

5.9. TAX INFORMATION



ACS GROUP CORPORATE TAX POLICY

In 2015, the ACS Board of Directors approved the corporate Fiscal Policy, in accordance with which it aims to establish a collaborative relationship with the tax authorities based on mutual trust and transparency. In addition, the Group is committed to not creating artificial corporate structures unrelated to the Company's business activity for the sole purpose of reducing its tax burden or to generate a lack of transparency, and to not carry out operations between related companies aimed at reducing taxable bases and artificially transferring profits to low-tax territories.



[Corporate Tax Policy](#)

All Group companies comply in every country with the applicable tax regulations in relation to transparency and tax information.

Tax Practices promoted by the Spanish tax authorities (*Agencia Estatal de la Administración Tributaria*) and, in application thereof, voluntarily provides the aforementioned Agency with the Annual Fiscal Transparency Report, with special emphasis on the Group's international composition, including information related to tax havens.

Therefore, the ACS Group's current policy is not to promote the creation of new companies in tax havens or low or no-tax territories (unless strictly necessary for the execution of works or physical facilities in the territories), as well as to commit to the gradual liquidation of the existing companies. Several entities which are residents of tax havens are in the process of liquidation.

In accordance with tax regulations in the majority of countries, profit is taxed in the country in which it is obtained, that is, based on the nature of the construction activity, in the place where the construction work or facility is executed.



Based on this criterion, the table below gives a breakdown, by country, of the taxes paid by the ACS Group for all items, pre-tax profit, and the subsidies received in 2020 and 2021 (amounts in thousands of euros):

TAXES PAID 2021						
Country	TOTAL	Profits tax paid (1)	Other taxes paid (2)	Taxes collected	Pre-tax profit(3)	Subsidies received
Spain	846,868	10,331	347,582	488,955	-17,792	246
United States	671,565	101,011	182,077	388,477	202,678	
Australia	343,849	-15,094	160,165	198,779	282,780	
Canada	53,798	28,452	6,557	18,790	-139,104	
United Kingdom	33,522	-132	11,962	21,692	22,540	
Poland	22,742	319	7,012	15,411	-671	
New Zealand	22,099	2	2,674	19,423	-121,651	
Chile	13,328	2,448	1,029	9,851	-10,443	
Germany	11,437	5,048	31,849	-25,460	-204,267	
Portugal	11,077	1,062	3,594	6,421	-422	
Argentina	9,435	226	3,193	6,016	2,486	
Czech Republic	8,909	623	5,400	2,887	-127	
Peru	7,239	553	987	5,699	5,152	
India	6,436	-2,324	1,663	7,097	4,706	
Luxembourg	6,275	2,124	1,259	2,892	37,901	
Singapore	6,203	4,985	1,081	137	-15,626	
Mexico	6,111	91	194	5,826	53,658	
Indonesia	6,069	1,450	473	4,147	-30,372	
Others (*)	15,778	4,331	4,531	6,912	67,561	
Unattributable consolidation adjustments & equity method results (4)					222,999	
TOTAL	2,102,740	145,506	773,282	1,183,952	361,986	246
Provisions for revaluation of operating risks						
- Spain					-133,844	
- United States					-170,640	
Profit before taxes					57,502	
Income from discontinued operations, taxes and minority interest					2,987,911	
RESULT OF PARENT COMPANY					3,045,413	

Note: Data for 2020 have been restated as a result of the sale of most of the Industrial Division to Vinci.

(*) Countries with taxes paid of less than 5 million euros.

(1) Significant deviations from the nominal tax rates of each country are due to the fact that the tax rules themselves generate differences between the tax in terms of payment and accrual, such as the application of tax credits for losses or the realization or refund of payments on account. These differences are offset in the long term.

(2) The OECD methodology includes Social Security contributions as taxes paid.

(3) The breakdown by country corresponds to the profit before taxes according to the consolidated income statement excluding results under the equity method and excluding the attribution to minority interests.

(4) Accounting consolidation items not objectively attributable to specific countries are included (mainly amortization of PPA Purchase Price Allocation of acquisitions) as well as results under the equity method (which, in accordance with accounting regulations, are presented net of taxes, since no further information is available since they are not companies controlled by the group), with no impact on the payment of taxes in any of them.

Country	TAXES PAID 2020				Pre-tax profit(3)	Subsidies received
	TOTAL	Profits tax paid (1)	Other taxes paid (2)	Taxes collected		
Spain	830,027	77,304	323,004	429,720	464,653	538
United States	633,502	55,494	171,060	406,948	24,878	
Australia	617,401	5,239	193,751	418,411	550,253	
Germany	120,063	4,771	36,130	79,162	-31,409	
Indonesia	94,849	33,217	15,971	45,661	-58,024	
Singapore	37,123	35,959	1,104	61	36,972	
United Kingdom	34,336	1,119	10,093	23,123	6,042	
Poland	22,477	178	5,832	16,467	-24,631	
Canada	19,959	5,087	3,314	11,557	158,148	
New Zealand	18,653	71	1,246	17,336	-77,243	
Mongolia	12,357	12,054	1,374	-1,071	-13,442	
Chile	10,874	-500	927	10,447	-2,197	
Portugal	9,732	136	3,309	6,286	123	
Czech Republic	9,440	94	5,474	3,871	1,753	
Peru	9,065	1,079	685	7,302	-9,123	
Luxembourg	8,946	3,991	1,019	3,936	40,042	
The Netherlands	8,551	10	143	8,397	72	
India	6,814	427	1,674	4,713	-342	
Hong Kong	5,502	4,935	360	206	-13,192	
Argentina	5,498	337	1,963	3,197	-2,753	
Botswana	5,190	2,327	881	1,982	27,288	
Others (*)	-22,274	5,812	5,616	-33,698	-47,343	
Unattributable consolidation adjustments & equity method results (4)					-126,102	
TOTAL	2,498,085	249,141	784,930	1,464,014	904,423	538
0					-330,418	
0					574,005	

Note: Data for 2020 have been restated as a result of the sale of most of the Industrial Division to Vinci.

(*) Countries with taxes paid of less than 5 million euros.

(1) Significant deviations from the nominal tax rates of each country are due to the fact that the tax rules themselves generate differences between the tax in terms of payment and accrual, such as the application of tax credits for losses or the realization or refund of payments on account. These differences are offset in the long term.

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The ACS Group also participated in the Major Business Forum, which is the framework for collaboration between large companies and the Spanish tax administration and is

based on the principles of transparency and mutual trust, through the knowledge and sharing of any problems that may arise in the application of the tax system.

TAX RISK MANAGEMENT

As established in the Board Regulations of the ACS Group, the functions of the Board that cannot be delegated include the determination of the Group's tax strategy.

The Board is also responsible for approving the Group's General Risk Management and Control Policy and setting the acceptable level of risk at all times. These different areas also include the management of financial, non-financial and tax risks.

Within the Board, the functions of the Audit Committee include supporting the Board in the regular monitoring and assessment of the Group's Comprehensive Risk, Financial and Non-Financial Control and Management System, specifically:

- Ensuring that the different types of risks to which the Group is exposed are adequately identified and assessed, and that the level of risk considered acceptable is defined and set.

- Reviewing the measures established to mitigate the impact of the risks, compliance with regulatory requirements, adequate definition of the consolidation scope and proper application of accounting criteria.
- Monitoring the effectiveness of the risk management systems and directly oversees the internal risk control and management duties carried out by the responsible areas within the Group.



2.3. Efficient risk management