

MOTAENGIL



SUSTAINABILITY LINKED FINANCING FRAMEWORK

Mota-Engil Group



PLANET



PEOPLE



COMMUNITY

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1. Introduction and Background

Background and Mission: Building a Better World

Since its inception in 1946, the Mota-Engil Group has exemplified a legacy of excellence forged through generations of experience and dedication. Founded by the Mota family, whose enduring commitment remains steadfast to this day through Mota Gestão e Participações SGPS, SA, the Mota-Engil Group has evolved into a global corporation in the construction industry. In 2021, a significant milestone was achieved with EPOCH, Capital Investments, BV, wholly owned by China Communications Construction Group, acquiring a 32.4% share in the Mota-Engil SGPS, S.A. (Company), further enhancing Mota-Engil Group's capacity to operate on a global scale.

At the core of Mota-Engil Group's identity lies a profound purpose: "Our Legacy inspires and commits us to building a better world", in alignment with the United Nations' Sustainable Development Goals. This purpose is more than a statement; it's a guiding principle that propels the Mota-Engil Group's actions towards a sustainable future. Embracing ethical principles and guided by a strategic vision that is both unique and integrated, Mota-Engil Group aspires to expand its international presence while remaining at the forefront of innovation and competitiveness. With a dominant position in Portugal and a strong presence among the 15 largest European construction groups, Mota-Engil Group operates in 21 countries across Europe, Africa, and Latin America.

Beyond its corporate achievements, Mota-Engil Group is deeply committed to social responsibility, as exemplified by the Manuel António da Mota Foundation (FMAM). Founded by the Mota-Engil Group and the Mota family, the Foundation plays a pivotal role in promoting social and cultural initiatives in Portugal and beyond, aligning with the Mota-Engil Group's broader mission to contribute positively to society.

"Our legacy inspires and commits us to building a better world. Today we find ourselves in a context with major sustainability challenges, and with this recognition and purpose, we have included sustainability as a fundamental pillar of the Group's strategy, translated into objectives and targets dedicated to the material issues identified for Mota-Engil and which reflect the interests of our stakeholders."

Carlos Mota Santos, Chairman and CEO

Business Areas

Mota-Engil is a diversified infrastructure group known for its expertise in design, construction, management, and the operation of infrastructure projects worldwide. With a focus on sustainability, it extends its services to include environmental initiatives like waste management, and renewable energy production. Recognizing the importance of energy transition, the company is increasingly prioritizing energy and carbon efficiency solutions to contribute to a more sustainable planet.

Engineering and Construction (E&C)



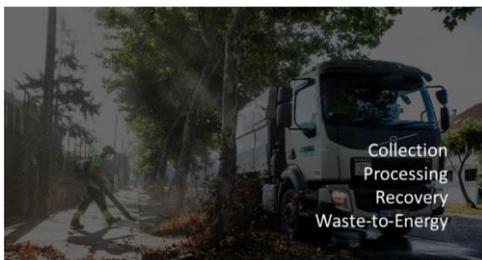
Mota-Engil has undertaken construction projects like roads, railways, airports, and dams in around 50 countries. They also stand out in specialty areas such as electromechanics and geotechnics, alongside the construction and maintenance of platforms for the Oil & Gas sector.

Industrial Engineering Services



Leveraging its presence across multiple markets, Mota-Engil's Industrial Engineering Services have seen significant growth since 1998. These services benefit from the company's extensive resources and experience in Engineering and Construction (E&C), particularly in Africa.

Environment



Starting with Suma in 1995, whose urban waste management activities were focused in Portugal, Mota-Engil has expanded its environmental involvement internationally. This includes waste treatment and recovery through EGF, and energy production through the capture of biogas from landfills, and energy recovery plants.

Mota-Engil Capital



Mota-Engil Capital focuses on diversifying investments to create value for the Mota-Engil Group. It collaborates closely with the core businesses, primarily concentrating on:

- Transport management concessions and operation/maintenance (via Mota-Engil Concessions and Lineas).
- Innovative ventures in Energy and Services (Mota-Engil Renewing), Tourism and Services Provision (Mota-Engil Ativ), known for their specialized technical services within the landscaping industry.

Energy



Mota-Engil is a prominent player in the Mexican energy generation sector and holds assets in the hydroelectric sector with a capacity exceeding 280 MW. Their involvement extends to energy commercialization and waste-to-energy processes, utilizing biogas capture in landfills, incineration at the energy recovery plant and valorisation of organic waste.

Infrastructure and Transport Concessions



Operating through Lines and subsidiaries, Mota-Engil manages approximately 2,500 kilometres of roads and motorways, including bridges in Lisbon. They boast a track record of over 5,000 kilometres of concessions and expertise acquired since 1994, primarily in Portugal and expanding into international markets, principally Latin America.

Mota-Engil Mext



Mota-Engil Mext spearheads investments in innovation across subsidiaries engaged in real estate, agro-industrial production, and energy production. It includes a Transformation Committee aimed at driving efficiency and innovation throughout the Mota-Engil Group's global operations.

2. Sustainability at Mota-Engil Group

2.1. Sustainability Priorities

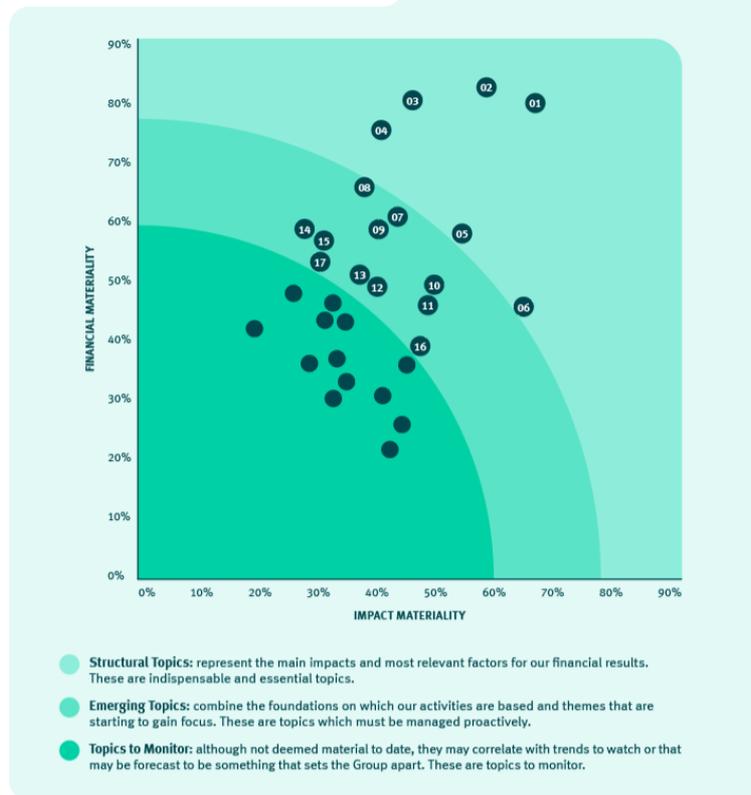
The Mota-Engil Group's strategic approach to sustainability is detailed in their latest Strategic Plan, "Building 26 for a Sustainable Future" (Strategic Plan) covering the period 2022-2026. This plan emphasizes sustainability and innovation as one of the core pillars and aims to align the company's operations with the United Nations' 2030 Agenda and contributing to the Sustainable Development Goals (SDGs).

In 2022-2023, the Mota-Engil Group conducted a comprehensive double materiality analysis in preparation for the EU Corporate Sustainability Reporting Directive and in line with the Global Reporting Initiative (GRI) 2021 Universal Standards. This exercise involved internal workshops, interviews, and questionnaires, resulting in the identification of 18 material topics, from a total of 34 sustainability topics on which hearings were held.

Mota-Engil has considered the 17 structural and emerging topics identified in the matrix as material topics, to which is added the "social responsibility" topic (which in the matrix is regarded as a topic to monitor), which is currently enabled by the Manuel Antonio da Mota Foundation and was considered to be part of the Mota-Engil Group's culture and strategically important.

- 01 Local employment creation and skills development
- 02 Health and safety at work
- 03 Energy and climate change¹
- 04 Product/service quality and safety and critical incident management
- 05 Diversity, equity and inclusion
- 06 Circularity²
- 07 Anti-corruption
- 08 Workplace violence and harassment
- 09 Training and education
- 10 Conditions of work and social protection
- 11 Water and wastewater
- 12 Supplier procurement practices
- 13 Innovation
- 14 Anti-competitive behaviour
- 15 Child labor, forced labor and modern slavery
- 16 Labor practices and career development³
- 17 Public health

Mota-Engil Group double materiality matrix



These findings facilitated strategic adjustments, setting new sustainability goals and strengthening working groups to better integrate these objectives within the organizational structure.

2.2. Sustainability Goals

Mota-Engil Group is committed to advancing the lives and livelihoods of their customers through innovative products, solutions, and services that streamline their operations. By understanding every aspect of their customers' work and their unique needs, Mota-Engil Group translate increased efficiencies into enhanced daily productivity. This approach leads to fewer resources being required to complete tasks, promotes the conservation of natural resources, positively impacts the well-being of Mota-Engil Group's customers and the communities they serve, and increases economic profitability for current and future generations.

Considering the Strategic Plan for the period 2022-2026, and its newly established sustainability and innovation pillar, Mota-Engil Group aims to prioritize sustainability in line with its Sustainable Development Goal (SDGs) targets and which enhance the visibility of its efforts, and to implement a structured innovation process to optimize capital usage.

Focusing on key material topics, Mota-Engil Group emphasizes the following crucial areas:

- Facilitating local employment creation and fostering skill development.
- Ensuring health and safety standards in the workplace.
- Addressing energy usage and climate change concerns.
- Upholding quality and safety standards for products and services.
- Effectively managing critical incidents.
- Promoting diversity, equity, and inclusion.
- Commitment to innovation, circularity, and social responsibility.

The Mota-Engil Group's Strategic Sustainability Goals are designed to increase economic value and promote sustainability among its clients. The Mota-Engil Group's Strategic Plan for the period 2022-2026 refers to the following goals:

- 75% of local talent in management roles by 2026.
- 50% reduction in accidents with lost-time (in E&C) vs. 2020 by 2026.
- 40% reduction of GHG emissions (scope 1, 2, and 3) vs. 2021 by 2030.
- 100% global certification (ISO 9001, 14001, 45001) by 2026.
- 30% women recruited or promoted as managers vs. 2021 by 2026.
- €25M cumulative investment in innovation 2022-26.
- 80% recovery waste by 2030.
- 10% of entities measuring CSR impact based on the SDGs by 2026.

Working towards integrated and sustainable development, Mota-Engil Group seeks to effectively contribute to the progress of the communities where it operates, especially in social, cultural, educational, training, and environmental areas, aiming to build a more prosperous and equitable society. Economic growth, social cohesion, and environmental protection go hand in hand, promoting an improvement in the quality of life for current and future generations.

This framework will help align Mota-Engil Group's key material topics with its financing initiatives, ensuring that sustainability goals and the principles of environmental, social, and governance responsibility are integrated effectively into the organizational structure.

Mota-Engil Group Contributions to SDGs in alignment with the Strategic Goals

Mota-Engil Group demonstrates its commitment to sustainable development through its strategic alignment with key objectives and active contribution to the achievement of United Nations' Sustainable Development Goals (SDGs). Focusing on 14 specific SDGs, the company has embarked on initiatives that advance various aspects of sustainable development. These include promoting high-quality, sustainable, and certified infrastructure (SDG 9), advocating for gender equality and non-discrimination (SDG 5), and striving to ensure equal opportunities and reduce inequalities by eliminating discriminatory practices and facilitating access to management positions for local talent (SDG 10). Additionally, Mota-Engil Group prioritizes initiatives aimed at fostering decent work environments by safeguarding labour rights and promoting occupational health and safety (SDG 8) and endeavours to minimize the environmental and human health impacts of waste (SDG 12) among other initiatives. Through these efforts, Mota-Engil Group actively contributes to the advancement of sustainable development goals while reinforcing its commitment to responsible business practices.

Mota-Engil Group Contributions to SDGs in alignment with the Strategic Goals

<p>5 GENDER EQUALITY</p> 	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>10 REDUCED INEQUALITIES</p> 	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>13 CLIMATE ACTION</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 
<p>Promotion of gender equality and non-discrimination.</p> <p>Fighting harassment and discrimination.</p> <p>Facilitating the balance between working life and private life.</p> <p>Campaigns valuing the contribution of women.</p> <p>Divulging engineering as a worthy profession.</p>	<p>Promoting decent work through protecting labour rights and fostering occupational health and safety.</p> <p>Creating work and wealth in the different countries where we operate through our operations and relations with local suppliers.</p> <p>Fostering diversification, tech modernisation and innovation.</p> <p>Promoting economic growth in balance with environmental preservation and fostering resource efficiency in consumption and production processes.</p>	<p>Developing high-quality, sustainable and certified infrastructure.</p> <p>Modernising the building industry with the aim of higher efficiency in resource use and the adoption of technology and processes with lower environmental impact.</p> <p>Developing R&D&I projects, participating in industrial/sectoral initiatives and associations and supporting academic/collaborative projects with universities in the Group's various business areas.</p>	<p>Ensuring equal opportunities and decreasing inequalities in outcomes, through the abolition of discriminatory practices and by making sure local talent has access to management positions.</p> <p>Commitment to local succession training for management and junior staff within the company.</p> <p>FMAM support for corporate citizenship projects/donations to associations that promote social inclusion, equal opportunities, and less inequality.</p> <p>FMAM social and family support for the Group's employees.</p>	<p>Promotion of sustainable management and the efficient use of natural resources both in its own operations and via the Group's various business areas.</p> <p>Reducing the environmental and human health impact of waste.</p> <p>Developing awareness campaigns in local communities.</p> <p>Promotion of sustainability in the value chain.</p>	<p>Promotion and construction of more efficient buildings, at the design stage.</p> <p>Promoting electric mobility.</p> <p>Optimising processes, pathways and materials use.</p> <p>Investing in renewable energies.</p> <p>Integrating environmental requirements into procurement policy.</p> <p>Nature conservation and restoration activities.</p>	<p>Stimulating partnerships with various bodies in pursuing the goals set out and within the scope of the FMAM's actions.</p>

Mota-Engil Group Contributions to other SDGs

<p>1 NO POVERTY</p> 	<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>4 QUALITY EDUCATION</p> 	<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p>15 LIFE ON LAND</p> 	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> 
<p>Carrying out actions of solidarity and support for local communities.</p> <p>FMAM support for charitable institutions.</p>	<p>Occupational health programmes and health and wellbeing campaigns (including mental health).</p> <p>Developing awareness campaigns in local communities on the themes of health and safety (including road safety).</p> <p>FMAM support for corporate citizenship projects/donations to local associations aimed at promoting health.</p> <p>FMAM support for Group's employees to acquire medicines.</p>	<p>Developing employee training.</p> <p>Attracting and developing high-potential young people. Empowering and integrating young people into the workforce in their countries of origin.</p> <p>Developing awareness campaigns in local communities on the themes of safety, health (including mental health) and environment.</p> <p>FMAM support for programmes to develop education, training and qualification of young people and adults, particularly among disadvantaged groups.</p> <p>Social and family support for Group employees through the awarding of study grants by FMAM.</p>	<p>Energy recovery (hydroelectric and waste-to-energy plants).</p> <p>Promoting energy efficiency in buildings.</p> <p>Growing use of photovoltaics.</p>	<p>Cutting the environmental impact associated with waste through the waste business unit and developing awareness campaigns.</p> <p>Contributing to the rise in inclusive and sustainable urbanisation.</p> <p>Supporting local communities through projects to build and rehabilitate degraded urban buildings and spaces.</p> <p>FMAM support for corporate citizenship projects/donations to local associations aimed at promoting decent housing conditions and the protection and safeguarding of cultural heritage.</p>	<p>Environmental plans that integrate compensation and biodiversity restoration measures.</p> <p>New business areas with nature-based solutions.</p>	<p>Governance model supported by rules of ethics and conduct, integrity and transparency, and accountability.</p> <p>Measures to prevent corruption, bribery, money laundering and funding of terrorism in the value chain.</p> <p>Promoting human rights in the value chain.</p> <p>Promoting active forms of stakeholder engagement.</p>

2.3. Environmental

The Mota-Engil Group is actively integrating climate change considerations into its risk management processes by implementing recommendations from the Task Force on Climate-Related Financial Disclosures (TCFD). In this way, the Mota-Engil Group's Strategic Plan 2022–2026 focuses on reducing negative impacts and leveraging business opportunities aligned with environmental goals, including significant reductions in greenhouse emissions (scope 1, 2, and 3) by 2030 and achieving carbon neutrality by 2050. To support these objectives, the Mota-Engil Group has implemented an integrated management system across its operations, revised its SHEQ (Safety, Health, Environment and Quality) Policy, and is working towards global SHEQ certification (ISO 45001, 14001, 9001) for all its subsidiaries by 2026.

European taxonomy

Mota-Engil Group is actively engaging with the European Union's Green Taxonomy, aligning its efforts with international sustainability initiatives such as the UN Sustainable Development Goals and the Paris Agreement on Climate Change. Despite the challenges posed by project terms and varying international regulations, the company is working to adapt its activities to meet the Taxonomy's criteria, with particular emphasis on waste management and renewable energy investment, supported by internal assessments and external consultations to enhance alignment and compliance with the minimum social safeguards outlined in the Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment ("Taxonomy Regulation").

Climate change

Mota-Engil Group is committed to reducing its carbon footprint and achieving carbon neutrality by 2050, with strategic initiatives to cut greenhouse gas (GHG) emissions by 40% by 2030 across all scopes compared to 2021. The Mota-Engil Group calculates its carbon footprint in accordance with the GHG Protocol, continually refining its methodologies, and addressing both direct emissions from urban waste treatment and indirect scope 3 emissions related to its value chain, particularly from materials like steel and cement.

Efforts to reduce its carbon footprint encompass various initiatives such as designing and constructing energy-efficient buildings, maximizing the utilization of materials and consumables, transitioning to electric mobility, optimizing production processes, implementing policies to minimize travel, integrating photovoltaic systems, and other related measures.

Water

Mota-Engil Group uses water extensively across its operations, including in its construction-related activities like dust control and hydraulic concrete production. Currently, the Mota-Engil Group has no corporate objectives or actions specifically targeting water and effluent management. However, it is expected that, in the near future, this issue will be further explored at a corporate level. Notwithstanding, the Mota-Engil Group already has a history of monitoring this area (focused on water capture), and it has identified several initiatives and activities regarding water resources which have been undertaken at the company level.

The company faces increased risks from climate-induced water-related challenges such as flooding and cyclones, which affect operations and may increase costs across various business areas. However, Mota-Engil Group also identifies opportunities for investment in water-related infrastructure projects like treatment plants and dams, and it emphasizes responsible water management, especially in treating effluents to prevent environmental contamination.

Use of resources and the circular economy

Mota-Engil Group, under its strategic pillar "A New Direction in Sustainability and Innovation," commits to the responsible use and management of natural resources by promoting materials circularity, resource optimization, and ecosystem protection,

with a significant focus on positively impacting the waste value chain and addressing the heavy consumption of materials, particularly non-renewable ones, in its construction division.

As one of the strategic environmental goals within Mota-Engil Group's Strategic Plan 2022–2026, the Mota-Engil Group is aiming to reach 80% levels of waste recovery by 2030, promoting resource circularity, reducing carbon footprint, and ensuring compliance with legal requirements for waste disposal. The Mota-Engil Group has also established a Sustainability Working Group (SWG) for Circularity to drive efficient waste use and lifecycle management across all operations and has begun drafting a Circularity Manual to standardize sustainable practices and foster the adoption of these practices across its global operations.

2.4. Social

Occupational health and safety

Mota-Engil Group prioritizes creating a safe and healthy workplace, focusing on employee well-being, and continuously enhancing its occupational health and safety (OHS) practices through a corporate SHEQ (area, which aligns methods and fosters a culture of prevention across all operations.

Work-place injuries and occupational illnesses

Under the Mota-Engil Strategic Plan 2022–2026, the company set a goal to reduce the Lost-Time Injury Frequency Rate (LTIFR) by 50% by 2026 for the E&C business unit, using it as a key performance indicator for its sustainability-linked bonds and aiming for "ZERO fatal accidents" as a primary safety objective.

In 2023, Mota-Engil Group intensified its workplace safety measures by enhancing prevention and control actions, including training, human resources adjustment, leadership, accountability, and process digitalization, driven by a comprehensive consultation and involvement of workers across all levels. This included the implementation of initiatives like:

- **Global SHEQ Committee:** created to facilitate collective discussion among the SHEQ directors of all companies within the Mota-Engil Group's different business divisions. These discussions focus on topics related to safety, health, environment, and quality (SHEQ), taking into account each year's performance, emerging regulatory requirements, and internal priorities.
- **Golden Rules:** introduced to enhance the commitment and involvement of top management in the current rules and to improving working conditions, assessing employee performance, protecting the environment and the planet, ensuring client satisfaction, and ensuring safety, health and environmental preservation.
- **Wellness Programme:** established to identify and address psychosocial risks within the Mota-Engil Group to foster a culture of well-being and provide strategies to enhance mental health literacy and effectively manage psychosocial risks across all organizational levels.

Talent management

Mota-Engil Group emphasizes the strategic importance of talent management in its operations across more than 21 countries, directly contributing to local communities and the SDGs by aiming to have 30% of women in management positions by 2026 and ensuring that 75% of management positions are filled by local staff. The Mota-Engil Group's HR policy, integral to its growth and international expansion, focuses on merit culture, global staff mobility, enhancing organizational culture, and skills development to support its strategic objectives. These efforts are encapsulated in the annually defined People Plan, which sets specific HR goals and initiatives to foster innovation and improve existing processes within the framework of the Mota-Engil Group's strategic plans.

Diversity, equality, and inclusion

In 2023, Mota-Engil Group reaffirmed its commitment to diversity, equality, and inclusion, by updating its strategic plan "Building 26" to align with its legacy of building a better world and promoting initiatives like the annual Gender Equality Plan

elaborated under the guidelines of the Committee for Workplace and Employment Equality (CITE) to promote fair practices and reduce gender disparities. This initiative includes ensuring gender-neutral recruitment and unbiased pay systems, as well as increasing the representation of local employees and women in management positions, reflecting its dedication to a diverse and inclusive workforce.

Corporate Initiatives in Gender Equality



WoMEn Leaders

In 2023, Mota-Engil Group introduced the WoMEn Leaders programme in collaboration with Porto Business School, designed to enhance leadership skills and prepare high-potential women across different regions and sectors within the Mota-Engil Group for management roles.



WoMEn Power

WoMEn Power initiative aimed at raising awareness of gender equality among Mota-Engil Group employees through leadership, management, and adaptability to the corporate future, fostering open dialogue and the sharing of experiences based on in-house examples of female leadership.



Engineers for a Day

Mota-Engil Group partnered with the "Engineers for a Day" project, organized by various institutions including the Citizenship and Gender Equality Commission, to provide secondary and middle school students with insights about civil engineering and contribute to the wider interest in engineering.



Empower

In 2023, Mota-Engil Group initiated the EMpower outreach project in Africa, empowering local teams in various markets to develop tailored action plans aimed at local staff empowerment, all under the theme of "Building a vision for tomorrow".

Additionally, there are other initiatives aimed at combating discrimination and gender inequality, as well as promoting female representation in leadership and management positions, namely:

- **MotivE**, a biennial organizational climate survey that gathers opinions from over 20,000 employees, both men and women.
- **Annual Top Performers Program**, which recognizes the best performers within the Mota-Engil Group in various business areas, including several women.
- **HR Global Policy**, a human resources policy that promotes equal access to opportunities and combats discrimination.
- **Awareness campaigns** on the importance of gender equality, including the celebration of International Women's Day and Power Talks with inspiring female employees of the Mota-Engil Group, encouraging other women to pursue leadership and management careers.

Social responsibility

The Manuel António da Mota Foundation, with a statutory purpose towards the social development of the communities where Mota-Engil is present, serves as a strategic partner in sharing values with the community. Through the various support programs, the partnership addresses the needs of workers and their families, including awareness campaigns, information sessions and aligning with Mota-Engil's Group's sustainability strategy and corporate social responsibility objectives.

2.5. Governance

Business conduct

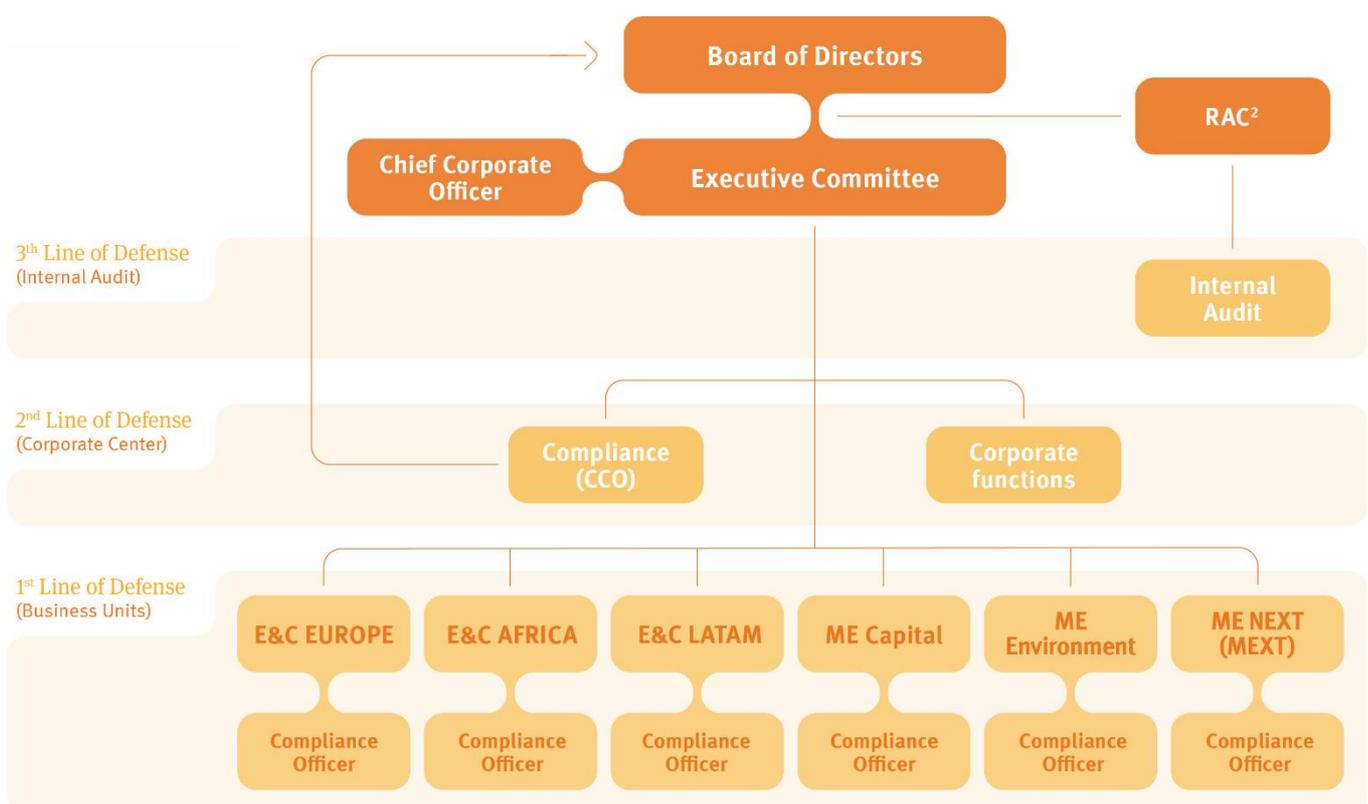
Mota-Engil Group is dedicated to upholding integrity and professionalism in its business practices, evidenced by its comprehensive Integrity and Compliance Program, which is built upon the Code of Business Ethics and Conduct and is aimed to comply with the obligations established by laws, rules and regulations, preventing financial and reputational damage to Mota-Engil, by identifying problems at an early stage, detecting illegalities in other organisations, enhancing the company’s reputation, raising employees’ awareness and developing greater trust among Mota-Engil’s stakeholders.

The Mota-Engil Group also implements an annual training and awareness plan within its Integrity and Compliance Program to educate employees on its content, practical application, expected behaviours in various scenarios, and equip them with ethical and responsible decision-making tools.

The revised Code of Business Ethics and Conduct of Mota-Engil Group aims to establish a framework for responsible behaviour and ethical standards applicable to all employees and stakeholders worldwide, emphasizing alignment with local laws and regulations, and was further disseminated to enhance communication and understanding among employees.

As shown below, the Board of Directors, Executive Committee, and senior managers at Mota-Engil Group actively and collaboratively foster a culture of integrity to protect the company’s esteemed reputation, with oversight from the Chief Compliance Officer (CCO) since 2018, who reports both to the Executive Committee and an independent director ensuring validation of compliance procedures and proposed changes, all subject to Board approval.

Compliance Organisation and Governance Model of Mota-Engil Group



Prevention of corruption, bribery, money laundering and terrorism financing

Mota-Engil Group maintains a robust Anti-Corruption, Bribery and Prevention of Money Laundering and Terrorism Financing Policy, emphasizing zero tolerance for corrupt practices and anti-competitive behaviours, with a dedicated Compliance Department overseeing implementation, training, and continuous improvement efforts, alongside measures to manage conflicts of interest and to ensure transparency and integrity across the organization.

Human Rights

Mota-Engil Group is dedicated to upholding human rights across diverse contexts, aligning its policies and practices with the CEO Guide to Human Rights¹, enforcing a zero-tolerance policy towards modern slavery, child labour, human trafficking, and discrimination, while developing a comprehensive Human Rights Policy which will be completed by 2024, and implementing rigorous due diligence processes to ensure ethical conduct throughout its business operations and partnerships.

Mota-Engil Group's Harassment and Discrimination Policy aims to create a workplace environment free from harassment and discrimination, outlining disciplinary measures for misconduct, defining responsibilities, and establishing mechanisms for resolving incidents, facilitated by a Discrimination and Harassment Counsel (DHC) and a dedicated committee.

2.6. Additional Resources

- 2023 Consolidated Report and Accounts
- Strategic Plan 2022-2026 (2023 Update)
- Plan for gender equality
- Code of Ethics and Business Conduct
- Integrity and Compliance Programme
- SHEQ Policy
- Whistleblowing and Compliance Procedure

¹ The CEO Guide to Human Rights was issued by the Business Council for Sustainable Development (BCSD) Portugal.

3. Sustainability-Linked Financing Framework

Mota-Engil Group has established this Sustainability-Linked Financing Framework through which the Mota-Engil Group will look to raise Sustainability-Linked Bonds and/or Sustainability-Linked Loans (jointly referred to as “Sustainability-Linked Financing Instruments”), in order to align the Mota-Engil Group’s sustainability strategy with its financing. The Framework has been established in line with the Sustainability-Linked Bond Principles (“SLBP”) June 2024 as administered by the International Capital Market Association (ICMA²), as well as the Sustainability-Linked Loan Principles (“SLLP”) 2023 published by the LMA³, APLMA⁴, and LSTA⁵.

In line with the above, the Framework covers the following core elements:

- 1) Selection of Key Performance Indicators (KPIs)
- 2) Calibration of Sustainability Performance Targets (SPTs)
- 3) Financial characteristics
- 4) Reporting
- 5) Verification

The Mota-Engil Group’s aim is to adhere to best practices in the market in its approach to the Sustainability-Linked Financing Framework.

3.1. Selection of Key Performance Indicators (KPIs)

The Mota-Engil Group’s current strategic plan includes sustainability and innovation as one of its five axes, which is in alignment with the United Nations’ 2030 Agenda for Sustainable Development with its 17 SDGs. It is recognised that employees play a crucial role in the success and sustainability of Mota-Engil Group’s business, as highlighted by the social and economic impacts on the local communities where the Mota-Engil Group operates resulting from the more than 50,000 jobs it provides across more than 20 countries. As a result, talent management and health & safety are two key aspects of how the Mota-Engil Group looks to support the development of its employees and ensure their safety. This is also supported by the Mota-Engil Group’s double materiality analysis, conducted in 2022-2023, where local employment creation and skills development; health and safety at work; energy and climate change; product/service quality and safety; diversity, equity and inclusion were among the topics with the most significant financial and impact materiality.

The Mota-Engil Group has therefore selected the following employee focused KPIs to which all the Mota-Engil Group’s business units will contribute to reaching. These KPIs are seen as being core to the business, related to the material topics and therefore of strategic importance to the Mota-Engil Group’s businesses as well as to its Sustainability Strategy. It is stressed that this importance also comes from the fact that corporate HR answers directly to the CEO of Mota-Engil. All the selected KPIs are also reported in the Mota-Engil Group’s 2023 Consolidated Report and Accounts.

Mota-Engil Group’s Selected KPIs

	Description
KPI 1	Lost-Time Injury Frequency Rate (LTIFR)
KPI 2	Women in Management Positions
KPI 3	Local Talent in Management Positions

² ICMA: International Capital Markets Association

³ LMA: Loan Market Association

⁴ APLMA: Asia Pacific Loan Market Association

⁵ LSTA: Loan Syndications and Trading Association

The Framework and the KPIs by targeting 2030 will look to achieve objectives that are beyond both the current horizon as well as be more ambitious than those within 2026 Sustainability Strategy. One of the KPIs (Local talent) is new to the Mota-Engil Group and has been introduced as a result of the double materiality analysis mentioned above.

KPI 1 – Lost-Time Injury Frequency Rate (LTIFR)

Definition

The indicator selected, Lost-Time Injury Frequency Rate (LTIFR), is an International Labour Organisation (ILO) indicator. It does not show how many days are lost for each serious accident but enables the normalisation and external benchmarking of the KPI, as well as assessment of prevention performance, which is the Mota-Engil Group's chief concern.

Rational

The number of accidents at work varies greatly depending upon the economic activity in question and is positively skewed in relation to male-dominated activities. Within the EU⁶, the construction, transportation and storage, manufacturing, and agriculture, forestry and fishing sectors together accounted for around two thirds (65.5%) of all fatal accidents at work in 2021 and close to half (45.7 %) of all non-fatal accidents at work. More than one fifth (22.5 %) of all fatal accidents at work in the EU took place within the construction sector, with the sector also being responsible for double-digit shares of the total number of non-fatal accidents recorded (12.9 %).

Considering the importance of E&C and Environmental Services to Mota-Engil Group, the reduction of occupational accidents is of extreme importance.

The importance of this KPI is also supported by the fact that ensuring safe and secure working environments is also explicitly enshrined in the United Nations' 2030 Agenda, in particular in SDG 8: Decent Work and Economic Growth, which, in target 8.8, refers to the reduction in frequency rates for lethal and non-lethal occupational accidents. Occupational health and safety is also crucial in fulfilling SDG 3: Good Health and Well-Being, since occupational accidents and diseases significantly contribute, on a global level, to the growing problem of non-communicable and chronic diseases.

The Mota-Engil Group considers occupational health and safety (OHS) not only a legal obligation, but also an ethical imperative. The health and safety of all people on its projects is a priority for the Mota-Engil Group.

The selected KPI is part of the Mota-Engil Group's initiatives to align its financing with the Mota-Engil Group's strategy in particular with the aim to increase workforce well-being, productivity, and motivation, while reducing work-related injuries and absenteeism across the organisation.

Methodology & Scope

The KPI measures the number of non-fatal accidents at work with sick leave, which corresponds to the ILO indicator Lost-Time Injury Frequency Rate (LTIFR).

KPI calculation

$$\frac{\text{No. of non-fatal accidents at work with sick leave}}{\text{No. of hours worked}} \times 1,000,000$$

⁶ Accidents at work statistics:

https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Accidents_at_work_statistics#Incidence_rates

Notes: KPI 1 refers to own employees, i.e., employees with a direct contractual link to the companies directly owned by the Mota-Engil Group (excluding workers assigned to subcontractors and temporary workers) in the sectors and markets in which it operates.

The figure of 1,000,000 used to calculate this KPI is a normalisation factor for the number of hours worked and is used as an indicator by the ILO. It does not, however, consistently indicate the extent of the damage caused by an accident and its consequences for workers.

The Mota-Engil Group has in the past focused on incorporating its LTIFR initiatives and improvement objectives into previous Sustainability-Linked Bond issuances as they related to the E&C business unit. With this Framework the Mota-Engil Group is looking to expand the LTIFR KPI to include all of the Mota-Engil Group's own employees across all of its activities.

KPI 1 Contribution to SDG 8

8 DECENT WORK AND
ECONOMIC GROWTH



Promoting decent work through protecting labour rights and fostering occupational health and safety.

KPI 2 – Women in Management Positions

Definition

As part of the Mota-Engil Group's commitment to talent management and promoting gender equality across the organisation, specifically by increasing the presence of women in management positions, this KPI focuses on assessing the end result of hiring and promotion activities by measuring annually, at the end of the period the percentage of women in management positions across the Mota-Engil Group as a proportion of the total management team.

Mota-Engil's employee segmentation (Grid) is based on the KornFerry/HayGroup Job Evaluation system. The Grid ranges from #1 (Executive Committee) to #17 (Base Operational & Support Functions) and is applicable across the entire organisation in all Business Units and geographies. This approach and Grid model is the basis for Mota-Engil's Career Management Policy.

Management positions are seen as positions encompassing Senior Management and Technical Directors, corresponding to grades #1 through #9 of Mota-Engil's Grid.

Rational

Gender imbalances persist across various occupations and business sectors, with women continuing to be underrepresented in industries such as engineering, mining, and construction. In male-dominated industrial sectors such as construction, statistics (source [ILOSTAT](#)) show that women represent just 11% of the workforce. As such, diversity, equity, and inclusion are key priorities for the entire Mota-Engil Group.

Mota-Engil draws up an annual [Plan for Gender Equality](#), promoting positive practices to combat discrimination and inequality between men and women that encourage a new organizational culture capable of understanding and valuing the contribution of both genders.

With the Strategic Plan 2026, the Mota-Engil Group put "Gender Equality" at the centre of its focus, which it is looking to continue to do so into 2030.

Methodology & Scope

The KPI measures annually the percentage of women in management positions across the entire organisation, in all geographies, including in key emerging markets like Africa, where cultural and social norms can be more of a challenge in this regard.

KPI calculation

$$\frac{\text{Total No. of women in management positions}}{\text{Total No. of employees in management positions}} \times 100$$

KPI 2 Contribution to SDG 5



Promotion of gender equality and non-discrimination.

Fighting harassment and discrimination.

Facilitating the balance between working life and private life.

Campaigns valuing the contribution of women.

Divulging engineering as a worthy profession.

KPI 3 – Local Talent in Management Positions

Definition

The selected KPI is the proportion of local talent in management positions at the local level, allowing the Mota-Engil Group to monitor the proportion of local talent that occupy management positions in their business units. This KPI was developed as a result of the output of the double materiality analysis that was conducted in 2022-2023.

Management positions are seen as positions on the Grades 1 through 9 of the Mota-Engil Grid, across all geographies and business units of the organisation. This corresponds to Executive and Technical Direction, including the CEO (Grades 1-6) and Specialisation and Management (Grades 7-9).

Local talent refers to employees who are nationals of the country where the company is conducting its activities.

Rational

Although Mota-Engil is a Portuguese-based organisation, the Mota-Engil Group is a significant global employer, with its activities generating more than 50,000 jobs across more than 20 countries in 2023. A large proportion of its employees, at least 35,000, are in emerging and developing markets, specifically in Africa and Latin America.

Employees play a crucial role not only in the success and sustainability of Mota-Engil's business but also in the creation of social and economic impacts in their local communities. The importance of this impact was reflected in the outcome of the double

materiality analysis conducted in 2022-2023 where amongst the identified 17 structural topics was #1. local employment creation & skills development and #16 labour practices & career development.

Mota-Engil Group has also identified emerging trends where regulations and employment laws in developing economies are increasing their constraints around the use of expats on projects, while raising the requirements for local talent participation. Considering this trend and the future potential of the social capital being developed by the long-term commitment of providing training among the local communities, the Mota-Engil Group is now also committed to increase the participation of local talent in leadership positions. As diversity and equality are central themes of Mota-Engil’s purpose and strategy, in 2023 a series of actions were taken to pinpoint their critical nature, promoting the incorporation of local employees into key positions.

Lastly, the Mota-Engil Group is also dedicated to supporting the Sustainable Development Goals (SDGs), aiming to provide equal opportunities, and reducing inequalities in outcomes, thereby ensuring that local talent has access to management positions.

Methodology & Scope

This KPI looks to measure the proportion of management positions hired from the local community as a percentage of total management team.

KPI calculation

$$\frac{\text{Total No. of local talent in management positions at the local level}}{\text{Total No. of management positions at the local level}} \times 100$$

KPI 3 Contribution to SDG 8 and 10

<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>Creating work and wealth in the different countries where we operate through our operations and relations with local suppliers.</p>
<p>10 REDUCED INEQUALITIES</p> 	<p>Ensuring equal opportunities and decreasing inequalities in outcomes, through the abolition of discriminatory practices and by making sure local talent has access to management positions.</p> <p>Commitment to local succession training for management and junior staff within the company.</p> <p>FMAM support for corporate citizenship projects/donations to associations that promote social inclusion, equal opportunities, and less inequality.</p>

3.2. Calibration of Sustainability Performance Targets (SPTs)

Calibration of the SPTs is in great part supported by the Mota-Engil Group's Talent Management Program which encompasses health & safety, promotion of gender equality and the development of local talent.

Calibration of SPTs

Material Topic	Group KPI & description	Sustainability Performance Targets	
		Base Year & Performance	Objective
Health & Safety at work	KPI 1 – Lost-Time Injury Frequency Rate (LTIFR)	2023 = 8,23	2030 = 5
Diversity, equity and inclusion	KPI 2 – Women in Management Positions	2023 = 21,1%	2030 = 31%
Local employment creation & skills development	KPI 3 – Local Talent in Management Positions	2023 = 71,4%	2030 = 79%

Additional context and comments on each of the proposed SPTs for the Mota-Engil Group's Sustainability-Linked Financing Framework is provided by a Benchmarking Exercise ("Exercise") conducted by an external third party during April 2024. The Exercise was based on publicly disclosed information for a sample group of 16 companies with similar activities to the Mota-Engil Group's, and specifically with Engineering and Construction (E&C) as their core business. The peer sample included Aarsleff, Acciona, ACS, BAM, Bouygues, Eiffage, FCC Construcción, Ferrovial, Hochtief, Porr, Sacyr, Skanska, Strabag, Veidekke, Vinci and Webuild.

KPI 1 – Lost-Time Injury Frequency Rate (LTIFR)

SPT 1 – Reducing Group Level LTIFRs to 5 by December 31st,2030

Historic & Future Performance for SPT 1

	Annual Figures (historical data)			Target			Changes	
	2021	2022	2023	2026 ⁷	2028 ⁸	2030 ⁹	2021- 2023	2023- 2030
Mota-Engil Group Sustainable Development Goals								
Lost-time injury frequency rate (LTIFR) - Group	12,13	11,62	8,23	6,07	5,35	5,00		
Absolute Change	n/a	-0,51	-3,39	-2.16	-0.72	-0.35	-3,90	-3,23
% Change	n/a	-4,20%	-29,17%	-26,3%	-11,9%	-6,5%	-32,15%	-39,25%

⁷ 2026 - Strategic Plan Target

⁸ 2028 - Interim Target

⁹ 2030 - Sustainability Performance Target

For SPT 1, the observation dates of each Sustainability-Linked Financing Instrument issued under the Framework will be December 31st of a year within the duration of the specific Sustainability-Linked Financing Instrument, which will be disclosed in the Sustainability-Linked Financing Instrument documentation, outlining all the applicable terms and conditions.

SPT 1 Rationale & Ambition

Occupational Health and Safety (OHS) is a key part of Mota-Engil's talent management, not only for E&C where it is one of the most relevant and pressing sustainability issues facing the industry, but for all of its businesses including the environmental services segment. The Mota-Engil Group considers OHS not only a legal obligation, but also an ethical imperative. The health & safety of all people working on its projects is a priority for the Mota-Engil Group.

Reaching "ZERO lethal accidents" is clearly a Mota-Engil Group objective that underlies its actions and is inherent to its strategy. Nevertheless, Mota-Engil considers that focusing exclusively on lethal accidents hinders action focused on preventing all other accidents that are a potential source and cause of death, and ultimately amounts to a reactive measure. If Mota-Engil focuses purely on achieving zero deaths, it may entail an incorrect interpretation of performance, given that few deaths may exist but there could be many accidents that could (ultimately) have caused deaths. Bearing this in mind Mota-Engil intends to anticipate, monitor, and take action with regard to the accidents most likely to cause death, by reinforcing prevention through the implementation of measures of prevention and awareness that particularly focus on accidents resulting in absence.

The Mota-Engil Group has in the past used its LTIFR initiatives and improvement objectives in the E&C segment as part of past Sustainability-Linked Bond issuances. With this SLFF Mota-Engil is looking to broaden the alignment of its sustainability strategy with its financing activities by widening its commitment to LTIFR from a narrow E&C focus to an organisation wide focus in order to increase the Mota-Engil Group workforce's well-being, productivity, and motivation, while reducing work-related injuries and absenteeism across the organisation.

The Mota-Engil Group's current objective is for a 50% reduction in accidents with lost-time (LTIFR) by 2026 vs. a base year of 2020 for the Engineering & Construction business unit. In the period of 2021-2023, the LTIFR for the entire Mota-Engil Group has improved by 32%.

With this SLFF the Mota-Engil Group is looking to set a new target, beyond the current strategy, whereby it achieves an LTIFR of 5 by the end of 2030 vs a base year of 2023. This target implies a more ambitious rate of improvement of +39.5% over the considered period.

Based on the Exercise, Mota-Engil stood out by providing SMART (Specific, Measurable, Achievable, Relevant and Time-Bound) targets unlike the majority of its peers. Although there is a broad group of benchmark peers, few provided SMART targets. Mota-Engil's SPT 1 is ambitious relative to its own Mota-Engil Group level historical trend (+39.2 improvement vs. +32.2% for 2021-2023 vs. 2023-2030 respectively) but also relative to the peers included in the Exercise, where the Mota-Engil Group's 2030 target places it amongst the top of its benchmark peers.

Overcoming Challenges & Ensuring Success

The challenges for the Mota-Engil Group in meeting its SPT 1 objective include:

- **Inherently Hazardous areas of activity** | For the sectors in which the Mota-Engil Group operates, in particular E&C and Environmental Services, occupational accidents are of extreme importance. According to a recent study from the Centre for Construction Training and Research, despite the significant reduction in the number of serious occupational accidents (except deaths) on construction sites, the E&C sector in 2019 continued to have an occupational accident rate of 29.2%, higher than the average for all other sectors.
- **Local challenges towards safety** | Regulations in many emerging and developing market jurisdictions are not as stringent as those in the developed world. Varying cultural and regulatory attitudes towards safety create a challenge towards providing a consistently safety environment across the organisation.
- **Global complexity** | The Mota-Engil Group operates across 3 continents, in over 20 countries and in 7 primary areas of operations, including E&C and Environmental Services. Given the broad organisations, different geographies,

languages, and regulations the Mota-Engil Group is exposed to, this presents a challenge when attempting to share best practices across the organisation in order to standardise at the highest level its approach to ensure the safety and wellbeing of its employees.

In order to assist in addressing these challenges across its geographies and throughout its various areas of activity, in a systematic and consistent fashion, the Mota-Engil Group has created a number of safety focused initiatives. These include:

- **The Safety, Health, Environment and Quality (SHEQ) area:** SHEQ spans the entire Mota-Engil Group and through its activities, the Mota-Engil Group can integrate, align methods, and enhance the continual improvement of the respective areas across the Mota-Engil Group's various business units, thereby creating a culture of prevention that centres on the people across the entire organisation.
- **SHEQ Moments:** Established as an obligatory routine in 2023 to raise awareness about the key topics concerning people's safety, health, and well-being, as well as the quality of the services provided and products made, and the preservation of the environment.
- **Golden Rules:** Set of obligations and prohibitions aimed at improving working conditions, assessing employee performance, protecting the environment and the planet, ensuring client satisfaction, and ensuring safety, health, and environmental preservation.
- **Wellness Programme:** The goal is to proactively identify and address psychosocial risks within the Mota-Engil Group to foster a culture of well-being and provide strategies to enhance mental health literacy and effectively manage psychosocial risks across all organizational levels.
- **Sustainyards:** Projects focused on the various aspects of a sustainable building site, like identifying opportunities to improve employees' social, health and well-being conditions; improving energy efficiency and reducing the carbon footprint; cutting waste production and promoting circularity.

The participation of top management and SHEQ managers increases the accountability around the implementation of initiatives which will support achieving the LTIFR target, and reveals the importance given to health and safety in the Mota-Engil Group, with a focus on prevention and a ZERO fatal accident culture. Other ways in which the Mota-Engil Group ensures accountability and execution of key health and safety initiatives include:

- **Global and Regional SHEQ Committees:** SHEQ committees are responsible for the integration and alignment of the safety, health, environment, and quality practices across regions and are chaired by senior management (i.e. the Chair of the Board of Directors for the Global Committee and the regional CEO for the regions). The Global SHEQ Committee was created to facilitate collective discussion among the SHEQ directors of all companies within the Mota-Engil Group's different business divisions. These discussions focus on topics related to safety, health, environment, and quality (SHEQ), taking into account each year's performance, emerging regulatory requirements, and internal priorities.
- **Worker consultations:** The Mota-Engil Group consults and involves workers on a regular basis (last done in 2023) by seeking their feedback and input. Seen as a complement to other actions in this area, such as the SHEQ Committees, this activity aims to ensure workers are consulted on matters of safety, health, environment, and quality, as well as to promote their contribution in the introduction of improvement measures.
- **Sustainability Working Group leaders (SWG):** The Safety & Wellbeing working group was created to define and implement strategies dedicated to relevant subjects, such as: Golden Rules, Emergency Response, Physical Safety (safety management) and Physical and Mental health, with special leverage of the last.
- **Empowering groups:** In response to verified fatal accidents, in May of 2023 Mota-Engil Group ordered, for the first time, a total stoppage of mining operations for one hour, during which top management at all of these projects presented their teams with the main measures and guidelines to reduce accidents in projects of this kind. More recently, on the 26th of January 2024, a Global Stand Down was also carried out, promoted by the Chairman of the Mota-Engil Group, which consisted of stopping all production at the Mota-Engil Group's business units for one hour with the aim of top management/directors communicating and raising awareness among all their employees (approximately 55,000) about the causes of accidents that occurred in 2023 and reinforcing the importance of the Golden Rules.
- **Internal audit programme:** Monitoring the integrated management system and preparing external certification audits (such as ISO 9001, ISO 14001 and ISO 45001) that allow for the identification of good practices, opportunities for improvement, and the definition of corrective measures.

Based on the established commitments and according to the performance verified, Mota-Engil aims to leverage organisational and operational prevention actions focused on improving the performance of workplace safety, actions and initiatives based on the sharing and standardisation of best practices across the Mota-Engil Group’s various companies. Based on the causes of accidents and risk assessment processes, the aim is to adopt occupational practices and tools, including the development of new engineering and safety solutions. The main pillars of action are training and skills, adjustment of human resources, leadership, accountability and recognition, and the digitalisation of processes, all of which support achieving the SPT 1 target.

KPI 2 – Women in Management Positions

SPT 2 – Increase the proportion of women in management positions to 31% across the Mota-Engil Group by December 31st 2030

Historic & Future Performance for SPT 2

Mota-Engil Group Sustainable Development Goals	Annual Figures (historical data)			Target			Changes	
	2021	2022	2023	2026 ¹⁰	2028 ¹¹	2030 ¹²	2021-2023	2023-2030
Women in Management Positions (%)	19,3	19,7	21,1	30	30,5	31		
Absolute Change	n/a	0,4	1,4	+8,9	+0.5	+0.5	1,80	9,90
% Change	n/a	2,07%	7,11%	+42,2%	+1,7%	+1,7%	9,33%	46,92%

For SPT 2, the observation dates of each Sustainability-Linked Financing Instrument issued under the Framework will be December 31st of a year within the duration of the specific Sustainability-Linked Financing Instrument, which will be disclosed in the Sustainability-Linked Financing Instrument documentation, outlining all the applicable terms and conditions.

SPT 2 Rationale & Ambition

Mota-Engil has been and continues to be committed to gender equality as can be seen by the meaningful presence of the topic in the Mota-Engil Group’s 2026 Sustainability Strategy. The importance of the topic was further emphasised by the outcome of the double materiality exercise carried out by the Mota-Engil Group in 2022-2023. Amongst its 17 structural material topics was #5 “Diversity, equity, and inclusion”.

Over time, the Mota-Engil Group has seen an improving gender equality trend in the growth of women in management positions. In the period 2021-2023, the percentage representation of women in management positions across the organisation has grown from 19.3% to 21.1%, a growth rate of 9.3%. From the base year of 2023 (21.1% in management positions), the Mota-Engil Group is looking to accelerate this rate substantially over time compared to the past by targeting an improvement rate of +46.9% during the period of 2023 – 2030, increasing the proportion of women in management positions to of 31% across the Mota-Engil Group by the end of the period.

Not only is the future rate of improvement in the increase of top management positions being held by women ambitious compared its own past trend rate, but it is also at the top of the group of peers assessed as part of the Exercise carried out by

¹⁰ 2026 - Strategic Plan Target

¹¹ 2028 - Interim Target

¹² 2030 - Sustainability Performance Target

a third party. The Mota-Engil Group's target is not only at the top in terms of the targeted % of management positions held by women (i.e. 31%) but also in terms of the overall rate of improvement of 46.9%. which is well above the average of the group of peers (i.e. 24,2%) in the Exercise, for the period.

Overcoming Challenges & Ensuring Success

The reality of the Mota-Engil Group's activities is that there are a number of structural challenges that could get in the way of achieving the SPT 2 target. These might include:

- **Talent shortage:** The Mota-Engil Group is currently facing serious challenges in its ability to attract and retain qualified staff who are available to work in the production sector, requiring physical availability and geographical mobility (domestic and/or international), which limits its ability to choose and access profiles that meet the desirable requirements, particularly in the case of women, and especially in the area of E&C.
- **Industry Perception:** Perceived attractiveness of the industry and of working on the production front: more than 80% of the Mota-Engil Group's workforce works in the production sector, on site, requiring availability, mobility, and special qualifications for the job.
- **Geographic Footprint:** Presence in emerging and developing geographies where the training of young female engineers, although beginning to be a reality today, still shows objective difficulties in attracting qualified, experienced, and motivated women to take up careers in in the Mota-Engil Groups various activities.

Across the organisation there are numerous initiatives supporting the gender equality mandates which will provide support in the achievement of SPT 2. The Mota-Engil Group's daily management decision is informed by several policies supporting gender equality, such as the HR Global Policy, a global human resources policy that establishes principles and guidelines regarding equal access to opportunities and non-discrimination. In addition, there is a salary policy which defines guidelines and tools to promote gender balance and pay equity as well as procedures to recruit and select without gender bias, and training organised to ensure equal access and participation for men and women.

Based on the shared guidelines of the Portuguese Committee for Workplace and Employment Equality (CITE), Mota-Engil draws up an annual Gender Equality Plan. Through this plan, the company intends to take measures that comprise positive practices to combat discrimination and inequality between men and women and that encourage a new organisational culture, able to perceive and valorise the contribution of both genders, strengthening the principle of equality in its practices and acting as a watchword for improving competitiveness. It is also intended to ensure the effective implementation and monitoring of the guidelines set forth in the Strategic Plan 2026 aimed at employees and the members of the governing bodies under Article 7 of Law No. 62/2017.

Specific working groups such as the Gender Equality Working Group have also been created to support the implementation of the mandate. The financial commitment to supporting not only the staff and budget within HR that are responsible for gender equality initiatives but also to funding gender equality focused programs (e.g., WoMEen Leaders) is approximately €100,000/year.

As can be seen by the nature of the challenges, a significant portion of the challenges revolve around education, training, promotion of careers in typically male-dominated spaces. As a way of addressing the above and attracting women into the sector and in particular to be able to promote or recruit for management positions, specific initiatives have been developed to help address these issues and support achieving the SPT 2 target including:

- **WoMEen Leaders:** aimed at training 70 women every year who have the potential to take on leadership/management positions within 2-3 years.
- **MentorME:** a mentorship programme aimed at former trainees and participants in the WoMEen Leaders initiative, consisting of an annual mentoring programme to support career development.
- **Digital MBA:** a programme consisting of 5 annual MBA scholarships, in which the Mota-Engil Group have included women who currently have or may have the potential to hold leadership/management position.
- **Campaigns to raise awareness of the importance of Gender Equality:** celebration of International Women's Day; collaboration in initiatives such as "Engineers for a Day"; Power Talks with female Mota-Engil Group employees who

are role models and who can inspire and advise other women in the Mota-Engil Group to pursue a career in leadership/management.

As many of these initiatives require time to identify, select and develop suitable candidates, and the long-term nature of the gender equality work, there are number of ways the Mota-Engil Group monitors and evaluates the success of its various gender equality initiatives.

- Ongoing communication between management teams, senior leadership groups and the CEO.
- Among the duties of the Chairperson of the Appointments Committee is to ensure coordination with the Committee for the Equality Between Men and Women, always considering the Plan for gender equality and informing the Chairman of the Board of Directors of the Committee’s activities, decisions, and their respective implementation.
- Biannual Gender Report, sent to all Management and HR teams, providing a snapshot of the evolution of relevant indicators and the gap towards achieving the set strategic goals.
- **MotivE**: a biannual organisational climate survey, through which Mota-Engil listens to more than 20,000 employees, women, and men, in order to identify levels of satisfaction and the perception related to equal opportunities, fair pay, among other fundamental aspects for improving our people management practices.

Some near-term next steps in support of gender equality and the increase of women into management positions include:

- Launching and developing the Mota-Engil Female Leadership Programme (2023–2026).
- Reformulating the gender equality Sustainability Working Group and setting up the Steering Committee (2024).
- Updating the gender equality plan (annual process).

KPI 3 – Local Talent in Management Positions

SPT 3 – Increase the proportion of local talent in management positions to 79% by December 31st,2030

Historic & Future Performance for SPT 3

Mota-Engil Group Sustainable Development Goals	Annual Figures (historical data)			Target			Changes	
	2021	2022	2023	2026 ¹³	2028 ¹⁴	2030 ¹⁵	2021-2023	2023-2030
Local talent in management positions (%)	71,8	70,7	71,4	75	76,8	79,0		
Absolute Change	n/a	-1,1	0,7	+3,6	+1,8	+2,2	-0,40	7,60
% Change	n/a	-1,53%	0,99%	+5%	+2,4%	+2,9%	-0,56%	10,64%

For SPT 3, the observation dates of each Sustainability-Linked Financing Instrument issued under the Framework will be December 31st of a year within the duration of the specific Sustainability-Linked Financing Instrument, which will be disclosed in the Sustainability-Linked Financing Instrument documentation, outlining all the applicable terms and conditions.

SPT 3 Rationale & Ambition

Increasing the ranks of local talent in management positions is seen as a strategically important topic for the Mota-Engil Group. The Mota-Engil Group integrated into its new Strategic Plan, focused on the 2022-2026 period – “BUILDING 26 | For a sustainable future”, sustainability and innovation as one of the Mota-Engil Group’s five pillars of action. Through the new

¹³ 2026 - Strategic Plan Target

¹⁴ 2028 - Interim Target

¹⁵ 2030 - Sustainability Performance Target

strategy, the Mota-Engil Group are committed to the United Nations' 2030 Agenda and to contributing to the Sustainable Development Goals (SDGs), for which it has set out strategic targets and guidance. Furthermore, as result of the double materiality analysis conducted in 2022-2023 –with the broad participation of stakeholders – in August 2023 the strategic goals were revised, in line with the material topics that were considered structurally important.

The percentage of local talent in management positions has remained relatively stable, at around 71% between 2021 - 2023. However, as a result of the increased level of importance of growing the ranks of local management talent, and the role the SPT 3 plays in contributing towards the firms SDG objectives (#8 Decent Growth and Economic growth & #10 Reduced Inequalities), as part of this SLFF the Mota-Engil Group is looking to increase its objective beyond that of the 2026 target and set a more ambitious target of 79% for 2030 from a base of 71.4% in 2023. This would grow the proportion of local talent in management positions by 10.6% in the period in question (2023 – 2030).

The Exercise shows that the Mota-Engil Group is ahead of its peers in anticipating the local talent requirements of its key markets. The Mota-Engil Group is focused on the local business and societal needs (current and future) of developing and emerging markets, a significant driver of future business as seen by the pipeline's geographic mix (i.e Latin America + Africa represent 90% of the backlog). Current political and regulatory trends of which the Mota-Engil Group is aware of point to local content regulations with increasing limitations on hiring expats in favour of employing local staff in their local companies.

Overcoming Challenges & Ensuring Success

Given the specific local challenges associated with developing qualified talent, it will take time to grow the local talent pool.

The challenges include:

- **Talent shortage:** The Mota-Engil Group currently faces a significant challenge to its ability to attract and retain qualified staff who are available to work on the front lines. The nature of the work requires physical availability and geographical mobility (domestic and/or international), which limits the Mota-Engil Group's ability to choose and access profiles that fulfil the desirable requirements, particularly in the case of local staff.
- **Limits of local education system:** Within Mota-Engil's geographic footprint, there are countries where access to local managers with the education and experience to fulfil the client's requirements are insufficient due to the inability of local programs to develop the talent.
- **Entry into new markets:** As part of the groups normal course of business, as the Mota-Engil Group enters new markets by winning new business, it is often the case where, within the context of adhering to local labour regulations, projects are launched with a higher proportion of non-locals in order to support the project and/or development of the market in question. If a new contract entering a new market is large enough, it could impact the group level statistics for KPI 3 and impact achieving SPT 3. Over time, as part of its policy to increase the participation of local talent (including supporting KPI 3/SPT 3), the Mota-Engil Group will look to increase the number of local talent on its projects through its various initiatives and policies outlined below.

The Mota-Engil Group is looking to create work and wealth in the different countries where it operates by providing opportunities for local talent at management level. In order to do this and to overcome the challenges that are present, the Mota-Engil Group has allocated meaningful financial and organisational resources to support achieving its targets over the next 6 years.

A number of practices and policies that are integrated into the daily activities and decision making by the Mota-Engil Group's management team support the growth of local talent representation in management positions:

- **HR Global Policy:** a global human resources policy that establishes principles and guidelines for equal access to opportunities and non-discrimination.
- **Salary policy:** defining guidelines and tools to promote fair pay for local employees.
- **Ensuring equal opportunities** and decreasing inequalities in outcomes, through the abolition of discriminatory practices and by making sure local talent has access to management positions.

Financially, the Mota-Engil Group is supporting SPT 3 by contributing approximately €120,000/year above regular budgets specifically to initiatives related to the SPT which will not only support staffing requirements in HR (Corporate Centre) but also some of the initiatives mentioned below (e.g. Empower, MentorME).

The nature of this topic is such that qualified talent takes time to identify and nurture so that they can become part of the pool of qualified locals to draw on. As such, initiatives have been created by the Mota-Engil Group to support the achievement of the SPT 3 such as:

- **Empower:** setting up working groups made up of local change agents.
- **MentorME:** a mentorship programme aimed at former trainees and participants in the WoMEEn Leaders initiative, consisting of an annual mentoring programme to support career development, with a special focus on local employees.
- **StartME:** trainee programme, under which the Mota-Engil Group integrates more than 200 young people worldwide every year, with the aim of preparing a new generation to hold leadership/management positions within 5 years, with a special focus on local trainees.
- **Digital MBA:** a programme consisting of 5 annual MBA scholarships, in which Mota-Engil Group have integrated local staff who currently have or may have the potential to hold leadership/management positions.
- **Other country specific programs (e.g. Nigeria – Local University Collaboration)**

In order to follow the progress and increase accountability across the organisation, supporting activities include:

- **Ongoing communication** between management teams and Senior Leadership groups about progress, including to the CEO.
- **DE&I report**, aimed at all Management and HR teams, providing a snapshot of the evolution of indicators and the gap with the strategic targets defined within the scope of the local talent in management positions KPI.
- **MotivE:** a biannual organisational climate survey, through which Mota-Engil Group listens to more than 20,000 employees, in order to identify levels of satisfaction and the perception related to equal opportunities, fair pay, among other fundamental aspects for improving Mota-Engil Group's people management practices.

3.3. Characteristics of the Sustainability-Linked Financing Instrument(s)

Mota-Engil Group will include at least one of the SPTs outlined in this Framework, including for any agreed to interim targets, with the financial attributes of any of Mota-Engil Group's Sustainability-Linked Financing Instruments issued under the Framework. Sustainability-Linked Financing instruments are any type of debt (i.e bond or loan) whose financial and/or structural characteristics can vary depending on whether the issuer achieves its predefined SPT(s). The proceeds are intended to be used for general corporate purposes. If the SPT(s) are not attained by the Target Observation Date ("Trigger Event"), Mota-Engil Group will incur an additional financial cost (i.e. coupon step-up, margin adjustment, additional remuneration at maturity as applicable). The specifics regarding the premium amount, timing, and payment mechanism will be detailed in the respective Sustainable Financing Instrument's offering documents and other conclusive terms of the instrument.

In the case of a Sustainability-Linked Loan, as part of the discussions with a loan counterparty(s) when defining the terms and conditions, Mota-Engil Group commits to establishing an annual SPT within the duration of the loan, for each of the KPIs agreed to by the parties to be part of the Sustainability-Linked Loan (at least one).

Provided that the SPT for the relevant KPI is achieved and reporting and verification takes place and is available to the public within the terms and conditions of this Framework, Mota-Engil will not incur any additional financial costs.

3.4. Recalculation Policy

Mota-Engil Group, acting in good faith reserves the right to make adjustments to the boundary of the KPI, the calibration of the SPTs or the Baseline stated in the Framework, as applicable, in the event of:

- Material or structural changes in Mota-Engil Group (as a result of any acquisition, merger, demerger, corporate reconstruction, or disposal)
- Updates in the calculation methodology of the KPI
- Changes in the data reported due to improved calculation methodologies and/or better data accessibility
- Significant errors - or several cumulative errors, that are collectively significant - being discovered
- An amendment to, or change in, any applicable laws, regulations, rules, guidelines and policies
- Force majeure events and/or other material changes out of the Mota-Engil Group's control which may have a material impact on the appropriateness of the KPIs and/or SPTs and/or baselines

Any future adjustments to the KPI or Baseline will maintain or increase the proposed level of ambition of the SPT(s) stated in this Framework and will be approved by the appropriate Governance Committee of the Board of Directors of Mota-Engil Group. Any adjustments to the SPT(s) will be reported annually in the Sustainability Report (see Reporting section below), which is available to all interested parties, and will be accompanied by a verification statement from an independent qualified external reviewer confirming that the proposed revision is consistent with the initial level of ambition of the relevant SPT (see Verification section below). Failure to meet SPTs due to factors outside the company's direct control may not result in any adjustment to a financing instrument's characteristics being triggered.

If on the observation date the reporting is missing or the SPTs cannot be calculated or observed in a satisfactory manner, the SPTs should be deemed not achieved and the related trigger events will occur, as detailed in the respective Mota-Engil Group Sustainability-Linked Financing Instrument's offering documents and other conclusive terms of the instrument.

3.5. Reporting

Any Sustainability-Linked Financing Instrument(s) issued under this Framework will be in line with the Sustainability-Linked Bond Principles ("SLBP") June 2024 as administered by the ICMA or the Sustainability-Linked Loan Principles ("SLLP") 2023 published by the LMA, APLMA, and LSTA., insofar as Mota-Engil has undertaken to promote the improvement of the KPI(s) with a view to achieving the SPT(s) by reference to 31 December 2030 thus creating an additional incentive to its sustainability policy.

The SLBP and SLLP provide guidelines for the structuring, preparation, and disclosure of reports, driving the provision of all necessary information. The Mota-Engil Group's sustainability report, published since 2006, is prepared in accordance with the standards of the Global Reporting Initiative, to meet the requirements of Decree-Law no. 89/2017, of 28 July, regarding the disclosure by large companies and groups of non-financial information and information on diversity. Mota-Engil Group has endeavoured and will continue to commit to providing the greatest transparency possible with regards to its Sustainability Strategy, related programs and commitments.

Mota-Engil Group is committed to disclosing the performance of the KPIs on an annual basis until the maturity of any outstanding Sustainability-Linked Financing Instrument (ie loan or bond), through the publication of its sustainability reports which are available to all interested parties on the Mota-Engil Group website.

The reports will include information on potential drivers of the KPI(s) outcomes, such as:

- Up-to-date information on the Mota-Engil Group's performance of the selected KPI(s), including the baseline where relevant.

- For the relevant KPI(s), a discussion of the progress towards the SPT(s) and the related impact, and timing of such impact, on the structural and/or financial characteristics of the financial instrument, including qualitative or quantitative explanations of the contribution of the main factors (eg. M&A activities), behind the evolution of the performance of the relevant KPI(s) on an annual basis.
- Any relevant information enabling investors to monitor the progress *vis-a-vis* the SPTs.
- An annual limited assurance from a third-party independent auditor on the points listed above, which will be integrated in the sustainability report.
- Illustration of the positive sustainability impacts of the performance improvement.
- Any re-assessments of KPI and/or restatement of the SPT(s) and/or pro-forma adjustments of baselines or KPI scope, if relevant.
- Updates on new or proposed regulations from regulatory bodies relevant to the KPI and the SPT(s), if available.

3.6. External Review & Verification

Second Party Opinion

Mota-Engil Group has commissioned S&P Global Ratings to conduct an external review of its Sustainability-Linked Financing Framework (SLFF) and to issue a Second Party Opinion (SPO) confirming the alignment of Mota-Engil Group's SLFF with the Sustainability-Linked Bond Principles, ICMA, June 2024 and Sustainability-Linked Loan Principles, LMA, APLMA, and LSTA, 2023. The Second Party Opinion issued by S&P Global Rating will be made available to investors on Mota-Engil Group's website (www.mota-engil.com) and S&P Global Ratings' website (www.spglobal.com).

Verification

As part of its annual sustainability reporting assurance process, Mota-Engil Group will ensure that its performance of the KPIs against the SPTs included in the relevant Sustainability-Linked Financing Instrument will be subject to annual verification by an independent external verifier to at least a limited level of assurance, at least until the date/period relevant for assessing the achievement of the SPT(s) has been reached and in connection with any Trigger Event as specified in the respective offering documents. The verification of the performance of the relevant KPIs will be made publicly available on Mota-Engil's website.

As part of the above, the Mota-Engil Group commits to:

- Request, on an annual basis, an independent external verification statement confirming its performance in relation to the selected KPI(s), which will be integrated in the sustainability report; and
- Request, for each of the SPT(s) connected to a particular Sustainability-Linked Financing Instrument, with reference to the applicable Target Observation Date for a given Instrument, an independent external verification statement confirming that the SPT(s) has been achieved. This statement will be disclosed on the Mota-Engil's website (www.mota-engil.com) until the 30 June of the following calendar year for the respective SPT Target Observation Date, and an external verifier will be appointed, and disclosed on the Mota-Engil's website (www.mota-engil.com), up to 30 days before the referred date.

4. Disclaimer

This Framework is intended to provide non-exhaustive, general information. It may contain or incorporate by reference public information not separately verified, approved, or endorsed by Mota-Engil Group and accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by Mota-Engil Group as to the fairness, accuracy, reasonableness, or completeness of such information.

This document may contain statements about future events and expectations that are forward-looking statements. None of the future projections, expectations, estimates, or prospects contained in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects are based have been prepared are correct or exhaustive or, in the case of assumptions, fully stated in this document. Mota-Engil Group does not undertake, and does not assume any obligation to update, modify or amend this document, or the statements contained herein, to reflect actual changes in assumptions or changes in factors affecting such statements or to otherwise notify any addressee if any information, opinion, projection, forecast, or estimate set forth herein changes or subsequently becomes inaccurate.

S&P Global Ratings has evaluated the Framework and its alignment with relevant industry standards and has provided its views on the robustness and credibility of the Framework. The SPO is only an opinion and not a statement of fact. No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of the SPO which may be made available in connection with any issue of any instruments.

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