America.

The tasks carried out were:

- Cleaning and separate collection of waste.
- Removal of large objects by hand or by machinery.
- Weeding, grass cutting, fumigation and rat extermination.
- Extraction and pruning of trees and bushes according to their phytosanitary condition.



Argentina

Costanera Sur Ecological Reserve

In 2021, Urbaser Group has continued with its efforts in the Costanera Sur Ecological Reserve, a protected natural area of 350 hectares located among the built-up areas of Puerto Matadero and the River Plate. This reserve is host to many birds, amphibians, rodents and indigenous vegetation.

In order to ensure the balance in the reserve, measures must be promoted to preserve its wetlands and species, with active intervention to maintain, conserve and restore their habitats.



Environmental actions promoting biodiversity

During 2021, Urbaser Group has carried out a number of environmental actions in Catalonia to promote biodiversity, renaturalisation of urban spaces and the protection and restoration of ecosystems. These are some of the main actions:

AREA OF SANT ADRIÀ DEL BESÓS, PROVINCE OF BARCELONA

- Opening of a canal to encourage the nesting of indigenous species preventing public access to the central island of the Besós river.
- Creation of a lagoon for the recovery of the natterjack toad, indigenous to the area.
- Extension of an existing lagoon to create spaces that are favourable for indigenous and migratory species.
- Management of the grassland of the Besós river according to environmental criteria.
- Landscape restoration of the controlled dumpsite of Vall d'en Joan, in the Natural Park of Besós.

MUNICIPALITY OF MONCADA AND REIXACH

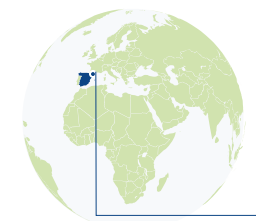
- Repair of the hydrant system in the wetlands purification areas that act a tertiary phase of the Moncada WWTP.

METROPOLITAN AREA OF BARCELONA

- Installation of several areas to increase biodiversity with indigenous species, areas for amphibians and birds, ponds, species for Lepidoptera – butterfly garden.
- Control of invasive species: *Arundo donax*/*Datura stramonium* (by hand).
- Installation of walkways for amphibians in naturalised ponds in Barcelona.

MATARÓ FOREST

- Restoration and revegetation of park slopes next to the forest.



Spain

4.4.3.

Ecological infrastructures and sustainable facilities

Best practice: ecofacilities in Barcelona

2020 saw the completion of the installation of a 400 m² planted rooftop in one of the buildings of the Urbaser Group in Barcelona to create an ecosystem in an anthropic environment. This project aspires to become a benchmark for the promotion of biodiversity in industrial spaces.

The ecoinfrastructure of this rooftop enables:

- **Renaturalisation:** addition of indigenous plants, nesting boxes for birds and bats, a pond for amphibians, an insect hotel and a vertical garden. This is a space under strict biological control.
- **Renewable energy efficiency:** has photovoltaic panels and wind turbines to generate renewable energy for the building. The ecodesign thus promotes temperature retention and provides energy efficiency utility to items such as simple railing turned into a solar PV panel.



- **Sustainable water management:** it has a tele-managed irrigation system linked to a rainwater collection system.
- **Environmental technology:** applied in the creation of a weather and air control station.

In addition, in 2021, a hacking of a common kestrel was carried out in the building, to favour its reintroduction to the city.



5 People, partners and drivers of our commitment >>



AWARE OF THE ROLE THE COMPANY PLAYS IN THE DEVELOPMENT OF PEOPLE AND THE IMPROVEMENT OF THE QUALITY OF LIFE IN ALL THE COUNTRIES IN WHICH IT OPERATES, URBASER GROUP CARRIES OUT ACTIONS AIMED AT HAVING A POSITIVE IMPACT ON THE ENVIRONMENTS IN WHICH IT IS PRESENT AND FOR ALL STAKEHOLDERS, BOTH INTERNAL (EMPLOYEES) AND EXTERNAL (SOCIETY, SUPPLIERS, CLIENTS AND ASSOCIATIONS).

5.1.

COMMITMENT TO OUR EMPLOYEES

GRI 103

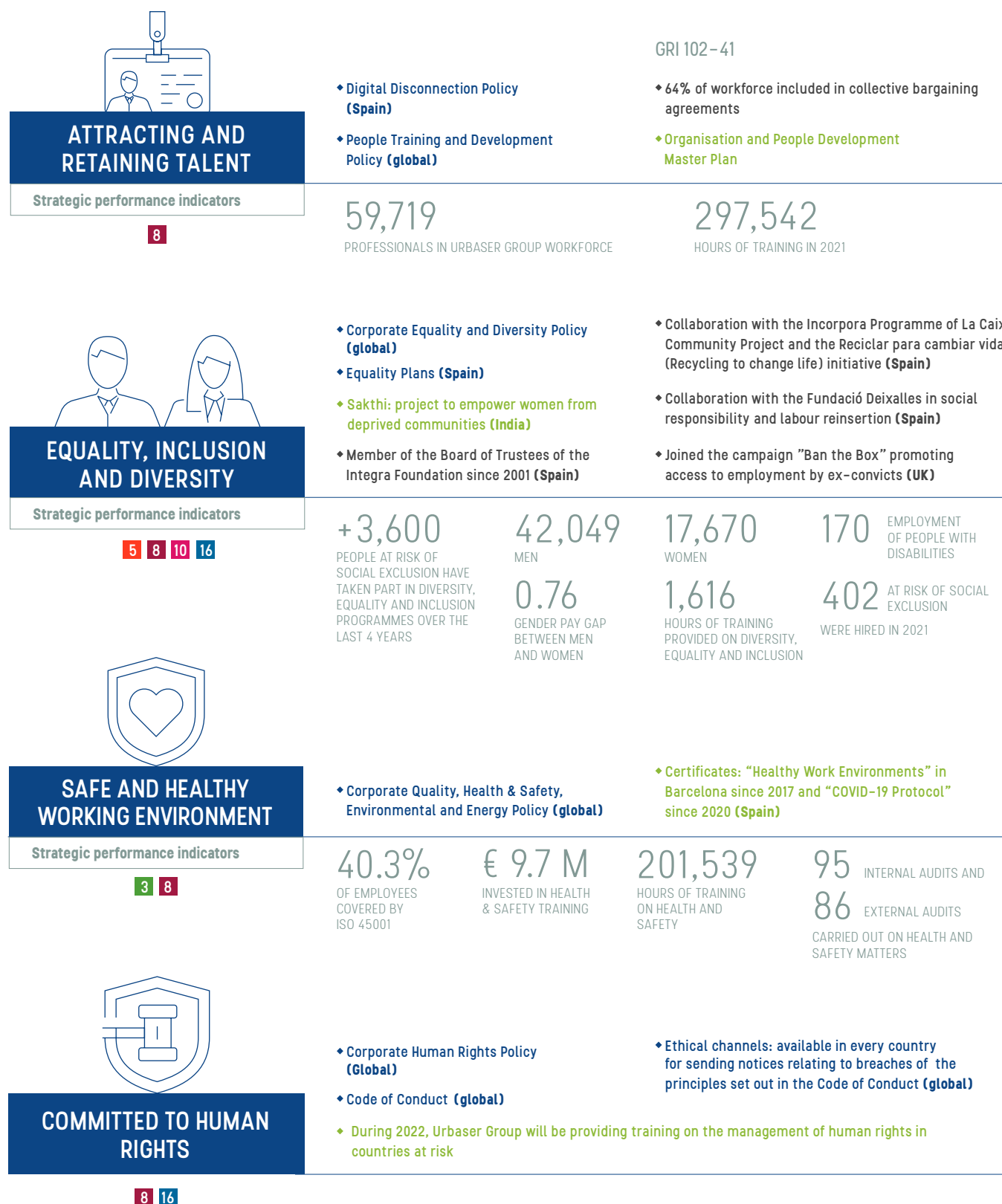
The employees of Urbaser Group are a strategic asset which contributes to the creation of sustainable value through their work and talent. The management of this team seeks to provide the employees with the necessary training and motivation required to face the big challenges of today and tomorrow.

The company is therefore committed to stable and quality employment, training, professional development and respect for diversity, equal opportunities and non-discrimination, and the promotion of a safe and healthy working environment.



PEOPLE, A KEY COMPONENT

◆ Mechanisms, policies, commitments ◆ Projects, programmes or milestones ◆ Partnerships and collaborations 3 5 8 10 16 SDG contribution



5.1.1.

Main employee figures

GRI 102-8

Workforce at 31 December

| | 2020 | 2021 |
|------------------------------|--------|--------|
| GENDER | | |
| Women | 10,101 | 17,670 |
| Men | 30,844 | 42,049 |
| AGE | | |
| < 30 | 4,590 | 8,543 |
| 30-50 | 22,779 | 34,263 |
| > 50 | 13,576 | 16,913 |
| PROFESSIONAL CATEGORY | | |
| Senior management team | 173 | 197 |
| Middle management | 1,392 | 1,048 |
| Technical staff | 1,278 | 2,369 |
| Operational positions | 38,102 | 56,105 |

2021

employees who are trade union members

2020 10,955

2021 11,970

2021

employees of the Urbaser Group workforce in 21 countries

2020 59,719

2021 40,945

2021

Total number of hours of absence*

2020 10,907,879

2021 3,634,172

2021

Employee turnover

2020 18%

2021 16%

Workforce at 31 December by country

| | 2020 | 2021 |
|----------------|---------------|---------------|
| Colombia | 1,854 | 2,022 |
| Sweden | 459 | 462 |
| United Kingdom | 1,080 | 1,519 |
| Oman | 307 | 322 |
| Mexico | 362 | 344 |
| Morocco | 7 | 3 |
| Jordan | 329 | 455 |
| Italy | 122 | 125 |
| France | 1,235 | 1,311 |
| Finland | 314 | 344 |
| Spain | 23,955 | 28,377 |
| Chile | 5,186 | 5,039 |
| Bahrein | 1,324 | 1,383 |
| Argentina | 3,453 | 3,401 |
| Norway | 367 | 386 |
| Denmark | 505 | 585 |
| Venezuela | 80 | 107 |
| United States | 6 | 8 |
| Ecuador | - | 2,824 |
| India | - | 10,702 |
| TOTAL | 40,945 | 59,719 |

2021

Women in workforce

2020 17,670

2021 10,101

2021

Men in workforce

2020 42,049

2021 30,844

* This amount has increased in 2021 due to many countries beginning to report data this year for the first time.

5.1.1.

Main employee figures

64% of the workforce (86% in 2020) is covered by the collective bargaining agreements applicable to the companies, work centres and joint ventures of the company, and have been agreed with the legal representatives of the corresponding workers in each country, always in accordance with the legislation of application in each country and the provisions of the fundamental agreements of the International Labour Organisation. Organisational changes, including notices, are agreed in these bargaining agreements and carried out in accordance with the legislation in force in each case.

Percentage of workforce covered by collective bargaining agreements*

| | 2020 | 2021 |
|----------------|------|------|
| Colombia | 0% | 0% |
| Sweden | 100% | 100% |
| United Kingdom | 62% | 67% |
| Oman | 0% | 0% |
| Mexico | 0% | 63% |
| Morocco | 0% | 0% |
| Jordan | 0% | 0% |
| Italy | 100% | 100% |
| France | 93% | 89% |
| Finland | 100% | 0% |
| Ecuador | - | 0% |
| United States | 0% | 0% |
| Spain | 99% | 98% |
| Chile | 89% | 76% |
| Bahrein | 0% | 0% |
| Argentina | 88% | 89% |
| Norway | 88% | 100% |
| Venezuela | 0% | 0% |
| Denmark | 90% | 91% |
| India | - | 0% |
| TOTAL | 86% | 64% |



One of the most important intangible assets of the company is the value added by the employees of Urbaser Group all over the world and, for this reason, we are comitted to improving the stability and quality of employment.

Workforce at 31 December by contract type

| | Indefinite contracts | | Temporary contracts | | Total contracts | | |
|------|----------------------|--------|---------------------|-------|-----------------|--------|--------|
| | Women | Men | Women | Men | Women | Men | TOTAL |
| 2020 | 7,199 | 25,058 | 2,566 | 6,122 | 8,688 | 32,257 | 40,945 |
| 2021 | 13,836 | 35,402 | 3,834 | 6,647 | 17,670 | 42,049 | 59,719 |

Workforce at 31 December by contract type and country

| | Indefinite contracts Total | Temporary contracts. Total |
|----------------|----------------------------|----------------------------|
| Spain | 21,105 | 7,272 |
| Argentina | 3,239 | 162 |
| Bahrein | 4 | 1,379 |
| Chile | 4,199 | 840 |
| Colombia | 2,022 | 0 |
| Denmark | 484 | 101 |
| Ecuador | 2,824 | 0 |
| United States | 8 | 0 |
| Finland | 304 | 40 |
| France | 1,251 | 60 |
| India | 10,702 | 0 |
| Italy | 125 | 0 |
| Jordan | 1 | 454 |
| Morocco | 3 | 0 |
| Mexico | 344 | 0 |
| Norway | 353 | 33 |
| Oman | 322 | 0 |
| United Kingdom | 1,501 | 18 |
| Sweden | 340 | 122 |
| Venezuela | 107 | 0 |
| TOTAL | 49,238 | 10,481 |

* The workforce of the Urbaser Group in Mexico, Colombia, Oman, Morocco, Jordan, US, Bahrein and Venezuela has not been covered by collective bargaining agreements during 2020 and 2021.

Workforce at 31 December by type of contract and age range

| | 2020 | | 2021 | |
|-------|----------------------|---------------------|----------------------|---------------------|
| | Indefinite contracts | Temporary contracts | Indefinite contracts | Temporary contracts |
| < 30 | 2,777 | 1,812 | 5,965 | 2,575 |
| 30-50 | 17,655 | 5,119 | 28,386 | 5,887 |
| > 50 | 11,826 | 1,756 | 14,887 | 2,019 |

Workforce at 31 December by type of contract and professional category

| | 2020 | | 2021 | |
|------------------------|----------------------|---------------------|----------------------|---------------------|
| | Indefinite contracts | Temporary contracts | Indefinite contracts | Temporary contracts |
| Senior management team | 170 | 6 | 195 | 1 |
| Middle management | 1,339 | 83 | 1,021 | 27 |
| Technical staff | 1,145 | 211 | 2,124 | 245 |
| Operational positions | 29,596 | 9,025 | 45,898 | 10,208 |

Workforce at 31 December by time of working day and age range

| | 2020 | | 2021 | |
|-------|-----------|-----------|-----------|-----------|
| | Full-time | Part-time | Full-time | Part-time |
| < 30 | 3,939 | 468 | 7,244 | 1,299 |
| 30-50 | 20,479 | 2,294 | 31,027 | 3,237 |
| > 50 | 11,724 | 1,860 | 14,456 | 2,456 |

Workforce at 31 December by time of working day and professional category

| | 2020 | | 2021 | |
|------------------------|-----------|-----------|-----------|-----------|
| | Full-time | Part-time | Full-time | Part-time |
| Senior management team | 174 | 1 | 194 | 3 |
| Middle management | 1,354 | 6 | 1,033 | 14 |
| Technical staff | 1,204 | 24 | 2,173 | 195 |
| Operational positions | 33,595 | 2,106 | 49,326 | 6,780 |

Workforce at 31 December by time of working day and gender

| | Part-time workforce | | Full-time workforce | |
|------|---------------------|-------|---------------------|--------|
| | Women | Men | Women | Men |
| 2020 | 3,418 | 1,204 | 6,333 | 29,990 |
| 2021 | 4,676 | 2,316 | 12,994 | 39,733 |

Average workforce by professional category

| | 2020 | 2021 |
|------------------------|--------|--------|
| Senior management team | 177 | 193 |
| Middle management | 1,092 | 1,035 |
| Technical staff | 1,340 | 2,370 |
| Operational positions | 34,963 | 53,334 |

Average workforce by age range

| | 2020 | 2021 |
|-------|--------|--------|
| < 30 | 3,962 | 7,429 |
| 30-50 | 20,891 | 33,241 |
| > 50 | 12,727 | 16,262 |

Average workforce by gender

| | 2020 | 2021 |
|-------|--------|--------|
| Men | 30,778 | 40,700 |
| Women | 6,763 | 16,232 |

* The company does not have information on indefinite, temporary and part time contracts classified by gender, age and professional category for 2021.

Recent years have witnessed an evolution, technification and improvement in the quality of employment within the sector. This has led to the development and professional enhancement made possible by improvements in safety, health, training and remuneration, which in turn has led to the attraction of more diverse talent in terms of gender, professional profile and age.

On the other hand, due to international expansion and the Group’s human capital-intensive business, there has been an increase in recruitment. Similarly, the termination or stoppage of contracts with public administrations also has an immediate effect on the company’s workforce, as most of the employees are subrogated.

Dismissals by age range

| | 2020 | 2021 |
|-------|-------|-------|
| < 30 | 725 | 1,063 |
| 30-50 | 1,201 | 1,664 |
| > 50 | 524 | 781 |

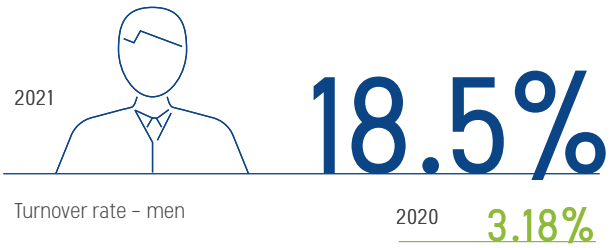
Dismissals by gender

| | 2020 | 2021 |
|-------|-------|-------|
| Women | 274 | 335 |
| Men | 2,176 | 3,173 |

Dismissals by professional category

| | 2020 | 2021 |
|------------------------|-------|-------|
| Senior management team | 9 | 10 |
| Middle management | 24 | 71 |
| Technical staff | 139 | 179 |
| Operational positions | 2,278 | 3,248 |

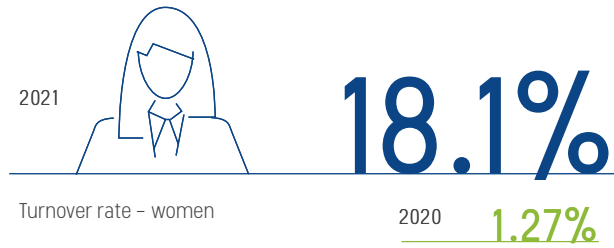




Turnover rate*

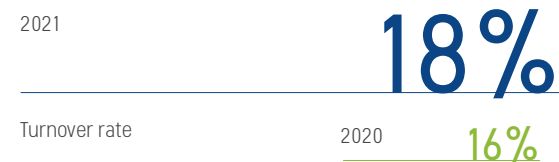
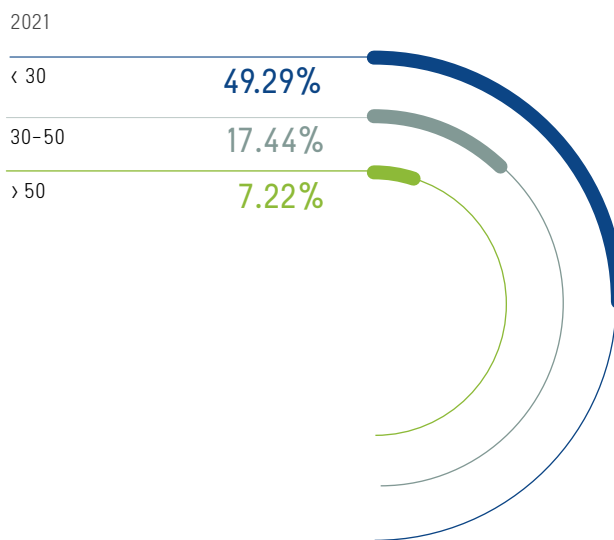
| | 2020 | 2021 |
|----------------|---------------|---------------|
| Colombia | 6.47% | 15.03% |
| Sweden | 11.76% | 13.64% |
| United Kingdom | 12.03% | 18.10% |
| Oman | 15.03% | 23.60% |
| Mexico | 0% | 36.05% |
| Morocco | 0% | 0% |
| Jordan | 13.67% | 16.26% |
| Italy | 0.81% | 2.40% |
| France | 2.51% | 3.59% |
| Finland | 16.56% | 24.42% |
| Spain | 4.31% | 4.31% |
| Chile | 3.95% | 10.20% |
| Bahrein | 3.95% | 17.21% |
| Argentina | 0.52% | 3.59% |
| Norway | 1.67% | 1.81% |
| Denmark | 16.22% | 16.41% |
| Venezuela | 0% | 42.06% |
| United States | 0% | 25% |
| India | - | 71.59% |
| Ecuador | - | 0% |
| TOTAL | 16.22% | 18.35% |

In 2021, the rise in the employee turnover rate is due to the entry into operation of the services provided in India.



Turnover rate*

| | 2020 | 2021 |
|-------|-------|--------|
| < 30 | 9.28% | 49.29% |
| 30–50 | 4.85% | 17.44% |
| > 50 | 2.84% | 7.22% |

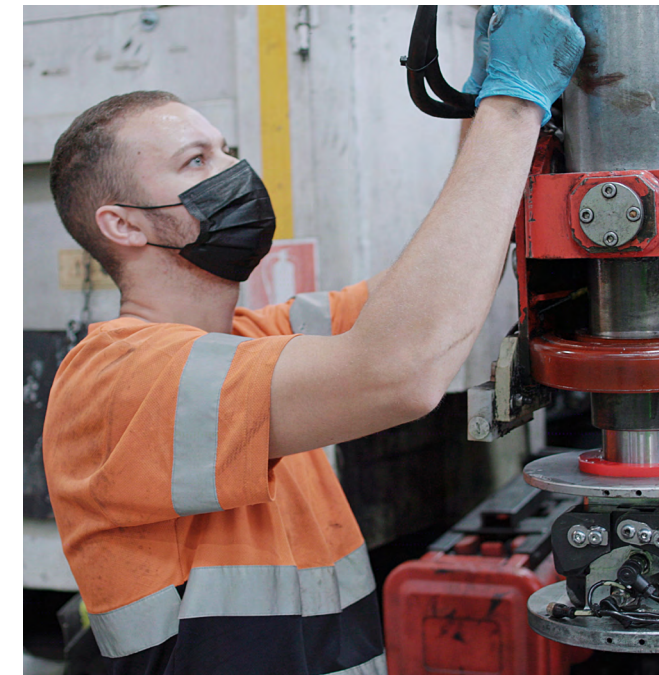


Absenteeism and its management in the face of COVID–19

Proper management of compliance with the working day of the employees is one of the main concerns of Urbaser Group. Among the measures implemented by the company to this end is the training of all middle managers and the provision of a number of technological tools for analysis and control.

When managing absenteeism, the scenario caused by the COVID–19 pandemic becomes particularly relevant, with the inclusion of various prevention measures to guarantee the health of employees. A scenario which in 2021 has required measures such as:

- Risk assessment
- Personal Protection Equipment
- Employee training and information
- Contingency plan and containment measures
- Emergency teams
- Definition of maximum capacity in all facilities
- Establishment of safe social distancing according to health recommendations
- Cleaning and disinfection plan
- COVID–19 waste management
- Action and monitoring by medical staff of suspected cases, close contacts and particularly sensitive personnel
- Continuous publication on the intranet of measures to be applied at all times
- Establishment of a natural ventilation plan for facilities and modifications made to artificial ventilation system
- Measurement of CO₂ levels in all facilities



2021



* The turnover rate is calculated based on the number of workers who voluntarily left the organisation, divided by the total number of workers.

5.1.2.

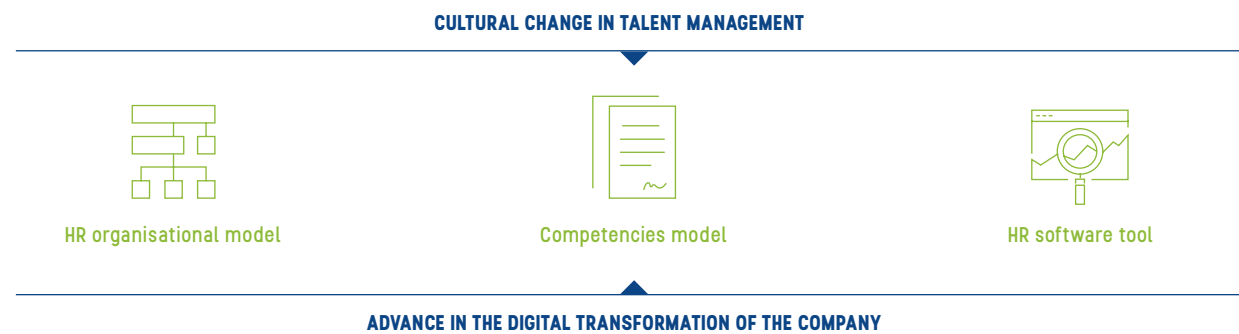
Managing talent

GRI 103, GRI 401-2, GRI 404-2

Organisation and People Development Master Plan

Talent and training the employees are key components for the sustainable growth of the company. For this reason, as well as attracting the best professionals, they are given the best training to encourage their professional development. To this end, Urbaser Group has a People Organisation and Development Master Plan.

This plan acts as a roadmap for developing professional careers and employee advancement, based on three main cornerstones: HR organisational model, competencies model and HR software tool, with the main objective of a cultural change in the way leaders manage talent, as well as supporting the company's digital transformation.



HR ORGANISATIONAL MODEL

The model seeks to consolidate a common language in HR management in all the countries in which it operates. The new methodology classifies the entire workforce into different levels and roles, which will serve as the basis and unit of reference in the system.

In 2021, this model has been implemented in subsidiary companies and those recently added to the Urbaser Group. This provides the company with consistency, homogeneity and practicality, using a global and corporate system to be used regardless of the business activity performed by each person.

Moreover, in this second phase, which began in 2021, the model is not only being implemented for management personnel, but also for operational personnel, thus covering 100% of the workforce.

COMPETENCIES MODEL

For the first time ever we have a competencies dictionary, in line with the company strategy and any plan arising from it. This will enable us to identify talent and organise professional development initiatives to address future challenges.

HR SOFTWARE TOOL

Developed in 2021, 4People-Urbaser is the third cornerstone of the People Organisation and Development Master Plan.

This corporate software tool, developed for managing talent and planning human resources, has been designed to deal more efficiently with training, selection, identification, assessment and talent development processes within Urbaser Group.

The implementation of this tool began in 2021, mainly concentrating on its adaptation and parameterisation, scheduled to be completed by mid-2022.

LEADERSHIP AND TEAM MANAGEMENT PROGRAMME

For the purpose of facilitating the cultural change that began with the Talent Organisation and Development Master Plan, a leadership and team management programme was held in the last quarter of 2021, with the participation of 61 senior managers, including the Steering Committee of Urbaser Group. The main goal of the programme was to develop a leadership style aligned with the principles in force.

Attracting and retaining talent

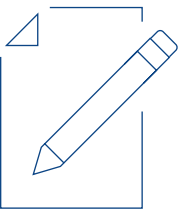


During 2021, the company has continued to implement the "Lead the Change" programme designed to develop junior talent in Urbaser Group. The programme aims to add engineering profiles into the company's Talent Development Plan in order to provide them with company training and knowledge to enable them, at a later stage, to take on positions of responsibility in the company. The monitoring of 23 employees identified within this key group has been carried out this year.

In addition, in 2021 and as part of the employer branding initiatives, the company has continued with the integration of the group of recent graduates, paying special attention on degrees that are particularly valuable for the activity carried out by the company. The company has provided 104 educational grants with the main universities and training centres such as Complutense University of Madrid, Rey Juan Carlos University, Polytechnic University of Valencia and University of Valladolid.

23
employees identified

104
educational grants with main universities and training centres.



Professional development of the team

GRI 404-1

The training, education and professional development of the workforce of Urbaser Group are key aspects, both in terms of employee motivation and the efficacy and quality of the services provided by the company. For this reason, the focus is being placed on the People Organisation and Development Master Plan as a roadmap for excellence in the development of employee professional competencies, adapting them to expansion needs, market competitiveness and current technological evolution.

Each country also has yearly employee training plans which include training plans in various modalities (online, on site) to meet training requirements identified during the needs detection process that is regularly carried out.

Our commitment to the professional development of people is firm and seeks to introduce a culture of learning for continuous updating of skills and an open attitude towards innovation. In 2021, over 297,542 hours of training were provided (in 2020, 129,796 hours) to 27,781 employees (in 2020, 17,253 employees), thanks to an investment of 1,586,353 euros (in 2020, 1,673,134 euros) by the company.



2021
hours of training

297,542

2020 129,796

2021
employees with training

27,781

2020 17,253

2021
investment in training

1,586,353€

2020 1,673,134€

A practical example of this would be the General Training Plan in Spain, which includes hundreds of training initiatives mainly directed to technical-administrative personnel and operational support staff. During 2021, the main training provided has been in the following areas:

CORPORATE TRAINING

For optimal performance on information security, corporate training was provided in 2021 on cyber-security. The course was given to the personnel of Urbaser Group in Spain (1600 people in total).

TECHNICAL-OPERATIONAL TRAINING

Training has been provided on efficient driving of heavy electric vehicles seeking to maximise battery duration and reduce any associated incidents; five training groups were organised in 2021 for a total of 50 drivers who received six hours of theoretical-practical training. The goal is to provide this training to 100% of the driver staff at centres where they have vehicles of this type in their fleets.

TRAINING ON HEALTH AND SAFETY

For the purpose of achieving excellence in the performance of operations and to ensure the wellbeing of the workers in the various activities they perform, Urbaser Group focuses on the health and safety training of its employees. The digitalisation of the new video-course on Occupational Risk Prevention in the provision of urban services has increased its dissemination and scope among users.

Hours of training by professional category

| | 2020 | 2021 |
|------------------------|----------------|----------------|
| Senior management team | 4,510 | 3,120 |
| Middle management | 13,185 | 20,427 |
| Technical staff | 23,063 | 32,114 |
| Operational positions | 89,037 | 241,881 |
| TOTAL | 129,796 | 297,542 |

Hours of training by gender

| | 2020 | 2021 |
|--------------|----------------|----------------|
| Women | 39,576 | 44,804 |
| Men | 90,220 | 252,738 |
| TOTAL | 129,796 | 297,542 |

GRI 103

Best practices: a process that starts by listening

The LoQue+iMPorTa programme, which encourages the recognition and participation of all the employees, was started in Spain. The goals are to ensure a healthy working environment, to strengthen employee motivation and satisfaction, as well as pride in belonging to the company.

This programme, which includes over 1,600 employees, came up after a process of listening to the employees of Urbaser Group in Spain. LoQue+iMPorTa encourages a constant collaboration structure between the company and the workers for a common goal: to create a more pleasant and healthier working environment through solutions which, in turn, generate a positive impact on society and the environment.

URBASER GROUP: STRENGTHENING OUR COMMITMENT



LoQue+iMPorTa has been structured into two main areas of action: "Para ti" (For you) is the area that includes the benefits and moments offered by the company to the workers and "Desde ti" (From you) includes the ideas that workers can contribute to the transformation

and improvement of the company, as well as social action campaigns and corporate volunteering initiatives in which they can take part, helping to increase the positive social impact of Urbaser Group in society.

BENEFICIOS QUE+IMPORTAN (BENEFITS THAT MATTER MOST)

Conditions outside of the standard collective bargaining agreement: work-life balance, flexible wage, subsidies, offers, etc.

MOMENTOS QUE+IMPORTAN (MOMENTS THAT MATTER MOST)

Activities, talks, moments shared with work colleagues.

GESTOS QUE+IMPORTAN (GESTURES THAT MATTER MOST)

Corporate volunteering and collaboration with charity campaigns.

More information in "Corporate Volunteering - CareToAct"

IDEAS QUE+IMPORTAN (IDEAS THAT MATTER MOST)

Listening to employee suggestions that help the development of the company.

Among the initiatives that have come about in the area of Beneficios Que+iMPorTan (Benefits that matter most) are the sustainable mobility plans, which aim to implement measures to enable a more sustainable mobility, both in commuting and during the working day. There are sustainable mobility plans today in the Cleaning and Collection Service of Barcelona, with over 800 employees and in the corporate headquarters in Madrid (Spain), with over 400 employees.

Among the measures implemented in 2021 under this plan in the headquarters of Madrid are the "Corporate Electrical Vehicle" to attend work meetings and events within the Community of Madrid and "Al trabajo en bici" (Cycling to work), an initiative that encourages the use of the bicycle as a very healthy and sustainable way of transportation.



In this context, healthy lifestyle campaigns were also organised in order to encourage employees to lead healthy and active lives. Among them is the programme "Es-fúmate del tabaco" (Stop Smoking) of the Spanish Association Against Cancer (AECC), which is available to all members of staff interested in stopping smoking. Similarly, other initiatives were also organised, such as the performance of preventive skin cancer diagnosis and the collaboration with the City Council of Casares (Málaga, Spain) to perform mammograms to all female workers over the age of 50.

Work was also done in 2021 in the area of Momentos Que+iMPorTan (Moments that matter most) in order to encourage the participation of everybody in the company growth, sharing experiences to build team work and continue to develop together. Such activities include the organisation of a mixed paddle tennis tournament in which over 40 people participated, days of nature cleaning in more than 15 spots in Spain, CEO breakfasts, etc.

5.1.3.

Promoting diversity and equal opportunities

GRI 401-2, GRI 405-1

Management focus

Equality Plans
53
companies

Coverage
+21,500
people

Within the framework of the Corporate Equality and Diversity Policy, Urbaser Group supports diversity among its employees as a valuable contribution to the company, rejecting any form of discrimination. In addition, it commits to guaranteeing and promoting diversity, inclusion and equal opportunities in the entire workforce.

The effort to recruit people of different nationalities and increase the presence of women in a sector with traditionally male workforces, as well as the collaboration with various entities to include people at risk of exclusion or with disabilities in their teams, show the company’s commitment in this regard.

There is no doubt that the path towards a more human and more sustainable future calls for a cultural shift and for guaranteeing equality between men and women. Although some of the company’s activities are subject to employment subrogation and perpetuate existing workforces, which makes the recruitment of women harder, the collaboration through the implementation of equality plans will result in a more balanced sector.

In this regard, Spain is working on areas highlighted in the Equality Plans¹³ which will included a total of 53 companies and over 21,500 people. In other countries measures have begun to be implemented so that, in all areas of the company, equal opportunities are ensured and greater workforce diversity is promoted, leading to working environments that are safe for everyone.

At the headquarter, the company has a number of measures related to accessibility to the facilities for all employees, such as:

- Accessible reserved parking spaces and ramp access.
- Accessible itineraries on all floors. With lifts and/or accessible ramps.
- Disabled toilets on all floors. With wider doorways, disabled handrails, washbasin height, space for wheelchair turning, etc.

Performance and promotion of opportunities

The main goal of the company is to encourage training, awareness and dissemination of key concepts related to equal opportunities (including the identification of gender bias) and, in fact, those related to the diversity that is present in all aspects of working environments.

The campaign has been directed to 1,000 workers in Spain, in order to ensure the abovementioned commitments are embraced at the core of the organisation.

“Game of Diversity” against unconscious bias discrimination

In 2012 the company successfully ran the “Game of Diversity” campaign, an e-learning training project using games and interactivity where everyone can analyse how unconscious biases affect the decisions we make and the way we interpret reality.

955
participants

87.7%
average hits out of 25
biases

7.8
general valuation

GRI 405-2

Total average remuneration (in euros)*

| | 2020 | | | 2021 | | |
|------------------------|------------|------------|----------------|---------|---------|----------------|
| | Women | Men | Gender pay gap | Women | Men | Gender pay gap |
| Senior management team | 112,548.13 | 145,338.68 | 0.77 | 117,889 | 120,453 | 0.98 |
| Middle management | 50,483.64 | 64,082.56 | 0.79 | 45,599 | 51,351 | 0.89 |
| Technical staff | 33,188.42 | 34,986.55 | 0.95 | 26,047 | 32,592 | 0.80 |
| Operational positions | 19,335.42 | 24,668.72 | 0.78 | 12,427 | 15,962 | 0.78 |
| TOTAL | - | - | - | - | - | 0.76 |

Total average remuneration by age (in euros)*

| | 2020 | | | 2021 | | |
|-------|-------|-----|----------------|--------|--------|----------------|
| | Women | Men | Gender pay gap | Women | Men | Gender pay gap |
| < 30 | - | - | - | 15,381 | 11,383 | 1.35 |
| 30-50 | - | - | - | 12,455 | 17,262 | 0.72 |
| > 50 | - | - | - | 18,526 | 23,465 | 0.79 |
| TOTAL | - | - | - | - | - | 0.76 |

Does not include information for 2020 as this is not available.

Total remuneration of directors and senior managers (in euros)*

| | 2020 | | | 2021 | | |
|-----------------|-------|-----------|----------------|-------|-----------|----------------|
| | Women | Men | Gender pay gap | Women | Men | Gender pay gap |
| Senior managers | ** | 5,789,000 | - | ** | 3,716,000 | - |
| Directors | *** | 206,000 | - | *** | 162,000 | - |

* includes fixed and variable remuneration.

** Data not reported as the senior management team only has one woman, with regard to compliance with the Organic Data Protection Law.

*** Data not reported as there are only male directors.

Disaggregated information on remuneration by gender and professional category is not reported due to unavailability of data for 2021.

13. The Equality Plans apply to the companies of Urbaser, S.A.U., SOCAMEX, S.A., Sertego, S.A., Enviser, S.A. and Sirsa, S.A.U.

Diversity and inclusion

Urbaser Group is present in 21 countries and encourages cultural diversity among its employees as an enriching factor for the company:

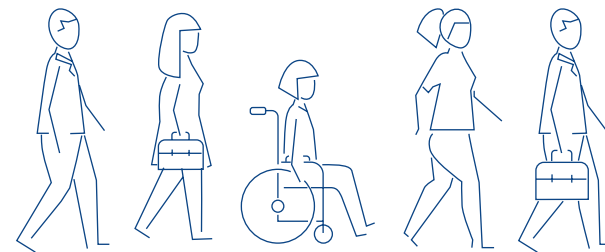
Employees by country of origin

| | 2021 |
|-----------|--------|
| Spain | 25,886 |
| Chile | 4,721 |
| Argentina | 3,372 |
| Colombia | 2,256 |
| India | 11,708 |
| France | 1,143 |
| Other | 9,867 |

The company firmly supports equal opportunities, inclusion and diversity as key factors for the competitiveness of a workforce with great cultural and generational diversity, that brings different perspectives to the table and fosters the development of valuable ideas and solutions.

Moreover, it works in collaboration with Special Job Centres that work with people with disabilities and provide certain goods and services.

The company managed to recruit 170 people with disabilities in 2021, adding up to a total of 842 people with disabilities in the workforce (207 in 2020) together with 402 jobs for people at risk of social exclusion (927 in 2020).



2021

employment of people with disabilities

2020 170
207

2021

employment of people at risk of social exclusion

2020 402
927



Adding partners to multiply the impact

Partnerships and collaborations to promote diversity, equal opportunities and social integration

GRI 102-12, GRI 102-13

The company believes in collaboration and interaction with other organisations as the driver of change, which is the reason it uses its partnerships and collaborations to promote diversity, equal opportunities and social inclusion and integration.

Clear evidence of its commitment to diversity is its participation in international initiatives such as that organised with the Diversity Charter, which has over 12,500 signatory companies throughout Europe of the ten inclusion and diversity principles.

The inclusion of Urbaser Group in other initiatives that promote equal opportunities for women is also evidence of this social commitment. Other examples include the Sakthi project in India to empower women in marginal communities, promoted by Urbaser Sumeet, in zone 15 of Chennai.

Moreover, the company collaborates with the following entities in order to achieve the employment integration of people at risk of exclusion:

ENTITY

PROJECTS



The Group has been a member of the Board of Trustees of the Integra Foundation since 2001. This foundation works with people at risk of social exclusion and disability to promote their labour integration. At its 20th anniversary celebration event, the Foundation recognised Urbaser Group as one of the companies showing the strongest commitment to diversity, having recruited 1,000 people at risk of social exclusion in 2021.



137 people joined Urbaser Group in 2021 via the Incorpora Programme organised by La Caixa Foundation Community Project in Spain, that promotes the labour reinsertion of vulnerable people, people with some disability or at risk of social exclusion. This corporate collaboration thus provides opportunities for these people and their families, contributing to the human progress of society.

This programme also includes the project "Recycling to change lives" in Spain, which seeks to promote the social integration of people at risk of social exclusion in the recycling sector. This initiative also works thanks to the creation of a network of involved companies, which includes Urbaser Group.



Tirme, one of the largest treatment facilities in Spain, has renewed its agreement with Fundació Deixalles, with which it has worked for over 18 years on a social responsibility and employment reinsertion cooperation project. This collaboration has been renewed again in 2021, thanks to which over 1,000 people have joined the job market, 30% of which have been women. 38 people currently work at the public service facilities managed by Tirme, 24 of whom have reinsertion contracts.

Work-life balance and disconnecting from work

93.2%

of the workforce have improved their work-life balance conditions

2021

64%

of the workforce has various work-life balance measures in place

2020

86%

Urbaser Group undertakes to ensure a work-life balance for the people who work in the company. For this reason, and due to the specific characteristics of the services provided in the different business areas, people management must adapt to different requirements.

Thus, work-life balance measures must be adapted to the specificity of the jobs, with measures able to be applied to positions in the corporate areas of the Main Headquarters, such as flexible start and end times or intensive working days on Fridays and summer months. Among other measures applied with regard to work-life balance within the framework of the Digital Disconnection Policy in Spain are notices on working days in terms of sending emails.

64% of the workforce benefit from different work-life balance measures through the collective bargaining agreements of each centre (86% in 2020). Many bargaining agreements have in place measures that extend periods of leave of absence established by law, reduced working days, flexitime for shift work, days for personal affairs, non-remunerated leave or sabbaticals with job reservation for longer than stipulated by law.

The company promotes and encourages social dialogue in an active and permanent way through continuous communication with the workforce trade unions and legal representatives and trade union organisations via the information, consultation and bargaining at the various labour forums, whether they be bargaining committees, joint committees, mixed joint application and interpretation committees and any other, as well as the company's participation in the various business associations and sectorial committees.

In addition, it establishes direct communication channels to ascertain the opinion and needs of employees, in order to develop initiatives adapted to them. To this end, it carries out surveys (work environment, work-life balance, etc.), thematic suggestions boxes, incidents, etc. as well as the implementation of 4People for the structural personnel in Spain, enabling continuous communication between employees, managers and HR managers.

93.2% of the workforce, through 231 collective bargaining agreements with the company and/or work centre and others of a higher rank, have improved their work-life balance conditions, as a result of the workforce consultations made by the company, although this does not mean that the remaining 7% are not receiving benefits in this regard, but that perhaps their benefits are recognised individually rather than on a collective basis.



Best practices that break down barriers

Sakthi: project to empower women from marginalized communities

Sakthi is an initiative promoted by Urbaser Sumeet designed to empower and provide a decent life for women in marginal communities. This initiative is one of the first female networks of its kind in Chennai (India), integrating a salaried workforce in all of zone 15. It has four tier structure, with supervisors, deputy supervisors, street sweepers with battery-powered vehicles and manual street sweepers.

The main goal of this initiative is to eradicate poverty among vulnerable women that are also heads of household. Through this initiative, these women are empowered through leadership, facilitating their financial freedom and, more importantly to live with dignity as members of the Urbaser Group team.

Urbaser Sumeet is seeking to extend this initiative to other areas to train more women and allow them to become leaders and transformation vectors in their communities.

LOCATION: INDIA



“Ban the Box”: access to employment for ex-convicts

In 2021, Urbaser joined the “Ban the Box” campaign that seeks job opportunities for ex-convicts throughout the United Kingdom. The campaign, which is driven by Business in the Community, is asking employers to give ex-convicts a fair employment chances by removing the verification box in job application forms where the applicant must declare whether he/she has a criminal record during the first stages of the job application. These questions should be asked once the first selection phases have been passed, thus making into one more factor to be taken into consideration once the applicant's strongpoints are known and can therefore not be cause for discrimination.

The Group thus ensures that those people who have the right skills, qualities and experience for a job are given the opportunity to join the team. This campaign also supports local communities, by providing job opportunities to all those who need one and might be at risk of vulnerability and of reoffending.

LOCATION: UNITED KINGDOM

Responsible Employer Campaign

In 2021, Urbaser Group took part in the Responsible Employer campaign, the most complete campaign of this kind in Finland. Through its participation, the company has committed to integrating its principles with the aim of co-building a responsible working community with its employees. The six principles which summarise working life responsibility in this campaign are:

- Non-discrimination
- Work life balance and well-being at work
- Investing in the supervisory role
- The importance of work and work development
- Remuneration according to task requirements
- Good applicant experience

LOCATION: FINLAND



5.1.4.

Well-being at work

GRI 103, GRI 401–2, GRI 403–1, GRI 403–2, GRI 403–3, GRI 403–4, GRI 403–6

A safe and healthy company

Urbaser Group aims to ensure that all the people who work in the company enjoy a safe and healthy work environment. This is materialised in the Corporate Quality, Health and Safety, Environmental and Energy Policy, which places occupational health and safety as the main goal and a fundamental value to be protected at all times.

The ISO 45001:2008 standard is the first international standard that sets forth the basic requirements to implement an Occupational Health and Safety Management System. The achievement of the target set by the company of 100% of companies in Urbaser Group that were OSHAS 18001 certified should make the transition to the ISO 45001 Standard was reached in 2021.

COMMITTED TO THE WELL-BEING OF THE TEAMS

Urbaser Group promotes a safe working environment and healthy lifestyle habits among its employees. To this end, it has designed a Health Plan based on four fundamental pillars: a safe working environment, psychosocial health, medical check-ups and social intervention.

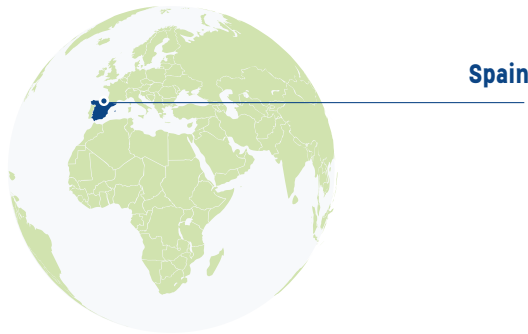
In this area, in addition to employee health check-ups, actions to promote a healthy lifestyle and sports, among which stand out charity runs, adding healthy food in automatic vending machines and company cafeterias, parking for bicycles, campaigns to encourage fruit consumption and using the stairs, the chance to acquire private medical insurance at good prices, etc.

Certifying its commitment to health

In Spain, the collection and cleaning service of Barcelona is certified since 2017 as a Healthy Working Environment, carrying out activities in the four areas of influence covered by this certification according to the WHO (World Health Organisation) model. Among the actions carried out, it is worth highlighting:

- **Physical work environment.** Improved visibility of service vehicles to reduce traffic accidents and incidents.
- **Psychosocial work environment.** Delivery of congratulations and movie tickets to each employee on his/her birthday.
- **Personal health resources.** Programme to promote healthy lifestyles, concerning nutrition and exercise.
- **Company participation in the community.** Collaboration with the Associació de Veïns del Bon Pastor en el Rebost Solidari to carry food from the Food Bank and Mercabarn (wholesale food market) to this entity, having helped 3,240 people in 2021.

In addition, during 2021, the measures implemented for protection against COVID-19 set out in company protocols were continued. These measures were recognised in Spain in 2020 via the AENOR “COVID-19 Protocol” certification, which acknowledges best practices in the management of the risks arising from COVID-19, both in the offices and in some of the services provided, showing the company’s commitment to preventing the propagation of the virus.



Safety as a principle

As part of the company’s commitment to occupational safety, Urbaser Group pays special attention to operations in which workers are particularly exposed to serious risks.

These situations are managed via the issue of work permits for the workers involved, who have the specific training and information to perform their tasks and where medical aptitude becomes a fundamental requirement. The duty of care in such situations becomes particularly important, thus allocating functions to personnel with a special rank and qualifications, known as Preventive Resources, to be present when such work is being performed. All this means that such operations are performed under the strictest conditions of safety.

As for preventive actions, in 2021 more than 447 specific risk assessments have been carried out (434 in 2020) of different facilities, in the areas of ergonomics, psychosocial risks, chemical agents, heat stress, lighting, noise, vibrations, biological agents, etc. In addition, assessments of protection of maternity, breastfeeding and people who are particularly sensitive to certain risks have also been carried out.

| Accident rates | | |
|----------------------------------|-------|------|
| | 2020 | 2021 |
| Rate of occurrence ¹⁴ | 82.18 | 71.2 |
| Rate of frequency ¹⁵ | 37.28 | 33.6 |
| Rate of severity ¹⁶ | 1.62 | 0.8 |
| Occupational diseases | 419 | 341 |

| Accident rates by gender in 2021* | | |
|-----------------------------------|-------|-------|
| | Women | Men |
| Rate of occurrence ¹⁴ | 37.29 | 79.60 |
| Rate of frequency ¹⁵ | 19.20 | 38.80 |
| Rate of severity ¹⁶ | 0.45 | 0.92 |
| Occupational diseases | 7 | 334 |

* The report does not include gender data for 2020 as the breakdown of accident rates for this period was not available.

* The calculation of the data is an estimate of hours per annum by type of working day and gender, and of lost working days according to the number of days of sick leave per gender.

Recording and reporting accidents

Within the context of the Health and Safety Management System, an Accident Rate Model in Sygris was prepared in 2021 which will provide (practically in real time) the most relevant data and rates on occupational injuries and disease all over the world.

The company also has an APP for worldwide reporting of relevant accidents making possible the immediate reporting of particularly serious accidents and subsequent alert to the Departments of Urbaser Group that might be affected by the situation that has occurred.

As well as these procedures at Group level, every country has certain specific protocols to manage these risks. In Spain, for example, the accident logging and reporting system is regulated via the internal procedure for the investigation of accidents and incidents at work and occupational illnesses. The actions to be taken, the people in charge and the information to be provided in the event of an occupational accident are laid out. In addition to the registration of every acci-

dent, incident or occupational disease, an investigation report is drafted to contain general details, analysis and preventive and corrective measures to be adopted to avoid reoccurrence.

In 2021, a total of 4,006 accidents were recorded (in 2020, 3,085) of which 3,347 were men and 659, women. In addition, 341 cases of confirmed occupational diseases were recorded (in 2020, 419).

In all the instances of fatalities, the first step was an internal notification to the company Directors and a compilation of all the information and documentation relating to the accident. Subsequently, an investigation is opened to clarify what has happened and establish any necessary preventive and/or corrective measures in each case.

No activities have specifically been identified as having a higher rate or risk of occupational disease.

2021
4,006
accidents
2020
3,085

2021
3
fatalities
2020
4

2021
341
occupational diseases
2020
419

14. Incident rate (number of accidents with sick leave/average number of workers) x 1,000
15. Frequency rate (number of accidents with sick leave/number of hours worked) x 1,000,000
16. Severity rate (number of working days lost/ number of hours worked) x 1,000

Result of collective bargaining on health and safety

GRI 102-41

The commitment of Urbaser Group to the continuous improvement of management of occupational health and safety is constant, forever in search of enhancement and reduction of occupational accidents via the various pacts on the matter included in the bargaining agreements.

In line with this commitment, agreements have been entered to reinforce social dialogue on matters of occupational health and safety. The company's collective bargaining agreements underline the need for training as the best tool to promote preventive culture

and attitude changes. This tool must always go hand in hand with information and open consultation and participation spaces for all parts involved.

In addition, such agreements consider the preventive implications involved in translating specific know-how, in order to promote the detection of occupational diseases (or any others that might be affected by work performance), as well as for the implementation of specific prevention measures adapted to every job.

2021

27,490

workers formally represented in health and safety committees

2020 21,082

2021

40.3%

employees covered by OHSAS 18001 / ISO 45001

2020 51.1%

2021

€ 9.7 M

invested in health & safety training

2020 € 5.7 M

2021

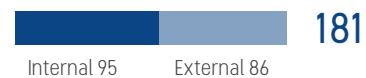
201,539

hours of training on health and safety

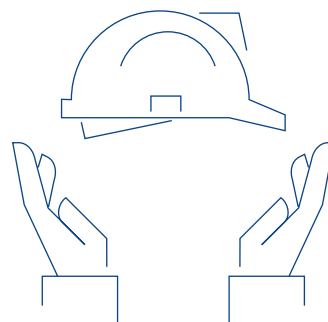
2020 132,843

Audits carried out on health and safety matters

2021



2020



HOP: Human & Organisational Performance

The Human & Organisational Performance (HOP) project, which began in 2019 in Tircantabria, aims to achieve an evolution towards a resilient business culture framework. To this end, it analyses the

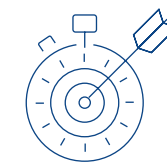
behaviour of people in their jobs, in order to understand and build systems, productive processes and organisations that are tolerant with human error.



DIAGNOSTIC PHASE (2019-2020)

A number of actions were carried out, such as visits to facilities, employee interviews, the documentary review of Occupational Risk Prevention management systems and the campaign of voluntary questionnaires of the working population.

These actions allow a highly detailed report to be obtained on the current situation with regard to preventive culture, as well as the identification of strengths and opportunities for improvement. This report concluded that Tircantabria falls, within the parameters of the Parker scale [Dianne Parker, Matthew Lawrie and Patrick Hudson (2005)], which range from 1 (pathological) to 5 (generative), at a 3.05 level, at the start of a phase of preventive culture in a proactive organisation.



IMPLEMENTATION PHASE (2020-2022)

The "Technical Opinion 104/2021 of the Labour and Social Security Inspectorate on actions on psychosocial risk" was published in 2021. Due to the coincidence of the project's implementation phase, closely linked to psychosocial factors, the publication of this Opinion has led to an assessment, restructuring and adaptation, in order to comply with the guidelines set forth in it.

Consequently, and for the purpose of seeking advice and being able to redirect and adapt the project, a number of meetings have taken place in 2021 with intermediaries, representatives promoting the Technical Opinion belonging to the Labour and Social Security Inspectorate and representatives of the National Institute of Occupational Health and Safety. The final conclusions of this process were approved and included in the Tircantabria budget for 2022. Among them, it is worth mentioning the adaptation actions which will require the integration of psychosocial factors throughout the organisation via training in psychosocial factors, intervention workshops and awareness campaigns.

The new implementation phase of the HOP project, which includes the modifications analysed during 2021, will take place throughout 2022 and will conclude with the performance of a study on psychosocial factors.

Main actions

Health and safety campaigns

Urbaser Ltd. organises awareness campaigns on issues relating to the new Department of Health and Safety initiatives, or in response to health and safety incidents that have happened or been experienced by the employees. With the aim of launching a new campaign every quarter, the company has organised, among others, campaigns on the use of seatbelts, safe driving practices, manual load handling, etc. Among these are: “Near miss reporting saves lives” and “Use your seatbelt”.

These campaigns also involve the production leaflets that are handed out among the employees of all the facilities and posters that must remain on the walls throughout the campaign. The members of the Health and Safety Department and the various service management heads are responsible for speaking with the employees on the topic of each campaign. The leaflets are accessible and easy to read, and employees sign acknowledgement of receipt.



United Kingdom

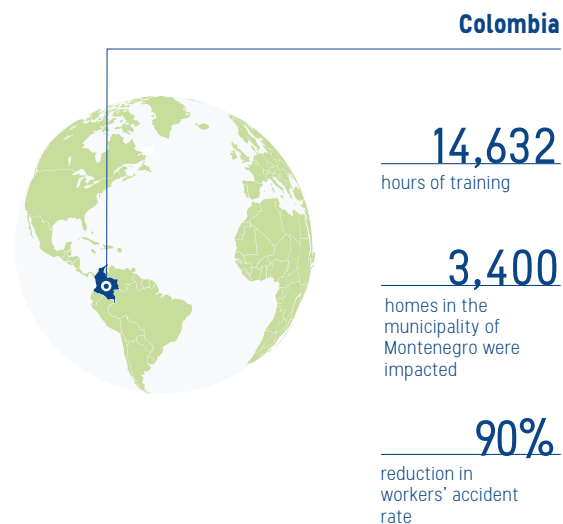


Campaigns to lower accident rates

Throughout 2021, Urbaser Colombia has provided a total of 14,632 hours of training focused on the prevention of occupational accidents and diseases for the employees, as well as actions designed to promote a healthy lifestyle.

The training sessions are one hour long and held monthly, having taken into account the type of population and their learning model into consideration. For this reason, experiential learning methodologies have been applied to the different professional profiles: significant learning and teaching strategies to ensure greater functional learning through podcasts, radio, novels, songs, training simulators and awareness talks.

The goal of this campaign was to educate 100% of the community and reduce the accident rate by 60% over that of the year before. The campaign produced a direct impact on the inhabitants of 3,400 homes in the municipality of Montenegro and a 90% reduction in the accident rate of workers in 2021 over 2020.



Building a corporate culture of safety and self-care

Since 2019, the KDM companies of Urbaser Group in Chile have been carrying out a culture shift project related to worker safety in close collaboration with the Chilean Safety Association. This project aims to generate a unified vision for all the companies and involve their leaders more intensely in its goals.

With the onset of COVID-19, greater emphasis was placed on employee self-care and prevention. In addition, an Inter-company Coordination Committee was created to coordinate and communicate pertinent measures. Progress in this project continued throughout 2021, with significant impact on both the awareness and handling of accidents and reduction in their occurrence.

Implementation of the Strategy for the Prevention of Severe Injuries and Fatalities

In 2020 KDM began the implementation of the Strategy for the Prevention of Severe Injuries and Fatalities (SFI) project where, through the ACHS-DEKRA partnership, the integration of a new

safety paradigm was put in place, that sought to increase the effectiveness in the prevention of accidents which could potentially have serious or fatal consequences for our operations. Actions in this regard included training sessions on SFI provided to senior management, greater visibility to exposure to SFI, identification and understanding the dangers that lead to the SFIs and any other action included in existing safety management systems.



Chile

Risk prevention at Sertego

Training on emergency action

In 2021, the Sertego centre in Barberà del Vallès organised training on emergency response of the intervention team and other managers. This training included fire extinguishing techniques, use of fire protection equipment, use of self-contained breathing equipment, etc. In addition, through fire drills and real accident simulations, the employees learned action and self-protection skills, as well as how to handle individual and team reactions.

These kinds of initiatives help train employees to handle potential risk situations arising from accidents occurring at work.

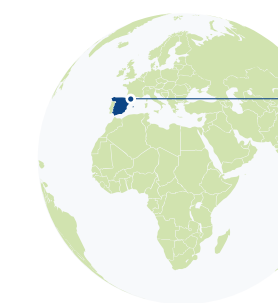


Reducing the accident rate

In order to reduce the accident rates at Sertego's center in Barberà del Vallès (Catalonia), a training of the emergency intervention team was organised in 2021 as part of the accident prevention programme to encourage workers to find possible solutions. This training yielded a proposal to establish a stretching routine at the start and during the working day, designed by an expert and adapted to each of the job types (facility personnel, drivers or office workers).

The aim of the proposal is to increase physical preparation to handle daily tasks and to help focus attention on the task in hand. This was all organised simultaneously to compliance with the policies put in place by the health and safety plans of each work centre.

In addition, workshops were held for several weeks with the participation of drivers to develop mindfulness techniques and increase focus on driving and emotional management.



Spain



5.2.

COMMITTED TO HUMAN RIGHTS

GRI 103, GRI 102–16, GRI 102–17

Respect for human rights is a fundamental part of the social responsibility of Urbaser Group and an essential pillar in the different operations in all the countries in which it is present.

The organisation's commitment to human rights is reflected in its Code of Conduct, as well as in its Corporate Social Responsibility and Human Rights policies, both approved by the Steering Committee. Responsibility for complying with these policies falls on all the people and entities to whom our internal corporate regulations are of application.

Work was carried out in 2020 on drafting a new Corporate Human Rights Policy, approved in 2021. It was designed on the basis of a previous risk analysis on human rights on an international level, including the following aspects: freedom of association, trade union freedom and collective bargaining, fair pay, working hours, forced labour, child labour and discrimination. In addition, possible risks in this regard in countries in which Urbaser Group operates

were reviewed and analysed, paying particular attention to countries where the risk of human rights violation may be higher due to having very lax legislation on the matter.

In this regard, and despite not having detected any risks associated with possible child labour, international guidelines on the age of recruitment for employment were established two years ago, along with specific control measures applicable to all countries. Controls were also put in place to ensure compliance with the human rights standards that guarantee the welfare of migrant workers in the services provided by the company.

Moreover, despite certain countries not being signatories to the ILO (International Labour Organisation) international conventions, in such countries Urbaser Group is committed to respect of human rights of the people belonging to the most vulnerable communities, irrespective of location.

Assuming an essential commitment

GRI 102–12, GRI 408–1, GRI 409–1

Through its new Corporate Human Rights Policy, approved in 2021, Urbaser Group strengthens its commitment to international regulations, such as the Universal Declaration of Human Rights, the Declaration of Fundamental Rights at Work, ILO Conventions and the Principles of the UN Global Compact.

One the Group's main commitments within the ESG Strategic Plan is providing specific training to the various job profiles during 2022 on the management of human rights in high risk countries where Urbaser Group has operations.

In addition, the company encourages respect for such rights among its contractors, suppliers and business partners via the dissemination of its Code of Conduct for Suppliers, the Handbook on Good Practices for Sustainable Procurement and the supplier approval process with regard to ESG.

The company has a specific channel through which internal and external stakeholders can report any suspected breach of this policy in a form available on the website.

Principles of the Corporate Human Rights Policy



Respect for equality and non-discrimination



Rejection of forced and child labour



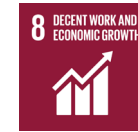
Fair and favourable working conditions



Freedom of association and collective bargaining



Health and safety



Measures for effective equality in the organisation

In line with the values of equality and diversity in the Group, a number of policies and protocols are in place to ensure respect for the dignity of people in all the countries in which it operates.

Among such measures are the Harassment Protocol of Urbaser S.A.U. in Spain, based on three key objectives: adopting the necessary measures to prevent the occurrence of any situation of harassment, helping employees identify any situation of harassment of a moral or sexual nature, by reason of gender or discriminatory treatment, and establishing an action procedure to enable the investigation and, as the case may be, the disciplinary sanctioning of potential harassment situations.

Operationally, and with the aim of guaranteeing the confidentiality of cases, Urbaser, S.A.U. in Spain has created the role of the instructor, to whom employees or their legal representatives must report any possible harassment situation that may have been detected. The protocol must be known and available to all the peo-

ple working in the company; to this end, it is published internally. Moreover and as part of their Welcome Plan, new employees are provided with training and full information on equal opportunities and harassment, along with all the documents on the company's Equality Plan and Harassment Protocol.

The main function of the Harassment Prevention Committee, jointly participated by company employees and trade union representatives, is to objectively assess the facts and actions laid out in the instructor's report, determine the existence or otherwise of a work harassment situation and propose, as the case may be, the appropriate corrective and disciplinary measures.

Respect for human rights throughout the value chain

With regard to supply chain, the Ethical Code for Suppliers of Urbaser Group contains a number of ethical principles such as rejection and elimination of forced labour or work carried out under coercion, child labour and discrimination. In addition and in accordance with such principles, the Group forbids any of the subsidiaries and affiliates located outside of Spain, as well as any of the contracted companies, to carry out practices that may involve forced labour or child labour.

All employees, clients, suppliers, partners and members of the communities in which the Group operates may use the ethical channels available in every country to report incidents related to the breach of the principles set forth in the Code of Conduct.

No reports were received in 2021 via the ethical channel or any other formal complaint mechanisms regarding human rights breaches.

5.3.

COLLABORATING WITH SUPPLIERS

GRI 102-9, GRI 204-1, GRI 308-1

2021
+60,000
suppliers engaged

2021
€ 1,086 M
total purchase volume

2020 **€ 779 M**

2021
97.3%
of purchases made from local suppliers over total turnover

2020 **97.41%**

The Group has a Corporate Procurement of Goods and Services Policy, which defines the scope of action to be followed in procurement matters, including supplier selection guidelines with goals such as compliance with legislation in force, contract award procedures based on criteria of competitiveness and transparency, development of relationships based on trust and observance of international agreements.

In addition, the Suppliers' Code of Ethics has continued to be disseminated among suppliers, contractors and collaborators, strengthening existing relationships and ensuring compliance with policies and commitments. This becomes particularly important with regard to local suppliers who, once approved, are made aware and are required to meet certain criteria to guarantee that the operations carried out comply with all the values and principles of the Code.

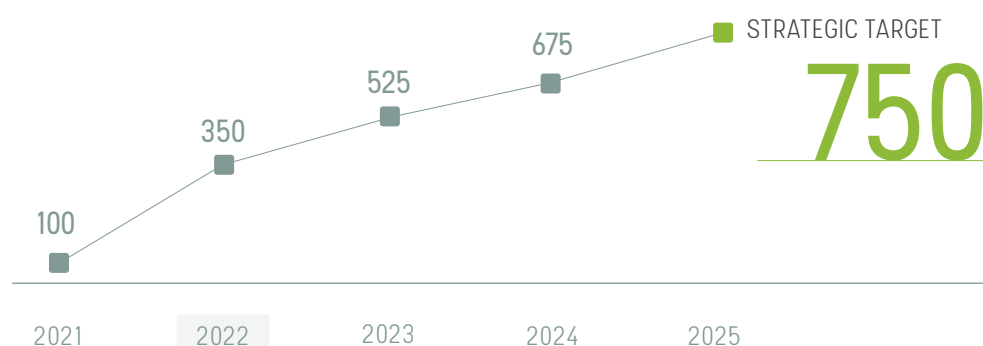
In 2021, Urbaser Group continued to work to identify, assess and mitigate the risks inherent to its supply chain, in order to guarantee the quality and safety of products and services. To this end it established a process of identification and approval of critical suppliers in terms of ESG criteria, among others.

Throughout 2021, the Group acquired supplies and contracted services from over 60,000 suppliers, with a total procurement volume of 1,086 million euros (779 million euros in 2020).

The company's procurement strategy encourages proximity, always complying with technical and financial solvency, as well as ensuring compliance with all criteria set forth in the pertaining policies. Total turn-over with local suppliers amounted to 1,052 million euros, equal to 97.3% of total purchases (97.41% in 2020).

2022 goal: implementation of an audit system for the most critical suppliers, to verify compliance with ESG criteria established in the approval process

Annual target to increase the number of ESG approved critical suppliers



PERFORMANCE 2021

100

critical suppliers approved.
The target for 2021 has been met.

TARGETS 2022
Responsible supply chain

100%

Degree of acceptance of Supplier Ethical Code



Urbaser Group uses the Achilles Repro platform to perform the approval and risk management of its most critical suppliers, which enables its sustainability standards to be monitored and improved and the performance of audits on critical suppliers identified in the annual audit plan.

Sustainable procurement criteria

Urbaser Group works with full transparency and seeks to create strategic value in the procurement function, in order to provide added value to society through its commitment to extend sustainability throughout the supply chain. We have therefore defined a series of environmental and social criteria in our purchasing and contracting policies, which are specified in the Handbook of Good Practices on Sustainable Procurement.

Along with the Corporate Policy on the Acquisition of Goods and Services and the Supplier Assessment Procedure, a Handbook of Good Practices for Sustainable Procurement has been produced in 2021 to extend the company's commitment with sustainability throughout the supply chain.

This handbook is a corporate guide that indicates the environmental and social criteria that must be taken into account when acquiring or contracting goods and services.

ENVIRONMENTAL CRITERIA

Specifically, in environmental terms, the company is workign to ensure that their purchases are based on products and services that are respectful of the environment: that incorporate recycled materials for their production, that avoid or reduce the generation of waste and emissions, and facilitate subsequent recycling and recovery. In addition, certain criteria are specified for each product category.

SOCIAL CRITERIA

Among the labels that allow us to identify suppliers as socially responsible are the Certificate SA 8000, the Certificate OHSAS 18001, the Igualdad en la Empresa label, the seals of approval of Labora, EFR Empresa Familiarmente Responsable, RS10 Responsabilidad Social, ISO 26000 and UN Global Compact.



Corporate Policy on the Acquisition of Goods and Services

IT DEFINES THE FRAMEWORK OF ACTION AND THE BASIC GUIDELINES that govern purchasing.

IT REGULATES THE GUIDELINES FOR SELECTING SUPPLIERS:

Compliance with laws in force.
Award processes based on the criteria of competitiveness and transparency.
The development of trusting relationships.
Compliance with international agreements.

Supplier's Code of Ethics

IT ESTABLISHES THE BASES OF STABLE AND LONG-LASTING COMMERCIAL RELATIONS

and long lasting based on honesty, transparency and trust, with the objective of achieving continuous improvement.

5.4.

SOCIAL IMPACT GENERATORS



Aware of its ability to influence the improvement of people's quality of life, Urbaser Group continuously strives to offer efficient, innovative and responsible services, that reflect its commitment to society via actions in line with the Sustainable Development Goals.

In terms of social wellbeing, the company works on two aspects:

• **Creation of social value through the business areas:** pursuing environmental excellence and innovation in client services to ensure a positive outcome for the environments in which it operates.

• **Social impact:** via active participation to help face social challenges, where the strategic position of Urbaser Group enables it to lead transformative change. This area includes the actions promoted by the CareToAct corporate volunteering program, as well as other independent actions in partnership with other organisations, all under the umbrella of the Corporate Social Responsibility Policy.



5.4.1.

Committed to social value creation

GRI 103, GRI 413-1

Responsible with public health

Integral water cycle management

GRI 303-1

As a company the goal to achieve social well-being and as a company that carries out drinking water treatment, Urbaser Group is firmly committed to complying with all legal requirements regarding sanitary criteria of the quality of water for human consumption, the specifications of analysis methods, exploitation and commercialisation of water.

All drinking water supply centres have a Supply Self-Management Programme or else a Water Sanitation Plan (for towns with more than 50,000 inhabitants), which includes the description of the supply infrastructure, the maintenance programme and analysis programme: frequency, sampling points, testing parameters, among others.

For instance, the determination of Legionella, a parameter that depends on the characteristics and properties of the water and the temperature of the air and of the water itself, must be carried out in certain locations where required by the health inspectorate, as laid out in the aforementioned Supply Self-Management Programme or Water Sanitation Plan, as the case may be.

136 Mm³

treated water per annum

7.2 M

people have access to quality water

656 tCO₂e

avoided due to recovery of sludge in WWTP sludge for agricultural use

Waste management and treatment

Through the solutions that Urbaser Group provides in the collection, transport and treatment of waste, the company carries out an essential service for citizens in more than 20 countries in the world,

while also contributing to face the great challenges of our planet, like climate change mitigation through its environmental innovation solutions founded on the circular economy.

What would happen if we stopped managing waste?

There would be no trees left by

2100

The reserve of fossil fuels will disappear by

2050

Plagues

of insects and rodents would spread all manner of diseases

14,000 million kg of additional waste per day worldwide

Exponential increase in the generation of polluting gases

We manage

31.6 Mt

of waste

We recover

1.1 Mt

of waste

2.2 MtCO₂e

emissions avoided



Rivers, seas and oceans polluted by tons of waste

The earth temperature would rise by 5 °C. Melted poles, flooded cities, species extinguished



5.4.2.

Actions that underscore our commitment to people

€ 1.6 M
earmarked for social impact initiatives

305
community projects supported

The activities carried out by Urbaser Group have a direct impact on the socioeconomic development of the communities, articulated in the commitments undertaken in its Corporate Social Responsibility Policy.

All activities carried out within the scope of these four areas are organised in partnership with different stakeholders, with the aim of maximising impact. The

company therefore contributes to the improvement of the living conditions of the population and/or the environment.

With this goal in mind, in 2021 the company spent 1.6 million euros on initiatives to promote projects that have positive social and environmental impact (Euros 1.2 million in 2020).

Commitments undertaken in the Corporate Social Responsibility Policy



Corporate volunteering



Environmental awareness and education actions



Actions to benefit communities

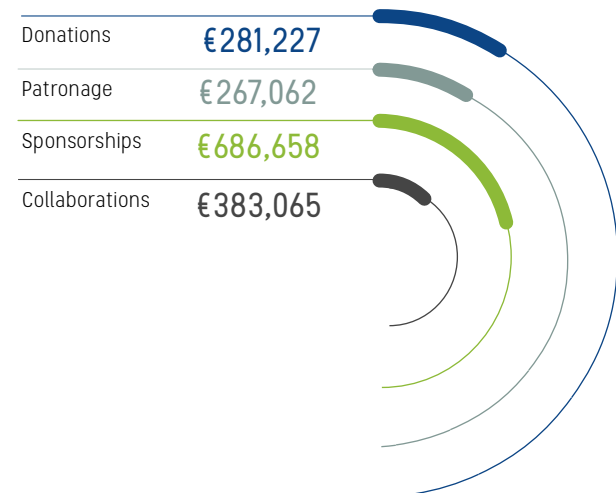


Support for the arts, culture and sports

Contribution made by type of action

| | 2020 | 2021 |
|----------------|--------------|-----------|
| Donations | € 448,736.78 | € 281,227 |
| Patronage | € 17,513.60 | € 267,062 |
| Sponsorships | € 669,403.91 | € 686,658 |
| Collaborations | € 115,002.82 | € 383,065 |

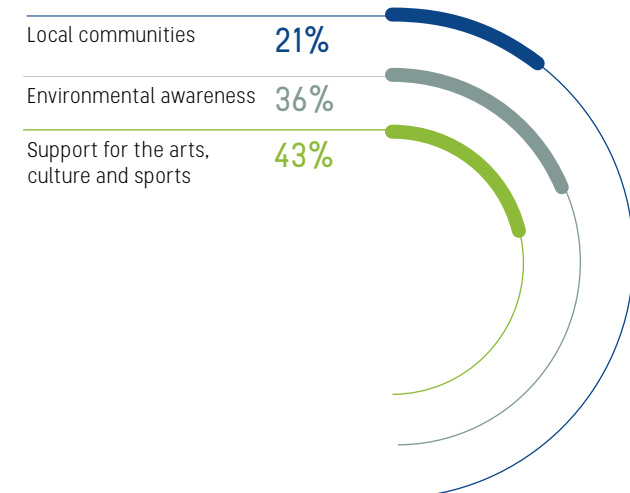
2021



Breakdown of the contribution made by area of intervention

| | 2020 | 2021 |
|--|------|------|
| Local communities | 28% | 21% |
| Environmental awareness | 22% | 36% |
| Support for the arts, culture and sports | 50% | 43% |

2021



Corporate volunteering– CareToAct

The company launched its corporate volunteering programme in Spain in 2020, through which the workers are able to actively collaborate and help achieve social objectives. Thus, in 2021,

collaborations came about in various projects of a social or environmental nature, such as:

Protecting the environment on World Environment Day

On World Environment Day, Urbaser Group organised a volunteering activity to clean natural areas, which involved 150 workers all over Spain, having collected over 2,000 kg of waste.

Company employees, along with their families, chose natural areas in their own towns that were most affected by the accumulation of waste, working for hours to do their bit for the protection of the environment.



+150
volunteers

+2,000kg
of waste collected

16
locations

Collaborations with various organisations

GRI 102–12



Pegasus Foundation

Inclusion and education on values are the cornerstones of the Pegasus Foundation, through an offering of quality leisure and sports activities that are fully inclusive and affordable.

Urbaser Group employees have the chance to take part in one of its social transformation programmes, Inclusive Sport, which uses sport and emotional intelligence to promote the normalisation of differences, emotions and fears, aiming to eradicate sports exclusion suffered by people with disabilities.

Adopt a Grandparent Foundation

The Adopta un Abuelo (Adopt a Grandparent) Foundation works to bring together young people and the elderly all over Spain; the Group connects the elderly with its employees, to bring about an exchange of life values and experiences, through conversation and telephone chats.

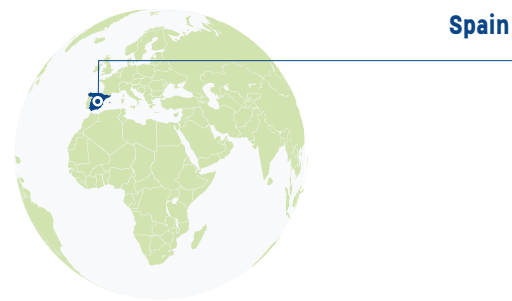
Acción por la Música Foundation

The Acción por la Música (Action for Music) Foundation is directed to vulnerable young people and children, aiming to bring about structural changes to help eradicate poverty and promote equal opportunities. The company works with the foundation by offering after-school support through our employees for schoolchildren that need specific support in proper study habits over time.

Actions to benefit communities

Raising awareness against gender violence

The employees of Urbaser Group in Spain have taken part in charity races against gender violence, as well as in their own campaigns during the week of 25N (25th November – International Day against Gender Violence). On this day, the company organised an online awareness campaign through Fundación Integral, accessible to the entire workforce. In addition, a purple corner against gender violence was organised in the company's headquarters in Madrid, turning the offices into a space to attend, inform and help victims of gender violence.



Community relations plan

As part of the community relations plan of KDM, the Urbaser Group company in Chile, community support projects have been developed for more than 20 years, which have been reached through dialogue and listening processes.

One of the main focus areas of this plan is the employment of local labor in active projects, thus contributing to the local development of families.

All the measures implemented within the scope of this Community relations plan are estimated at a contribution of approximately 140,000 euros per year.



Access to water for the rural village of Tiltit

Within the scope of this Relations Plan, KDM is executing a project to supply water to the rural village in the community of Tiltit. Situated in this community is the Relleno Sanitario Los Colorados (landfill site), in the town of Montenegro, 60 km away from Santiago, the capital of Chile.

This is a small rural village, with a dry climate and little vegetation, that has been affected by severe drought that has dried up all the existing wells and estuaries. Its population is largely rural, with low income levels and no access to basic services like drinking water, sanitation, deficient educational and health structure, etc.

In this complex scenario, KDM and other companies located in the region bring water to the village on a daily basis using cistern trucks. This enables the town to received 24,000 m³ of water per year and has benefited from an improved sanitation and water supply infrastructure in schools, neighbourhood centres, etc., thanks to the efforts of KDM.

This contribution is fundamental to guarantee the minimum consumption and improve the living conditions of the communities of the town, thanks to the firm and longstanding commitment of Urbaser Group.

24,400 m³
of water per year

Urbaser in your neighbourhood

Urbaser Colombia has created the “Urbaser en tu Barrio” (Urbaser in your neighbourhood) programme from which, annually, projects are carried out with great impact on local communities, worth more than 76,000 euros. The goal of this programme is to promote the spaces where Urbaser responds to and manages the needs of the community. The selected sites are the epicentre of shared community actions designed to recover public spaces, promoting a sense of belonging and the sustainability of each territory. “Urbaser en tu barrio” is a neighbourhood experience, an initiative for dialogue and opportunities for improvement; a space where the love and commitment to heritage and nature can be expressed, generating and teaching shared responsibilities.



Environmental awareness and education actions

An encyclopaedia ... of waste!

In May 2021, and together with the Delegation of USW of the Grouping of Municipalities of Costa del Sol Occidental, Urbaser Group promoted the creation of La Reciclopedia, an environmental website. This initiative, born from the Costa del Sol Environmental Complex, seeks to help reduce the generation of waste and increase recycling rates, ultimately leading to more sustainable cities.

This website consists of an encyclopaedia inspired by Google search engine that shows you, in less than a second, how to separate an item for proper recycling.

[ACCESS THE WEBSITE →](#)

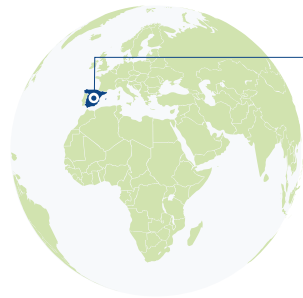

Spain

Circular economy in the classroom

In the area of education, Urbaser Group has introduced the circular economy into the classroom through the Resurja company, holding workshops in primary schools, secondary schools and university faculties with digital facilities to promote the interaction and dialogue via mobile phone with the attending audiences.

Close to 1,000 students from 20 centres in Jaén have taken part in these awareness-raising actions throughout 2021.

20
participating centres



Spain



Working to conserve the marine environment

In August 2021, Urbaser Group had the opportunity to work with the Campus Tecnológico Foundation of Algeciras in three educational workshops on marine conservation, within the scope of the Bandera Azul programme, organised by the Delegation of Beaches of the City Council of Algeciras.

63 boys and girls between the ages of 6 and 12 took part in these initiatives, designed to pass on the values of the coastal and marine Estrecho Natural Park and how sports and touristic activities must be carried out to avoid harming it.

63
participants

Promoting recycling through A cleaner Mijas

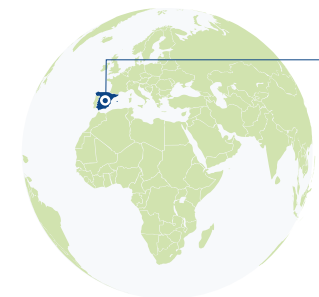


For the third year in a row, Urbaser Group carried out the programme “Mijas más limpia. No ensucies la calle” (A cleaner Mijas. Do not dirty the streets), which reached 750 students and 2,500 residents this academic year, raising awareness and sharing knowledge through the following programs:

- Website and virtual classroom of the “No ensucies la calle” environmental programme, which combines online live sessions, previously organised with the teachers, with onsite visits by Urbaser Group personnel responsible for providing them with the materials and equipment required to follow the online sessions and instructions to help and guide the work of the teachers.

- Citizens’ environmental education and awareness programme via the ‘yorecicloencasa’.com (I recycle at home) microsite, which proposes participative activities involving parents and children, friends and family, as well as the educational community.

- Urban circuit programme, whereby the yorecicloencasa.com microsite participative and awareness-raising activities are passed onto the city at large, to ensure these are carried out on site and in a safe way.



Spain

Scope

750

Primary school children

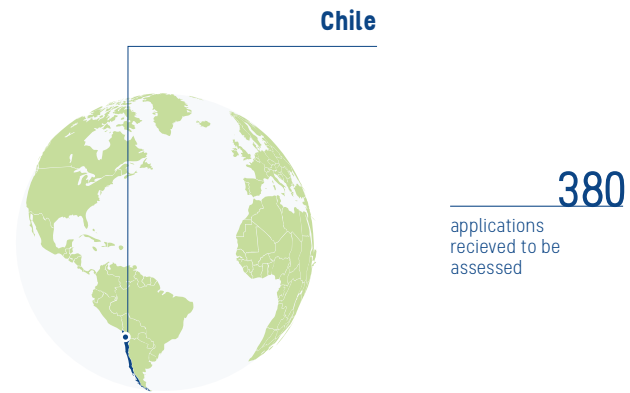
2,500

neighbors

Environmental education

During 2021, cleaning operations and environmental fairs have been held to promote knowledge on sustainability issues in the communities of La Serena and Los Ángeles, in the north and south of Chile.

In addition and since 2010, Urbaser Group has been participating in the Regional Board of Environmental Certification of Educational Establishments, evaluating and recognising schools that meet certain green criteria. 380 applications for assessment were received this year.

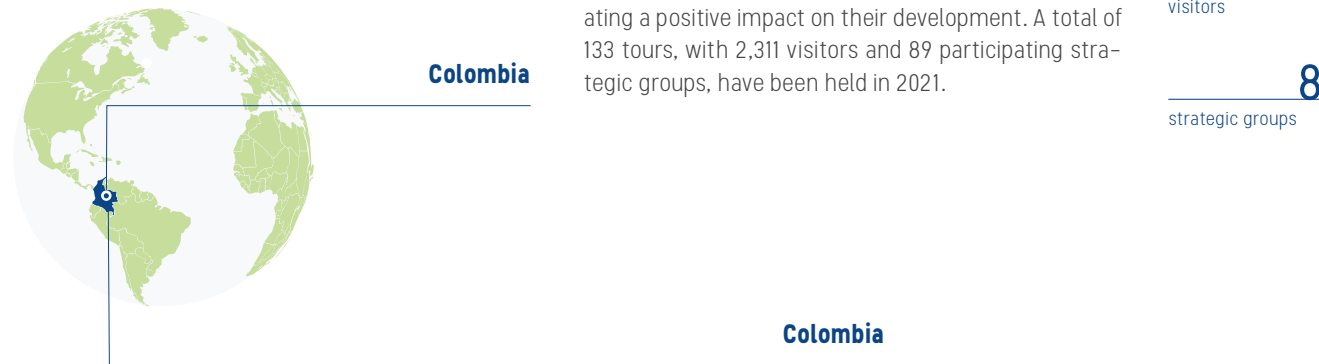


Raising awareness on protection of biodiversity

As part of the awareness raising efforts in the community, Urbaser Group organises guided tours of the landfills of Colombia, a strategy that generates impact and

seeks to encourage critical thinking, skills, attitudes and values with regard to caring from the land and its natural resources.

This helps promote the skillset of communities, generating a positive impact on their development. A total of 133 tours, with 2,311 visitors and 89 participating strategic groups, have been held in 2021.



Ecologists in action: awakening the interest in sustainability among students

Ecologists in action is an environmental education competition with which Urbaser Group aims to involve the student community in the care and conservation of their towns, with awards granted to school and university environmental projects designed to promote community intervention, research, innovation and training on matters of sustainability, ecology, the land and climate change.

A total of 37 educational institutions took part in the competition, with awards given to 5 schools and 3 universities which received funding of 11,000 euros for their implementation.

Tell me a story

Also as part of the Ecologists in action project, which is being carried out in Colombia, is the Tell me a Story (Cuéntame un Cuento) project has been developed, directed to children and seeking to promote environmentally aware behaviour through listening to stories on nature.

This involved a total of 1,120 children, who took part in the sessions held virtually every Friday from October to December.

Environmental education and awareness-raising

An awareness campaign has been launched in the UK on the importance of caring for the environment, namely Waltham Forest.

The campaign, which includes the distribution of books on Waltham Forest/Urbaser recycling, also holds educational talks. In order to have a greater impact, the workshops are held in a large truck transformed into a mobile classroom.

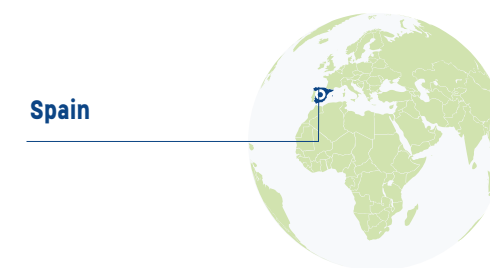


Support for the arts, culture and sports

2nd edition of Green Scholarships

Collaboration with the Andalusian Basketball Federation (FAB)

The Green Scholarships, created together with the FAB, are related to SDG 12 Responsible production and consumption and to SDG 13 Climate Action, and aim to raise awareness on the need to adopt sustainable habits with regard to our planet, to acquaint people with the SDGs related to the environment, promote the reduction of plastic and adopt a culture of waste separation.



Supporting sports: “This year yellow wins” (*Este año gana el amarillo*)

Collaboration with Jaén Paraíso Interior Fútbol Sala

This sponsorship has succeeded in raising awareness of environmental issues among the club's large number of followers, associating the values of sports and sustainability. To this end, the “Este año gana el amarillo” campaign has been linked to the recycling of packaging, especially cans, bricks and plastics.



GRI 102-1, GRI 102-5, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-45, GRI 102-46

URBASER GROUP PUBLISHES THIS REPORT TO ENSURE THAT ITS STAKEHOLDERS HAVE A TRUE AND FAITHFUL IMAGE OF THE COMPANY'S PERFORMANCE IN MATTERS OF NON-FINANCIAL INFORMATION DURING FY 2021.

THE COMPANY'S MOST RECENT NON-FINANCIAL REPORT WAS PUBLISHED IN 2021, PERTAINING TO FINANCIAL YEAR 2020.

For the first time, in 2021, this Sustainability Report constitutes the Non-Financial Reporting Statement of the company on a global basis.

The Non-Financial Reporting Statement, prepared in accordance with what is set forth in Law 11/2018 of 28 December, on the transposition to the Spanish legal system of Directive 2014/95/EU of the European Parliament, forms an integral part of the Consolidated Management Report of Urbaser Group for FY 2021. The information published in this document complements the content of other company reports: Annual Accounts and Management Report of Urbaser Group.

The Report has been prepared in accordance with the reporting criteria and recommendations set out in the GRI Sustainability Reporting Standards 2016. It includes the necessary disclosures to understand the performance, results and situation of the company, and the impact of its activity with regard to environmental and social issues, as well as those relating to personnel, respect for human rights and the fight against bribery and corruption.

The information included refers to activities and services provided by Urbaser Group and its subsidiaries (referred to as Urbaser Group throughout this report) during 2021.

The information contained in the Non-Financial Information Statement has been independently verified by Ernst & Young.

6.1.

SCOPE OF INFORMATION

The scope of the financial and non-financial information is in line with the financial consolidation reporting scope, during the period 1 January 2021 to 31 December 2021. It includes investee companies in which the Group holds a majority shareholding or controlling interest.

The process to validate and consolidate the data obtained has been carried out by the corporate departments of Urbaser Group.



6.2.

MATERIALITY AND STAKEHOLDER ENGAGEMENT

GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44, GRI 102-45, GRI 102-47, GRI 102-50, GRI 102-51, GRI 102-52, GRI 102-54

This study enables the company to learn the importance of the issues related to business strategy and identify the expectations and needs of stakeholders. It combines the internal and external outlook of the stakeholders, in accordance with the "Reporting Principles for defining report content" of Global Reporting Initiative (GRI) Standard 101: Foundation.

In 2020 Urbaser Group reviewed and updated the materiality study through personal interviews and online surveys focusing on internal and external stakeholders and sources of information of relevance in order to identify and prioritise matters of an economic, social and environmental nature considered to be of great impact and relevance (material). This study will be updated in 2022.

5. FACT SHEETS ON RELEVANT ISSUES

Detail on relevant issues; information on the outlook for Urbaser Group and adherence to **SDG and GRI Standards**

1. ISSUE IDENTIFICATION

Analysis of **trends**
Relevant issues for the business according to **prescribers**
Industry **benchmark**

4. RELEVANT ISSUES

Inclusion of the internal and external perspectives to help prioritise **material issues** in terms of sustainability for Urbaser Group, shown in a materiality matrix



3. EXTERNAL PERSPECTIVE

Valuation of **relevance of issues for external stakeholders (trade unions and suppliers)**
Analysis of the press

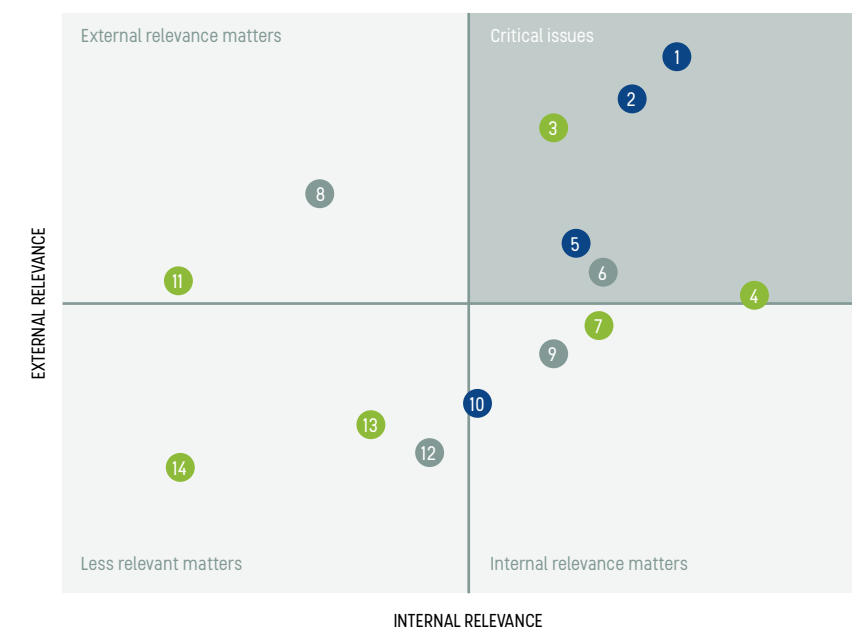
Inclusion of the relevance of issues identified in **Law 11/2018, GRI, SASB and DJSI**

2. INTERNAL PERSPECTIVE

Eight interviews with **senior managers of the company and two delegate questionnaires**

Materiality matrix

The issues in the upper right quadrant of the matrix have the highest relevance, both internal and external.



ESG

E Matters of an environmental nature

S Matters of a social nature

G Governance issues

RANKING OF MATTERS

Ranked in order of relevance

| | |
|----|--|
| 1 | Good governance, ethics and compliance |
| 2 | Stakeholder commitment, involvement and relations |
| 3 | Working conditions of employees and contractors |
| 4 | Health and safety conditions |
| 5 | Solidity, business growth and sustainable recovery |
| 6 | Climate change and the energy transition |
| 7 | Respect for human rights |
| 8 | Protection of the environment |
| 9 | Circular economy impact and integration |
| 10 | Risk management culture |
| 11 | Socioeconomic impact on the community |
| 12 | Smart cities, innovation and digitalisation |
| 13 | Equality, and diversity |
| 14 | Supply chain responsibility |

Among the additional requirements set forth by Law 11/2018 of 28 December, there are aspects such as "Food Waste", "Measures for Consumer health and safety" that are not applicable to our activity, along with "Consumer complaint procedures" where, bearing in mind the company's main activity, Urbaser Group is not in di-

rect contact with the consumer. Clients have specific channels for complaint stipulated in their contractual conditions and Urbaser Group offers reporting channels, such as the ethics channel, to its various stakeholders.

2020

materiality issues

14



Profit (before tax) by country in thousands of euros (€)

| Tax jurisdiction | 2020 | 2021 |
|------------------|---------|--------|
| Spain | 168,957 | 80,125 |
| Argentina | 21,885 | 17,682 |
| Bahrein | 1,118 | 3,318 |
| Belgium | -1,481 | |
| Chile | 2,149 | -1,930 |
| China | -546 | |
| Colombia | 7,339 | 8,888 |
| Denmark | 4,655 | 7,541 |
| Ecuador | 866 | 490 |
| United States | -3,626 | -1,628 |
| Finland | 242 | -1,603 |
| France | -4,847 | -4,326 |
| India | -748 | 3,404 |
| Italy | 1,561 | -1 |
| Jordan | -675 | |
| Morocco | -1,291 | -105 |
| Mexico | -1,975 | 519 |
| Norway | 3,083 | 4,265 |
| Oman | 16 | 33 |
| The Netherlands | -1,059 | |
| Poland | 50 | -125 |
| Portugal | 5,203 | 5,768 |
| United Kingdom | -71,979 | -649 |
| Singapore | -42 | -8 |
| Sweden | -2,824 | -374 |
| Venezuela | 14 | 71 |

Income taxes paid (unearned) in thousands of euros (€)

| Tax jurisdiction | 2020 | 2021 |
|------------------|--------|--------|
| Spain | 14,512 | 22,111 |
| Argentina | 6,716 | 11,664 |
| Chile | -7 | 1,155 |
| Colombia | 430 | 1,997 |
| Ecuador | 31 | 7 |
| France | -826 | -3,251 |
| India | 2 | 988 |
| Morocco | 16 | -82 |
| Mexico | 37 | 9 |
| Norway | 233 | 907 |
| Sweden | -335 | -849 |
| Venezuela | -1 | 41 |
| Finland | | 160 |
| Denmark | | 1,405 |
| Indonesia | | 89 |





CONTENTS

LAW 11/18

| ISSUES LAW 11/2018 | LOCATION/CONTENT | SCOPE USED* |
|--|---|--------------------------|
| Description of business model | | |
| Business context | Chapter 1. Letter from the Chief Executive Officer Chapter 2. Section: 2.1. Sustainability governance | GRI 102-2 |
| Organisation and structure | Chapter 2. Section: An impact model on a global scale | GRI 102-18 |
| Geographical presence | Chapter 2. Section: An impact model on a global scale (Infographics: Urbaser Group in the world) | GRI 102-6 |
| Targets and strategies | Chapter 1. Letter from the Chief Executive Officer Chapter 2. Infographics: ESG Strategic Approach Section: 2.2. SDGs as a springboard for transformation | GRI 102-14 |
| Factors and trends that might affect future performance | Chapter 1. Letter from the Chief Executive Officer Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.7. Anticipating risks, identifying opportunities | GRI 102-15 |
| Description of policies applied by the Group | | |
| Due diligence procedures applied in the identification, assessment, prevention and mitigation of risk | Chapter 2. Section: 2.3. Ensuring sustainable performance | GRI 103-2 |
| Significant verification and impacts control. Measures adopted | Chapter 2. Section: 2.3. Ensuring sustainable performance | GRI 103-1 |
| Results of policies | | |
| Key indicators of non-financial results allowing for progress monitoring and evaluation and enabling comparability between companies and sectors | Chapter 4. Section: 4.1. Integrated environmental management; 4.1.1. Main environmental figures. Section: 4.2.2. Reducing our footprint. Section: 4.3. Circular economy (infographics) Chapter 5. Section: 5.1. Commitment to our employees (infographics); 5.1.1. Main employee figures. Section: 5.3. Collaborating with suppliers. Section: 5.4. Social impact generators; 5.4.1. Committed to social value creation; 5.4.2. Actions that underscore our commitment to people | GRI 103-3 |
| Main risks associated with Group activities | | |
| Business relations, products or services that might have negative effects | Chapter 2. Section: 2.3. Ensuring sustainable performance. The potential negative impacts associated with each work area are described in the various chapters of this Non-Financial Statement (Chapter 2. Section: An impact model on a global scale. Chapter 4. The protection of the environment, the cornerstone of our operations. Chapter 5. People, partners and drivers of our commitment) | GRI 102-2 |
| How the Group manages these risks | Chapter 2. Section: 2.3. Ensuring sustainable performance | GRI 103-2 |
| Procedures used to detect and assess them | Chapter 2. Section: 2.3. Ensuring sustainable performance | GRI 103-3 |
| Information on the impacts detected and breakdown thereof; specifically, on the main short, medium and long term risks | Chapter 2. Section: 2.3. Ensuring sustainable performance | GRI 102-46 GRI 102-47 |

* Unless otherwise expressly indicated, the scope used are te GRI 2016 standards.

| ISSUES LAW 11/2018 | LOCATION/CONTENT | SCOPE USED* |
|---|--|--|
| Information on environmental issues | | |
| Current and foreseeable effects of company activities on environmental issues | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.3. Operational risk; 2.3.7. Anticipating risks, identifying opportunities During 2021, 12 environmental sanctions have been recorded. No significant environmental sanctions were recorded in 2020 | GRI 103–2 |
| Current and foreseeable effects of company activities on health and safety | Chapter 2. Section: 2.3.3. Operational risks: “Labour risk related to employee health and safety”. Section: 2.3.4. Regulatory compliance risks; “Public health” | GRI 103–2 |
| Environmental evaluation or certification procedures | Chapter 4. Section: 4.1. Integrated environmental management (Intro) | GRI 103–3 |
| Resources dedicated to environmental risk prevention | Chapter 2. Section: 2.3.1. Risks inherent to the activity; 2.3.2. Risk management system Chapter 4. Section: 4.1. Integrated environmental management; 4.1.2. Environmental provisions and assurances | GRI 103–3 |
| Precautionary principle | Chapter 2. Section 2.3. Ensuring sustainable performance | GRI 102–11 |
| Amount of provisions and warranties for environmental risks | Chapter 4. Section: 4.1. Integrated environmental management; 4.1.2. Environmental provisions and assurances | GRI 103–3 |
| Pollution | | |
| Measures to prevent, reduce or repair carbon emissions that seriously affect the environment | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.3. Operational risks Pollution and climate change; “Control mechanisms: Mitigation Policies and Measures” Chapter 4. Section: 4.2. Committed to the climate; 4.2.1. Climate change mitigation; 4.2.2. Reducing our footprint | GRI 305–1 GRI 305–2 GRI 305–4 GRI 305–5 |
| Any form of atmospheric pollution that is specific to an activity, including noise and light pollution | Chapter 2. Section 2.3. Ensuring sustainable performance; 2.3.3. Operational risks Pollution and climate change; “Control mechanisms: Mitigation Policies and Measures” Chapter 4. Section: 4.1. Integrated environmental management 4.1.1. Main environmental figures; “Emissions” | GRI 305–7 |
| Circular economy and waste prevention and management | | |
| Measures for the prevention, recycling, reuse, recovery and disposal of waste | Chapter 2. Section: An impact model on a global scale; 2.2.2. Urban Waste Treatment; 2.2.3. Industrial Waste Treatment; 2.2.4. Integral Water Management Chapter 3. A culture of innovation; “L1. Waste treatment processes under the concept of circular economy” Chapter 4. Section: 4.1. Integrated environmental management; 4.1.1. Main environmental figures; “Generated waste” Section: 4.3. Circular economy | GRI 306–2 GRI 306–4 |
| Actions to combat food waste | Not applicable to the activity | Not applicable |
| Sustainable use of resources | | |
| Water consumption and water supply in line with local restrictions | Chapter 4. Section: 4.1. Integrated environmental management; 4.1.1. Main environmental figures; “Efficient water management” | GRI 303–5 (GRI 303:2018) |
| Consumption of raw materials and measures adopted to improve usage efficiency | Chapter 4. Section: 4.1. Integrated environmental management 4.1.1. Main environmental figures; “Consumption of raw materials” | Not applicable |
| Climate change | | |
| Direct and indirect energy consumption | Chapter 4. Section: 4.1. Integrated environmental management; 4.1.1. Main environmental figures; “Generation and consumption of energy: operations efficiency” | GRI 302–1 GRI 302–2 |
| Measures taken to improve energy efficiency | Chapter 4. Section: 4.2. Committed to the climate; “Implementation of energy efficiency measures in facilities and services”; 4.2.1. Climate change mitigation; 4.2.3. Adaptating to climate change | GRI 302–3 GRI 302–4 |
| Use of renewable energies | Chapter 4. Section: 4.2. Committed to the climate; “Renewable energy consumption at facilities” | GRI 302–1 |
| Important components of greenhouse gas emissions generated as a result of the company’s activities and use of goods and services produced | Chapter 4. Section: 4.1. Integrated environmental management; 4.1.1. Main environmental figures Chapter 4. Section: 4.2. Committed to the climate; 4.2.2. Reducing our footprint | GRI 305–1 GRI 305–2 |
| Measures in place to adapt to consequences of climate change | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.3. Operational risks; “Pollution and climate change” Chapter 4. Section: 4.2. Committed to the climate; 4.2.1. Climate change mitigation; 4.2.3. Adapting to climate change | GRI 201–2 |
| Reduction targets voluntarily set in the medium and long term to reduce greenhouse gas emissions and mechanisms in place to achieve this | Chapter 4. Section: 4.2. Committed to the climate; 4.2.1. Climate change mitigation; 4.2.2. Reducing our footprint | GRI 305–5 |

* Unless otherwise expressly indicated, the scope used are the GRI 2016 standards.

| ISSUES LAW 11/2018 | LOCATION/CONTENT | SCOPE USED* |
|--|--|--|
| Protection of biodiversity | | |
| Measures to preserve or restore biodiversity | Chapter 4. Section: 4.4. Biodiversity conservation. This section describes a number of associations with third parties to protect or restore habitats other than those supervised by the organisation | GRI 304–1 |
| Impact caused by activities or operations in protected areas | Chapter 4. Introduction (cover page). Section: 4.1. Integrated environmental management. Section: 4.4. Biodiversity conservation | GRI 304–2 |
| Information on social issues relating to personnel | | |
| Employment | | |
| Total number and distribution of employees by gender, age, country and professional classification | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.1. Main employee figures | GRI 102–8 |
| Total number and distribution of employment contract modalities | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.1. Main employee figures | GRI 102–8 |
| Annual average of indefinite contracts, temporary contracts and part time contracts by gender, age and professional classification | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.1. Main employee figures | GRI 102–8 |
| Average remunerations and evolution broken down by gender, age and professional classification or equivalent | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities; “Performance and promotion of opportunities” | GRI 202–1 |
| Gender pay gap | Chapter 5. Section: 5.1 Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities; “Performance and promotion of opportunities” | GRI 405–2 |
| Average job remuneration | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities; “Performance and promotion of opportunities” | GRI 405–2 |
| The average job remuneration of directors and senior managers, including variable remuneration, per diems, compensation, payment to long terms savings or pension funds and any other remuneration broken down by gender | Chapter 1. Letter from the Chief Executive Officer Chapter 2. Section: 2.3. Ensuring sustainable performance 2.3.7. Anticipating risks, identifying opportunities | GRI 102–38 |
| Implementation of work disconnection policies | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities; Diversity and inclusion; “Work–life balance and disconnecting from work” | GRI 401–2 |
| Employees with disabilities | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities; Diversity and inclusion (Intro) | GRI 405–1 |
| Organisation of work | | |
| Organisation of work time | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.2. Managing Talent: “People Organisation and Master Plan Development”. Urbaser Group establishes the yearly working hours and the distribution thereof in accordance with what is set forth in the various collective bargaining agreements in each country, which must always comply with the legislation of every region in which it operates. The annual average of hours worked is 1,738 | GRI 401–2 |
| Number of hours of absence | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.1. Main employee figures; “Absenteeism and its management in the face of COVID–19” | GRI 403–9 (GRI 403:2018) |
| Measures designed to help with the work–life balance and encouragement of the responsible application of such measures by both parents | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities; Diversity and inclusion; “Work–life balance and disconnecting from work” (Intro) | GRI 401–2 |
| Health and safety | | |
| Health and safety conditions at work | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.4. Well–being at work | GRI 403–2 (GRI 403:2018) GRI 403–3 (GRI 403:2018) GRI 403–4 (GRI 403:2018) |
| Accidents at work; in particular, frequency and severity, as well as occupational diseases (broken down by gender) | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.4. Well–being at work; “Safety as a principle” | GRI 403–3 (GRI 403:2018) GRI 403–9 (GRI 403:2018) GRI 403–10 (GRI 403:2018) |

* Unless otherwise expressly indicated, the scope used are the GRI 2016 standards.

| ISSUES LAW 11/2018 | LOCATION/CONTENT | SCOPE USED* |
|---|--|--|
| Labour relations | | |
| Organisation of social dialogue, including procedures to inform and consult with employees as well as bargain with them | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.1. Main employee figures; Introduction to the table Percentage of workforce covered by collective bargaining agreements | GRI 403-1 (GRI 403:2018) GRI 403-4 (GRI 403:2018) |
| Percentage of employees covered by collective bargaining agreements by country | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.1. Main employee figures; Table: Percentage of workforce covered by collective bargaining agreements | GRI 102-41 |
| The balance of collective bargaining agreements, particularly in the area of health and safety at work | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.4. Well-being at work "Result of collective bargaining on health and safety" | GRI 403-4 (GRI 403:2018) |
| Training | | |
| Training policies implemented | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.2. Managing talent; Intro and "Professional development of the team" | GRI 404-2 |
| Total hours of training by professional category | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.2. Managing talent; "Professional development of the team" | GRI 404-1 |
| Universal accessibility by people with disabilities | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities (Intro); "Partnerships and collaborations to promote diversity, equal opportunities and social integration"; "Best practises that break down barriers" | GRI 405-1 |
| | Section: 5.1.3. Promoting diversity and equal opportunities (Intro); "Partnerships and collaborations to promote diversity, equal opportunities and social integration" In Spain, in accordance with the General Law on Disabilities, the company works with Special Job Centres that employ people with disabilities and makes sure that these employees have the resources and conditions needed for their jobs | |
| Equality | | |
| Measures adopted to promote equal treatment and opportunities of men and women | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities | GRI 405-1 GRI 103-2 |
| Equality Plans (Chapter III of Organic Law 3/2007 of 22 March, on effective equality of men and women) | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities (Management focus) | GRI 405-1 GRI 103-2 |
| Measures adopted to promote employment | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities | GRI 405-1 GRI 103-2 GRI 413-1 |
| Anti-bullying protocol and harassment by reason of gender, integration and universal accessibility | Chapter 5. Section: 5.2. Committed to human rights; "Measures for effective equality in the organisation" 10 harassment at work complains were registered through the internal channel in 2021. | GRI 405-1 GRI 103-2 |
| The policy against all kinds of discrimination and, as the case may be, of diversity management | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities (Management focus). Section: 5.2. Committed to human rights | GRI 405-1 GRI 103-2 |
| Information regarding the respect for human rights | | |
| Application of due diligence processes in human rights | Chapter 5. Section: 5.2. Committed to human rights | GRI 102-16 GRI 102-17 |
| Prevention of the risks of violation of human rights and, as the case may be, measures to mitigate, manage and repair any potential abuse committed | Chapter 5. Section: 5.2. Committed to human rights | GRI 102-16 GRI 102-17 |
| Human rights violations complaints | Chapter 5. Section: 5.2. Committed to human rights; "Respect for human rights throughout the value chain" | GRI 102-17 |
| Promotion and compliance with the provisions in the fundamental conventions of the International Labour Organisation related to respect of freedom of association and collective bargaining | Chapter 5. Section: 5.2. Committed to human rights | GRI 102-16 GRI 407-1 GRI 408-1 GRI 409-1 |
| Elimination of discrimination in job and employment | Chapter 5. Section: 5.2. Committed to human rights; "Assuming an essential commitment" | GRI 102-12 |
| Eradication forced labour or child labour | Chapter 5. Section: 5.2. Committed to human rights; "Assuming an essential commitment" | GRI 102-12 GRI 102-16 GRI 102-17 |
| The effective eradication of child labour | Chapter 5. Section: 5.2. Committed to human rights; "Assuming an essential commitment" | GRI 102-12 GRI 102-16 GRI 102-17 |

* Unless otherwise expressly indicated, the scope used are the GRI 2016 standards.

| ISSUES LAW 11/2018 | LOCATION/CONTENT | SCOPE USED* |
|---|---|--------------------------------------|
| Information on the fight against bribery and corruption | | |
| Measures adopted to prevent bribery and corruption | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.4. Regulatory compliance risks; “Fight against corruption, bribery and money laundering” Chapter 2. Section: 2.4. Ethical management in Urbaser Group; Corporate governance and corporate policies; “Fight against corruption, bribery and money laundering” Chapter 2. Section: 2.4. Ethical management in Urbaser Group; Corporate governance and corporate policies; “Fight against corruption, bribery and money laundering” No cases of confirmed corruption have been reported via the internal complaints and whistleblowing channel in 2021 | GRI 102–16 GRI 102–17 |
| Measures to combat money laundering | Chapter 2. Section: An impact model on a global scale | GRI 102–16 GRI 102–17 |
| Contributions made to foundations and non-profit organisations | Chapter 2. Section: An impact model on a global scale (Infographics: Urbaser Group in the world) | GRI 201–1 GRI 413–1 |
| Information on the company | | |
| Company commitments to sustainable development | | |
| The impact of the company’s activity on employment and local development | Chapter 2. Section: An impact model on a global scale. This section describes the impact generated on employment and development of the various projects undertaken by Urbaser Group through the services provided | GRI 413–1 GRI 413–2 |
| The impact of the company’s activity on local populations and the region | Chapter 2. Section: An impact model on a global scale. This section describes the impact generated on employment and development of the various projects undertaken by Urbaser Group through the services provided Chapter 5. Section: 5.4. Social impact generators; “Committed to social value creation” | GRI 413–1 GRI 413–2 |
| The relationships with major players in local communities and means of dialogue with them | Chapter 2. Section: 2.2.6. Working together on a shared purpose; “Society” | GRI 102–43 GRI 413–1 GRI 413–2 |
| Association and sponsorship actions | Chapter 2. Section: 2.2.6. Working together on a shared purpose; “Active participation in transformative dialogue” | GRI 102–13 GRI 413–1 |
| Subcontractors and suppliers | | |
| The inclusion of social, environmental and gender equality issues in the procurement policy | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.5. Reputational risks; “Operation and regulatory compliance in the distribution chain” Chapter 5. Section: 5.3. Collaborating with suppliers | GRI 308–1 GRI 414–1 |
| Consideration of social and environmental responsibility in relations with suppliers and subcontractors | Chapter 5. Section: 5.3. Collaborating with suppliers | GRI 308–1 GRI 414–1 |
| Supervision systems and audits and results thereof | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.5. Reputational risks; “Operation and regulatory compliance in the distribution chain” Chapter 5. Section: 5.3. Collaborating with suppliers | GRI 308–1 GRI 414–1 |
| Consumers | | |
| Consumer health and safety measures | Chapter 5. Section: 5.4. Social impact generators; 5.4.1. Committed to social value creation; “Responsible with public health” | GRI 416–1 GRI 416–2 GRI 103–2 |
| Complaint systems, complaints received and resolution thereof | Urbaser Group does not receive complaints from consumers. These are received by the public administration offices | GRI 103–3 |
| Tax information | | |
| Profits obtained by country | Chapter 7. Appendix on Tax information | GRI 207–4 (GRI 207:2019) |
| Tax on profit | Chapter 7. Appendix on Tax information | GRI 207–4 (GRI 207:2019) |
| Public subsidies received | Chapter 7. Appendix on Tax information Operating subsidies received, from R+D+I projects | GRI 201–4 |

* Unless otherwise expressly indicated, the scope used are the GRI 2016 standards.

GRI CONTENTS

– INDEX

| GRI Standard | Contents | Material indicator | Section/subsection of the report |
|--------------------------------|--|--------------------|---|
| GRI 102: GENERAL CONTENT 2016 | | | |
| 1. Profile of the organisation | | | |
| GRI 102–1 | Name of the organisation | | 6. Reporting and materiality criteria |
| GRI 102–2 | Activities, brands, products and services | | Chapter 2. Section: An impact model on a global scale |
| GRI 102–3 | Location of headquarters | | Camino de las Hormigueras, 171, Madrid, Spain 28031 Madrid, SPAIN |
| GRI 102–4 | Location of operations | | Chapter 2. Section: An impact model on a global scale (Infographics: Urbaser Group in the world) |
| GRI 102–5 | Ownership and legal form | | 6. Reporting and materiality criteria |
| GRI 102–6 | Markets served | | Chapter 2. Section: An impact model on a global scale |
| GRI 102–7 | Size of the organisation | | Chapter 2. Section: An impact model on a global scale (Infographics: Urbaser Group in the world) |
| GRI 102–8 | Information on employees and other workers | | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.1. Main employee figures |
| GRI 102–9 | Supply chain | | Chapter 5. Section: 5.3. Collaborating with suppliers |
| GRI 102–10 | Significant changes in the organisation and its supply chain. | | 2021 has marked a turning point for the company, with the acquisition by the US Platinum Equity fund |
| GRI 102–11 | Precautionary principle or approach | | Chapter 2. Section: 2.3. Ensuring sustainable performance Chapter 4. Section: 4.1. Integrated environmental management 4.1.2. Environmental provisions and assurances |
| GRI 102–12 | External initiatives | | Chapter 5. Section: 5.2. Committed to human rights; “Assuming an essential commitment” Chapter 5. Section: 5.1. Committed to our employees; “Partnerships and collaborations to promote diversity, equal opportunities and social integration”. Section: 5.4. Social impact generators; 5.4.2. Actions that underscore our commitment to people; “Collaborations with various organisations” |
| GRI 102–13 | Membership of associations | | Chapter 2. Section: 2.2.6. Working together on a shared purpose; “Active participation in transformative dialogue” Chapter 5. Section: 5.1. Committed to our employees; “Partnerships and collaborations to promote diversity, equal opportunities and social integration” |
| 2. Strategy | | | |
| GRI 102–14 | Statement by senior executives responsible for decision-making | | Chapter 1. Letter from the Chief Executive Officer |
| GRI 102–15 | Main impacts, risks and opportunities | | Chapter 1. Letter from the Chief Executive Officer Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.7. Anticipating risks, identifying opportunities Chapter 2. Section: 2.3. Ensuring sustainable performance |
| 3. Business ethics | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Section: 2.4. Ethical management at Urbaser Group |
| GRI 102–16 | Values, principles, standards and rules of conduct | Yes | Chapter 2. Section: 2.4. Ethical management at Urbaser Group; Corporate governance and corporate policies Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.4. Regulatory compliance risks |
| GRI 102–17 | Ethical concerns and advice mechanism | Yes | Chapter 2. Section: 2.4. Ethical management at Urbaser Group |

| GRI Standard | Contents | Material indicator | Section/subsection of the report |
|--|---|--------------------|---|
| 4. Governance | | | |
| GRI 102–18 | Governance structure | | Chapter 2. Section: 2.4. Ethical management at Urbaser Group; “Corporate governance and corporate policies” |
| GRI 102–19 | Delegation of authority | | Chapter 2. Section: 2.4. Ethical management at Urbaser Group; “Corporate governance and corporate policies” |
| 5. Stakeholder participation | | | |
| GRI 102–40 | Stakeholders’ list | | Section: 2.2.6. Working together on a shared purpose Chapter 6. Section: 6.2. Materiality and stakeholder engagement |
| GRI 102–41 | Collective bargaining agreements | | Chapter 5. Section: 5.1. Commitment to our employees; Table: Percentage of workforce covered by collective bargaining agreements; 5.1.4. Well-being at work; “Result of collective bargaining on health and safety” |
| GRI 102–42 | Identification and selection of stakeholders | | Section: 2.2.6. Working together on a shared purpose Chapter 6. Section: 6.1. Scope of information |
| GRI 102–43 | Approaches to stakeholder participation | | Section: 2.2.6. Working together on a shared purpose Chapter 6. Section: 6.1. Scope of information |
| GRI 102–44 | Key issues and concerns mentioned | | Chapter 6. Section: 6.1. Scope of information |
| 6. Report drafting practices | | | |
| GRI 102–45 | Entities included in the consolidated financial statements | | Chapter 6. Section: 6.1. Scope of information |
| GRI 102–46 | Definition of report contents and coverage of the issue | | Table of Contents 6. Reporting and materiality criteria |
| GRI 102–47 | List of material topics | | Chapter 6. Section: 6.2. Materiality and stakeholder engagement |
| GRI 102–48 | Restatement of the information | | No recalculation of data from previous years has been performed |
| GRI 102–49 | Changes in report preparation | | This year this report constitutes the Non-Financial Information Statement of Urbaser Group |
| GRI 102–50 | Period of report | | 6. Reporting and materiality criteria |
| GRI 102–51 | Period of last report | | 6. Reporting and materiality criteria |
| GRI 102–52 | Report preparation cycle | | 6. Reporting and materiality criteria |
| GRI 102–53 | Point of contract for questions on the report | | info@urbaser.com |
| GRI 102–54 | Declaration of preparation of report in accordance with GRI standards | | 6. Reporting and materiality criteria |
| GRI 102–55 | GRI contents – index | | 8. NFR–GRI index |
| GRI 102–56 | External verification | | 9. Independent verification report |
| ECONOMIC DIMENSION | | | |
| Business continuity plans | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Infographics: ESG Strategic Approach |
| GRI 102–10 | Significant changes in the organisation and its supply chain. | Yes | The acquisition by the US fund Platinum Equity marked the beginning of Strategic Plan ESG 2022–2025 |
| Diversification of markets and services | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Section: An impact model on a global scale |
| GRI 102–6 | Markets served | Yes | Chapter 2. Infographics: Urbaser Group in the world |
| Senior management involvement in sustainability management | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Section: 2.1. Sustainability governance |
| Promotion of innovation | | | |
| GRI 103 | Management focus | Yes | Chapter 3. A culture of innovation (Intro) |

| GRI Standard | Contents | Material indicator | Section/subsection of the report |
|--|--|--------------------|--|
| Risk management | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Section: 2.3. Ensuring sustainable performance |
| GRI 102–15 | Main impacts, risks and opportunities | Yes | Chapter 1. Letter from the Chief Executive Officer Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.7. Anticipating risks, identifying opportunities |
| 201–2 | Financial implications and other risks and opportunities arising from climate change | | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.7. Anticipating risks, identifying opportunities |
| Indirect economic impacts | | | |
| GRI 103 | Management focus | | Chapter 2. Section: An impact model on a global scale |
| GRI 203–2 | Significant indirect economic impacts | | Chapter 2. Section: An impact model on a global scale. This section describes the various impacts that the different projects executed by Urbaser Group generate via services provided |
| Compliance | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Section: 2.4. Ethical management at Urbaser Group |
| GRI 205–2 | Communication and training on anti-corruption policies and procedures | Yes | Chapter 2. Section: 2.4. Ethical management at Urbaser Group; “Corporate governance and corporate policies”; “The fight against corruption, bribery and money laundering” – The breakdown by professional category of the information/training on Code of Conduct and Anti-Corruption policies is only available for Urbaser Spain. The breakdown is as follows: DIRECTOR 1 TECHNICAL STAFF 43 MIDDLE MANAGEMENT 2 OPERATIONAL POSITIONS 11 TOTAL 57 – In 2021 no specific communications were made to business partners regarding the company’s Anti-Corruption Policy. However, the Code of Conduct, which is available on the corporate website, includes a section on the Anti-Corruption Policy of Urbaser Group. – In 2021 no specific training actions on anti-corruption were held for the Board of Directors of Urbaser Group |
| GRI 205–3 | Corruption cases confirmed and measures taken | Yes | No cases of confirmed corruption have been reported via the internal complaints and whistleblowing channel in 2021 |
| ENVIRONMENTAL DIMENSION | | | |
| Pollution prevention | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.3. Operational risks Pollution and climate change; “Control mechanisms: Mitigation Policies and Measures” |
| GRI 102–11 | Precautionary principle or approach | Yes | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.3. Operational risks Chapter 4. Section: 4.1. Integrated environmental management 4.1.2. Environmental provisions and assurances |
| Environmental management system | | | |
| GRI 103 | Management focus | Yes | Chapter 4. Section: 4.1. Integrated environmental management (Intro) |
| Promotion of circular economy in the management of treated waste | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Section: An impact model on a global scale; 2.2.2. Urban Waste Treatment; 2.2.3. Industrial Waste Treatment Chapter 3. A culture of innovation; “L1. Waste treatment processes under the concept of circular economy” Chapter 4. Section: 4.1. Integrated environmental management; “Own-generated waste”; 4.3. Circular economy |
| GRI 306–2 | Waste by type and disposal method | Yes | Chapter 4. Section: 4.1. Integrated environmental management 4.1.1. Main environmental figures; “Own-generated waste” |

| GRI Standard | Contents | Material indicator | Section/subsection of the report |
|---|---|--------------------|--|
| Energy management, efficiency and generation | | | |
| GRI 103 | Management focus | Yes | Chapter 4. Section: 4.1. Integrated environmental management 4.1.1. Main environmental figures; “Generation and consumption of energy: operations efficiency” Chapter 4. Section: 4.2. Committed to the climate; “Implementation of energy efficiency measures in facilities and services” |
| GRI 302–1 | Energy consumption within the organisation | Yes | Chapter 4. Section: 4.1. Integrated environmental management 4.1.1. Main environmental figures; “Generation and consumption of energy: operations efficiency” Chapter 4. Section: 4.2. Committed to the climate; “Implementation of energy efficiency measures in facilities and services”; 4.2.1. Climate change mitigation |
| GRI 302–3 | Energy intensity | Yes | Chapter 4. Section: 4.2. Committed to the climate; “Implementation of energy efficiency measures in facilities and services” |
| GRI 302–5 | Reduction of energy requirements of products and services | Yes | Chapter 4. Section: 4.2. Committed to the climate; “Implementation of energy efficiency measures in facilities and services”; 4.2.1. Climate change mitigation; 4.2.3. Adapting to climate change |
| Climate change and CO2 emissions | | | |
| GRI 305–1 | Direct GHG emissions (scope 1) | Yes | Chapter 4. Section: 4.2. Committed to the climate; 4.2.1. Climate change mitigation; 4.2.2. Reducing our footprint |
| GRI 305–2 | Indirect GHG emissions (scope 2) | Yes | Chapter 4. Section: 4.2. Committed to the climate; 4.2.1. Climate change mitigation; 4.2.2. Reducing our footprint |
| GRI 305–3 | Other indirect GHG emissions (scope 3) | Yes | Chapter 4. Section: 4.2. Committed to the climate; 4.2.1. Climate change mitigation; 4.2.2. Reducing our footprint |
| GRI 305–4 | GHG emission intensity | Yes | Chapter 4. Section: 4.2. Committed to the climate; “Implementation of energy efficiency measures in facilities and services”; 4.2.1. Climate change mitigation; “Use of electricity and alternative fuels in the vehicle fleet” |
| GRI 305–5 | GHG emission reduction | Yes | Chapter 2. Section: 2.3. Ensuring sustainable performance; 2.3.3. Operational risks Pollution and climate change; “Control mechanisms: Mitigation Policies and Measures” Chapter 4. Section: 4.2. Committed to the climate; 4.2.1. Climate change mitigation; 4.2.2. Reducing our footprint |
| GRI 305–7 | Nitrogen oxide (NOx), sulphur oxides (SOx) and other significant emissions into the air | Yes | Chapter 4. Section: 4.1. Integrated environmental management 4.1.1. Main environmental figures; “Emissions” |
| Efficient fleet management | | | |
| GRI 103 | Management focus | Yes | Chapter 4. Section: 4.2. Committed to the climate; “Implementation of energy efficiency measures in facilities and services”; 4.2.1. Climate change mitigation; “Use of electricity and alternative fuels in the vehicle fleet” |
| Promotion of circular economy in the management of the cycle of treated water | | | |
| GRI 103 | Management focus | Yes | Chapter 4. Section: 4.1. Integrated environmental management; 4.1.1. Main environmental figures; “Efficient water management” |
| GRI 303–1 | Interaction with water as a shared resource | Yes | Chapter 4. Section: 4.1. Integrated environmental management; 4.1.1. Main environmental figures; “Efficient water management” Chapter 5. Section: 5.4. Social impact generators; “Responsible with public health”; “Management of integral water cycle” Chapter 2. Section: An impact model on a global scale; Section: 2.2.4. Integral Water Management |
| GRI 303–5 | Water consumption | Yes | Chapter 4. Section: 4.1. Integrated environmental management; 4.1.1. Main environmental figures; “Efficient water management”; “Water consumption” |

| GRI Standard | Contents | Material indicator | Section/subsection of the report |
|------------------------------|--|--------------------|---|
| Protection of biodiversity | | | |
| GRI 304–1 | Operations centres owned, leased or managed located within or close to protected areas or areas of great biodiversity value outside of protected areas | | Chapter 4. Section: 4.4. Biodiversity conservation. This section describes a number of associations with third parties to protect or restore habitats other than those supervised by the organisation |
| GRI 304–2 | Significant impacts of activities, products and services on biodiversity | | Chapter 4. Section: 4.4. Biodiversity conservation |
| Environmental compliance | | | |
| GRI 307–1 | Non-compliance with the legislation and environmental regulations | | During 2021, 12 environmental sanctions have been recorded. No significant environmental sanctions were recorded in 2020 |
| SOCIAL DIMENSION | | | |
| Employment | | | |
| GRI 103 | Management focus | Yes | Chapter 5. Section: 5.1. Commitment to our employees (Intro) |
| Health and safety management | | | |
| GRI 103 | Management focus | Yes | 5.1.4. Well-being at work |
| GRI 401–2 | Benefits for full time employees not received by temporary or part time employees | | 5.1.2. Managing talent 5.1.3. Promoting diversity and equal opportunities 5.1.4. Well-being at work |
| GRI 403–1 | Management system of health and safety at work | Yes | 5.1.4. Well-being at work |
| GRI 403–2 | Identification of dangers, assessment of risk and incident investigation | Yes | 5.1.4. Well-being at work |
| GRI 403–3 | Health services at work | Yes | 5.1.4. Well-being at work |
| GRI 403–4 | Worker participation, consultation and communication on health and safety at work | | 5.1.4. Well-being at work |
| GRI 403–6 | Promotion of workers’ health | | 5.1.4. Well-being at work |
| Human team | | | |
| GRI 103 | Management focus | Yes | Chapter 5. Section: 5.1. Commitment to our employees |
| GRI 102–8 | Information on employees and other workers | Yes | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.1. Main employee figures |
| GRI 404–2 | Programmes designed to improve employee skills and transition support programmes | | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.2. Managing talent; Intro and “Professional development of the team” |
| GRI 405–1 | Diversity in governance bodies and employees | Yes | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities; Diversity and inclusion |
| GRI 405–2 | Ratio of basic salary and remuneration of women vs. men | Yes | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.3. Promoting diversity and equal opportunities; “Performance and promotion of opportunities” |

| GRI Standard | Contents | Material indicator | Section/subsection of the report |
|---|---|--------------------|--|
| Training and talent development | | | |
| GRI 103 | Management focus | Yes | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.2. Managing talent |
| GRI 404–1 | Average hours of training per employee per year | Yes | Chapter 5. Section: Commitment to our employees; 5.1.2. Managing talent; “Professional development of the team” |
| Risk of human rights violations in our activity | | | |
| GRI 103 | Management focus | Yes | Chapter 5. Section: 5.2. Committed to human rights |
| GRI 102–16 | Values, principles, standards and rules of conduct | Yes | Chapter 5. Section: 5.2. Committed to human rights |
| GRI 102–17 | Ethical concerns and advice mechanism | Yes | Chapter 5. Section: 5.2. Committed to human rights |
| GRI 406–1 | Cases of discrimination and corrective actions implemented | Yes | 27 complaints regarding precepts set forth in the Code of Conduct were registered through the internal channel, none of which corresponded to human rights violations |
| GRI 408–1 | Operations and suppliers with a significant risk of child labour cases | Yes | Chapter 5. Section: 5.2. Committed to human rights; “Assuming an essential commitment” |
| GRI 409–1 | Operations and suppliers with a significant risk of forced labour cases | Yes | Chapter 5. Section: 5.2. Committed to human rights; “Assuming an essential commitment” |
| Helping to develop sustainable cities | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Section: An impact model on a global scale Chapter 5. Section: 5.4. Social impact generators; “Responsible with public health” |
| GRI 413–1 | Operations involving local communities, impact assessments and development programmes | Yes | Chapter 5. Section: 5.4. Social impact generators; 5.4.1. Committed to social value creation |
| Client management | | | |
| GRI 103 | Management focus | Yes | Chapter 2. Section: An impact model on a global scale; 2.2.6. Working together on a shared purpose; 2.4 Ethical management at Urbaser Group |
| Internal communication | | | |
| GRI 103 | Management focus | Yes | Chapter 5. Section: 5.1. Commitment to our employees; 5.1.2. Managing talent (Intro); Best practise: A process that begins by listening |
| Supply chain | | | |
| GRI 204–1 | Share of expenditure on local suppliers | | Chapter 5. Section: 5.3. Collaborating with suppliers Local suppliers are those where the country of origin of the supplier (business address) coincides with that of the country making the purchase |
| GRI 102–9 | Supply chain | | Chapter 5. Section: 5.3. Collaborating with suppliers |
| GRI 308–1 | New suppliers that have passed the evaluation and selection filters according to environmental criteria | | Chapter 5. Section: 5.3. Collaborating with suppliers |

GRI 102-56



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INDEPENDENT LIMITED ASSURANCE REPORT OF THE SUSTAINABILITY REPORT INCLUDED IN THE CONSOLIDATED MANAGEMENT REPORT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the sole Shareholder of Urbaser, S.A.

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the statement "Sustainability Report 2021" for the year ended December 31, 2021, of Urbaser, S.A. (hereinafter, the Group), which is part of the Group's accompanying Consolidated Management Report.

The content of the statement "Sustainability Report 2021" includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our assignment has been exclusively limited to the verification of the information shown matter in the table "Contents Law 11/2018" and the table "GRI Contents-Index" of the accompanying Statement.

Responsibility of the Administrators

The preparation of the statement "Sustainability Report 2021" included in the Consolidated Management Report of Urbaser, S.A. and its content is the responsibility of the administrators of the Group. The statement was prepared in accordance with the content required by prevailing company law and in conformity with the criteria outlined in the *Global Reporting Initiative Sustainability Reporting Standards* (GRI standards) in its essential option as well as other criteria described in accordance with that indicated for each subject in the table "Contents Law 11/2018" and the table "GRI Contents-Index" from the accompanying Report.

The administrators are also responsible for the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of a report that is free from material misstatement, whether due to fraud or error.

They are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the report is obtained.

Our independence and quality control procedures

We have complied with the independence and other Code of Ethics requirements for accounting professionals issued by the International Ethics Standards Board for Accountants (IESBA), which is based on the fundamental principles of professional integrity, objectivity, competence, diligence as well as confidentiality and professional behaviour.

Our Firm complies with the International Standard on Quality Control No. 1 and thus maintains a global quality control system that includes documented policies and procedures related to compliance with ethical requirements, professional standards, as well as applicable legal provisions and regulations.

Domicilio Social: C/ Raimundo Fernández Villaverde, 65. 28003 Madrid - inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 66, hoja nº 87.690-1, inscripción 1ª. Madrid 9 de Marzo de 1.989. A member firm of Ernst & Young Global Limited.





2

The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited verification report based on the work performed. Our review has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and the guidelines for verifying Non-Financial Statement, issued by the Spanish Official Register of Auditors of Accounts (ICJCE).

The procedures carried out in a limited assurance engagement vary in nature and execution timing and are smaller in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the statement “Sustainability Report 2021”, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- ▶ Meeting with Group personnel to know the business model, policies and management approaches applied, the main risks related to these matters and obtain the necessary information for our external review.
- ▶ Analyzing the scope, relevance and integrity of the content included in the statement for the year 2021 based on the materiality analysis made by the Group and described in section “Reporting and materiality Criteria”, considering the content required by prevailing mercantile regulations.
- ▶ Analyzing the processes for gathering and validating the data included in the statement “Sustainability Report 2021”.
- ▶ Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the statement “Sustainability Report 2021”.
- ▶ Checking, through tests, based on a selection of a sample, the information related to the content of the statement “Sustainability Report 2021” and its correct compilation from the data provided by the information sources.
- ▶ Obtaining a representation letter from the administrators and Management.

Conclusion

Based on the limited assurance procedures conducted and the evidence obtained, no matter has come to our attention that would cause us to believe that the Group statement for the year ended December 31, 2021 has not been prepared, in all material respects, in accordance with the contents required by prevailing company law and the criteria of the essential GRI standards, as well as other criteria, described as explained for each subject matter in the table “Contents Law 11/2018” and the table “GRI Contents-Index”.

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3

Use and distribution

This report has been prepared as required by prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

(Signature on the original in Spanish)

Alberto Castilla Vida

May 25th, 2021

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