

DRAGADOS SPÓÿKA AKCYJNA

BRANCH IN POLAND

**INFORMATION ON THE IMPLEMENTED TAX STRATEGY FOR THE YEAR
TAX CLOSED DECEMBER 31, 2022**

website address: www.dragados.com

Dragados Spóÿka Akcyjna Branch in Poland with its registered office in Piaseczno, at ul.
Dworska 1, 05-500 Piaseczno, registered in the register of entrepreneurs of the National
Court Register by the District Court for the capital city of Warsaw Warsaw in Warsaw, 14th
Commercial Division of the National Court Register under KRS number: 0000237926, NIP:
1080001455, REGON: 140189799 (hereinafter: **Branch**)

This document was prepared as part of the obligation to prepare and make public information on the implemented tax strategy, resulting from Art. 27c of the CIT Act. Information about the implemented tax strategy is presented below

Branch for the Fiscal Year, taking into account the nature, type and size of the activities conducted by the Branch.

1. Information about the Branch's activities

DRAGADOS SOCIEDAD ANONIMA is a company incorporated under Spanish law with its registered office in Madrid, Spain, entered in the Spanish Commercial Register (REGISTRO MERCANTIL DE MADRID), under number 000467804 (hereinafter: **the Company**).

The company is the parent entity of the Dragados Group, which is a functional part of the international ACS Group (Actividades de Construcción y Servicios SA). Currently, the ACS Group is a global leader among construction and engineering companies, implementing investments on all continents.

In Poland, the Company conducts business activities in the form of a Branch constituting a foreign establishment of the Company within the meaning of Art. 3 section 3 point 1 of the CIT Act. As part of its operations in Poland, the Branch provides services in the field of contract guarantees performed by companies from the ACS Group and handles court disputes to which they are a party.

Entities from the ACS Group with which the Branch cooperates operate in the field of infrastructure construction and environmental engineering. As part of road infrastructure construction, ACS Group companies offer comprehensive general contracting of facilities such as highways, expressways, peripheral and urban roads as well as road communication tunnels, bridges, flyovers and viaducts. Executing contracts in both the "Design and Build" and "Build" formulas.

Companies from the ACS Group also specialize in the construction of environmental engineering facilities and the expansion of technical infrastructure. In the field of ecological and hydrotechnical construction, they carry out, among others: sewage treatment plants and pumping stations, water treatment stations, water mains, sanitary and storm sewage networks, as well as microtunnels and controlled drilling.

ACS Group companies conduct business ethically, guided by the principles of their founders and an unwavering commitment to integrity. In its activities, the Branch places great emphasis on corporate responsibility, and considers responsible administration and fulfillment of tax obligations to be its obligation as part of its business activities.

2. Main assumptions of the Branch's tax strategy implemented in the Fiscal Year

As an entity belonging to the ACS Group, the Branch is obliged to comply with the procedures and policies applicable in the Group, also relating to the performance of obligations arising from tax law provisions and ensuring their correct implementation. The core of the ACS Group's fiscal policy is reliable compliance

tax regulations by companies and, consequently, by all persons undertaking tax management activities, as well as transactions affecting tax issues.

In particular, on May 12, 2016, the Branch introduced the Company's Fiscal Policy (Tax Policy), which was adopted at the level of the ACS Group and to which the Branch is obliged to comply. This document contains a number of provisions establishing the principles of tax policy, tax management practices, as well as implementation guidelines.

In order to ensure effective and consistent management of tax order, tax risk, human resources and organization in the field of the tax function, as well as tax documentation and data, as well as IT systems supporting the operation of individual areas, the Branch applies general rules regarding the performance of obligations arising from the provisions of tax law and ensuring their correct execution.

Tax obligations are fulfilled in accordance with the division of functions within the Branch, by employees with qualifications and competences to perform the tasks entrusted to them, and the Branch also uses tax advisory services provided by external entities.

The Branch's tax settlements are made in accordance with applicable tax and accounting law. The amounts of tax liabilities are calculated based on the relevant regulations and in accordance with the actual course of economic events, which constitutes the basis for the preparation of appropriate tax returns and settlements.

Moreover, the Branch, when conducting business activities, does not create structures or take any actions aimed at tax avoidance.

3. Processes and procedures for managing the performance of obligations arising from tax law provisions and ensuring their correct implementation

In order to implement the assumptions of the tax strategy, the Branch has implemented appropriate tax procedures and processes (including those that only to a certain extent concern the implementation of tax obligations), in particular written procedures regarding the following issues:

- internal tax audit procedure,
- training procedure,
- the procedure for submitting tax returns electronically and the procedure for receiving notifications from tax authorities,
- the procedure for reconciling the tax bases with the bases resulting from the profit and loss account,
- procedure for actions taken in the event of identification of tax risk or violation of applicable internal tax control standards,
- tax management and coordination procedure in consortiums,

- procedure for approving expenses for employee benefits i clients, •
- procedure for accepting and paying invoices,
- procedure for archiving tax documentation,
- local tax management procedure,
- procedure for managing taxes on non-recurring transactions,
- transfer pricing control procedure in the case of operations with entities related.

In the opinion of the Branch, the above-mentioned the procedures allow for effective and correct dealing with tax risk areas and as such are adequate to the type and scale of the branch's activities. All procedures and operating principles are subject to modifications to adapt the Branch's activities to changes in legal regulations and in its business environment and within the organization, and to prepare the Taxpayer in the event of exceptional situations. In the Branch's opinion, the adopted processes and procedures ensure timely and correct fulfillment of obligations related to tax settlements.

4. Voluntary forms of cooperation with the National Tax Administration authorities, including information on applications submitted by the taxpayer for the issuance of interpretations of tax law provisions

In the Fiscal Year, the Branch did not use any voluntary forms of cooperation with the National Tax Administration authorities, in particular it did not conclude a cooperation agreement referred to in Art. 20s § 1 of the Tax Ordinance. Moreover, in 2022, the Branch did not conclude a prior pricing agreement or apply for an opinion protecting against the anti-avoidance clause.

The branch has designated staff within its structures dedicated to contacts with offices and tax authorities.

5. Information regarding the taxpayer's fulfillment of tax obligations in the territory of the Republic of Poland, along with information on the number of information on tax schemes referred to in Art. 86a § 1 point 10 of the Tax Ordinance, submitted to the Head of the National Tax Administration along with the division into taxes to which they apply

The company is subject to limited tax liability in Poland and fulfills its tax obligations in accordance with the provisions of law. During the Fiscal Year Branch made every effort to make correct tax settlements and build relationships with the National Tax Administration and other tax authorities.

In the Fiscal Year, there were no events that would require the Branch to submit to the Head of the National Tax Administration information on tax schemes referred to in Art. 86a § 1 point 10 of the Tax Ordinance.

6. Transactions with related entities within the meaning of Art. 11a section 1 point 4 of the CIT Act, the value of which exceeds 5% of the balance sheet total of assets within the meaning of the provisions

**accounting, determined on the basis of the last approved financial statement of the Branch, including entities that are not tax residents
Polish Republic**

The transactions whose value in the Fiscal Year exceeded 5% of the balance sheet total of assets within the meaning of accounting regulations, determined on the basis of the last approved financial statements of the Branch, were:

- (i) participation loan granted by the Branch to POLAQUA Sp. z o. o., loan granted by
- (ii) the Branch to POLAQUA Sp. z o. o.,
- (iii) loan granted by POLAQUA Sp. z o. o. for the benefit of the Branch.

Transactions with related entities, if their value exceeded statutory thresholds, were included in the transfer pricing documentation for 2022.

7. Information about restructuring activities planned or undertaken by the taxpayer that may affect the amount of tax liabilities of the taxpayer or related entities within the meaning of Art. 11a section 1 point 4 of the CIT Act

During the Fiscal Year, the Branch did not undertake or plan to undertake restructuring activities that could affect the amount of tax liabilities of the Taxpayer or related entities within the meaning of Art. 11a section 1 point 4 of the CIT Act.

8. Information about submitted applications for issuing a general tax interpretation referred to in Art. 14a § 1 of the Tax Ordinance, individual interpretation of tax law provisions referred to in Art. 14b of the Tax Ordinance, binding rate information referred to in Art. 42a of the VAT Act, binding excise information referred to in Art. 7d section 1 of the Excise Duty Act

In the Fiscal Year, neither the Company nor the Branch applied for the issuance of:

- general tax interpretation,
- individual interpretation of tax law provisions,
- binding rate information,
- binding excise information.

9. Information regarding the taxpayer's tax settlements in territories or countries applying harmful tax competition indicated in implementing acts issued pursuant to Art. 11j section 2 of the CIT Act and pursuant to Art. 23v section 2 of the Personal Income Tax Act and in the announcement of the minister responsible for public finances issued pursuant to Art. 86a § 10 of the Tax Ordinance

In the Fiscal Year, the Branch did not make tax settlements in territories or countries applying harmful tax competition, and did not conclude any transactions with the above-mentioned entities. entities.