



FCC Environment CEE Sustainability Snapshot

Relating to European Sustainability Reporting Standards (ESRS)
(Non-)Financial year 2024

Content

TABLE OF ABBREVIATIONS

ESRS 1 & ESRS 2

DR BP-1 General basis for preparation of the sustainability statements	
DR BP-2 Disclosures in relation to specific circumstances	
DR GOV-1 The role of the administrative, management and supervisory bodies	
DR GOV-2 Information provided to, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	
DR GOV-3 Integration of sustainability-related performance in incentive schemes	
DR GOV-4 Statement on sustainability due diligence	
DR GOV-5 Risk management and internal controls over sustainability reporting	
DR SBM-1 Strategy, business model and value chain	
DR SBM-2 Interests and views of stakeholders	
DR IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	
Policies MDR-P Policies adopted to manage material sustainability matters	
Actions MDR-A Actions and resources in relation to material sustainability matters and Metrics MDR-M Metrics in relation to material sustainability matters	
DR CCR-4 Tracking effectiveness of policies and actions through targets	

ESRS E1 CLIMATE CHANGE

E1 Introduction	
DR E1-1 Transition plan for Climate Change mitigation	
DR to E1- ESRS 2 SBM-3 IRO & their interaction with strategy and business model	
DR to E1- ESRS 2 IRO-1 Climate-related impacts, risks and opportunities	

5	DR E1-2 Policies related to Climate Change mitigation and adaptation	23
6	DR E1-3 Action plan and resources in relation to Climate Change	23
	DR E1-4 Targets related to Climate Change mitigation and adaptation	23
7	DR E1-5 Energy consumption and mix	24
7	DR E1-6 Gross Scopes 1, 2, 3 and Total GHG Emissions	24
8	DR E1-7 GHG removals and GHG mitigation projects financed through carbon credits	26
	DR E1-8 Internal Carbon Pricing	26
11	DR E1-9 Potential financial effects from material physical risks, material transition risks and climate-related opportunities	26
11		

ESRS E2 POLLUTION

12	E2 Introduction	28
12	DR to E2- ESRS 2 IRO-1 Pollution-related impacts, risks and opportunities	28
15	DR E2-1 Policies related to Pollution	28
17	DR E2-2 Actions and resources related to Pollution	29
18	DR E2-3 Targets related to Pollution	29
18	DR E2-4 Pollution of air, water and soil	30
18	DR E2-5 Substances of concern and substances of very high concern	30
18	DR E2-6 Anticipated financial effects from Pollution-related impacts, risks and opportunities	30

19 ESRS E3 WATER AND MARINE RESOURCES

20	E3 Introduction	32
20	DR to E3- ESRS 2 IRO-1 Water and marine resources-related impacts, risks and opportunities	32
20	DR E3-1 Policies related to Water and Marine Resources	32
21	DR E3-2: Actions and resources related to Water and Marine Resources	33

Content

DR E3-3 Targets related to Water and Marine Resources	33	SRS S1 OWN WORKFORCE	46
DR E3-4 Water consumption	33	S1 Introduction	47
DR E3-5 Anticipated financial effects from Water and Marine Resources-related impacts, risks and opportunities	34	DR to S1- ESRS 2 SBM-2 Interests and views of stakeholders	47
ESRS E4 BIODIVERSITY AND ECOSYSTEMS	35	DR to S1- ESRS 2 SBM-3 Own Workforce-related impacts, risks and opportunities and their interaction with strategy and business model	47
E4 Introduction	36	DR S1-1 Policies related to Own Workforce	47
DR E4-1 Transition plan on Biodiversity and Ecosystems	36	DR S1-2 Processes for engaging with Own Workforce and worker's representatives about impacts	49
DR to E4- ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	37	DR S1-3 Processes to remediate negative impacts and channels for Own Workforce to raise concerns	49
DR to E4- ESRS 2 IRO-1 Biodiversity and Ecosystems-related impacts, risks and opportunities	37	DR S1-4 Taking action on material impacts on Own Workforce, on managing material risks/opportunities and on tracking the effectiveness of these actions	49
DR E4-2 Policies related to Biodiversity and Ecosystems	38	DR S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	50
DR E4-3 Actions and resources in relation to Biodiversity and Ecosystems	38	DR S1-6 Characteristics of the undertaking's employees	50
DR E4-4 Targets related to Biodiversity and Ecosystems	38	DR S1-7 Characteristics of non-employees in the undertaking's Own Workforce	51
DR E4-5 Impact metrics related to Biodiversity and Ecosystems	38	DR S1-8 Collective bargaining coverage and social dialogue	51
DR E4-6 Anticipated financial effects from Biodiversity and Ecosystems-related risks and opportunities	39	DR S1-9 Diversity metrics	51
ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY	40	DR S1-10 Adequate wages	51
E5 Introduction	41	DR S1-11 Social protection	51
DR to E5- ESRS 2 IRO-1 Description of the processes to identify and assess material Resource Use and Circular Economy-related impacts, risks and opportunities.	41	DR S1-12 Persons with disabilities	51
DR E5-1 Policies related to Resource Use and Circular Economy	41	DR S1-13 Training and skills development metrics	51
DR E5-2 Actions and resources in relation to Resource Use and Circular Economy	41	DR S1-14 Health and safety metrics	52
DR E5-3 Targets related to Resource Use and Circular Economy	43	DR S1-15 Work-life balance metrics	52
DR E5-4 Resource inflows	43	DR S1-16 – Remuneration metrics (pay gap and total remuneration)	52
DR E5-5 Resource outflows	43	DR S1-17 Incidents, complaints and severe human rights impacts	52
DR E5-6 Anticipated financial effects from Resource Use and Circular Economy-related impacts, risks and opportunities	45	ESRS S2 WORKERS IN THE VALUE CHAIN	53
		S2 Introduction	54

Content

DR to S2- ESRS 2 SBM-2 Interests and views of stakeholders	54	DR to S4- ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	62
DR to S2- ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	54	DR S4-1 Policies related to Consumers and End-Users	62
DR S2-1 Policies related to value chain workers	55	DR S4-2 Processes for engaging with Consumers and End-Users about impacts	63
DR S2-2 Processes for engaging with value chain workers about impacts	55	DR S4-3 Processes to remediate negative impacts and channels for Consumers and End-Users to raise concerns	63
DR S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concern	55	DR S4-4 Taking action on material impacts on Consumers and End-Users, on managing material risks/opportunities and on tracking the effectiveness of these actions	64
DR S2-4 Taking action on material impacts on Workers in the Value Chain, on managing material risks/opportunities and on tracking the effectiveness of these actions	55	DR S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	64
DR S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	55		
ESRS S3 AFFECTED COMMUNITIES	56	ESRS G1 BUSINESS CONDUCT	65
S3 Introduction	57	G1 Introduction	66
DR to S3- ESRS 2 SBM-2 Interests and views of stakeholders	57	DR to ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	66
DR to S3- ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	58	DR G1-1 Business Conduct policies and corporate culture	66
DR S3-1 Policies related to Affected Communities	58	DR G1-2 Management of relationships with suppliers	68
DR S3-2 Processes for engaging with Affected Communities about impacts	59	DR G1-3 Prevention and detection of corruption and bribery	68
DR S3-3 Processes to remediate negative impacts and channels for Affected Communities to raise concerns	59	DR G1-4 Incidents of corruption or bribery	69
DR S3-4 Taking action on material impacts on Affected Communities, on managing material risks/opportunities and on tracking the effectiveness of these actions	59	DR G1-5 Political influence and lobbying activities	69
DR S3-6 Metrics and targets	60	DR G1-6 Payment practices	69
		ANNEX	70
ESRS S4 CONSUMERS AND END-USERS	61	OVERVIEW OF ACTIONS IN CEE	71
S4 Introduction	62	List of Tables	73
DR to S4- ESRS 2 SBM2 -Interest and views of stakeholders	62	List of Figures	73



Table of abbreviations

Abbreviation or acronym	Explanation
ACR	Administration, Controlling & Reporting
AM	Area Manager
AR	Application Requirement acc. to ESRS
AT	Austria
BAT	Best Available Technologie
C&D	Construction and Demolition
C&I	Commercial and Industrial
CAM	Communications and Marketing
CDP	Carbon Disclosure Project
CEE	Central and Eastern Europe
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CF	Central Function(s)
COO	Chief Operations Officer
CS	Corporate Sustainability
CSDDD	Corporate Sustainability Due Diligence Directive
CSRD	Corporate Sustainability Reporting Directive
CTO	Chief Technical Officer
CZ	Czech Republic
DMA	Double Materiality Assessment acc. to ESRS
DR	Disclosure Requirement acc. to ESRS
EBITDA	Earnings before Interest, Taxes, Depreciation and Amortisation
EBIT	Earnings before Interest and Taxes
EC	Executive Committee
EIA	Environmental Impact Assessment
EPM	Engineering and Plant Management
ESG	Environment, Social, Governance
ESRS	European Sustainability Reporting Standards
EUR	Euro
F&A	Finance & Administration

Abbreviation or acronym	Explanation
GDPR	General Data Protection Regulation
GHG	Greenhouse gas
GL	Group Logistics
GRI	Global Reporting Initiative
Abbreviation or acronym	Explanation
H&S	Health and Safety
HR	Human Resources
HU	Hungary
ICT	Information and Communication Technology
IPA	Internal Process Analysis
LEG	Legal and Compliance
LF	Landfill
M-%	
MC	Management Committee
MM	Material Management
MSW	Municipal Solid Waste
MDR	Minimum Disclosure Requirement
PEGASUS	Program for the Establishment of Group-wide Achievements in SUSTainability
PROC	Procurement
RDF	Refuse Derived Fuel
RO	Romania
RS	Serbia
S&D	Strategy & Development
SB	Supervisory Board
SK	Slovakia
SRM	Secondary Raw Materials
SSD	Sales Support and Development
TREAS	Treasury
TS	Technical Services
WtE or EfW	Waste to Energy or Energy from Waste



ESRS 1 & ESRS 2





DR BP-1 General basis for preparation of the sustainability statements

This Sustainability Snapshot of FCC Environment CEE presents the company's non-financial information for the period from January 1st to December 31st, 2024. It includes consolidated information for all the geographical platforms where the company operates: Central and Eastern Europe, hereinafter CEE (Austria (AT), Czech Republic (CZ), Slovakia (SK), Hungary (HU), Poland (PL), Romania (RO), and Serbia (RS)). Its main objective is to communicate its most significant impacts in the economic, environmental, and social areas, including those related to Human Rights.

All the information contained in this document has been published and audited jointly in the FCC Group's Sustainability Report. The Group's report has been prepared for the first time for the non-financial data 2024 in compliance with the new European Sustainability Reporting Standards (ESRS) standards introduced through the Corporate Sustainability Reporting Directive (CSRD) and in a complementary manner, in accordance with GRI 1: Fundamentals 2021 if not covered by ESRs to respond to the previous regulations on reporting non-financial information in

Spain in accordance with Law 11/2018, of December 28, on non-financial information and diversity: <https://www.fcc.es/en/sustainability-reports>.

Since 2024 is the first time of applying the new standards, it can be generally noted, that no significant changes to the previous years occurred, as also the way of evaluation has changed partially from the previously applied GRI (Global Reporting Initiative).

The present report should provide more details about FCC Environment CEE in addition to the report from FCC Group and follows to large extend the ESRs Disclosure Requirements.

The scope of consolidation is the same as the one used for Notes to the Consolidated Financial Statements. The consolidated sustainability report for the financial year 2024 is presented in a separate section of the Management Report for the financial information. For non-financial information Aenor Confía, S.A.U., was chosen, applying a level of limited assurance. Latest for the report for 2030, a level of or at least similar to reasonable assurance is targeted despite the currently ongoing "Omnibus" discussions where the paragraphs for reasonable assurance will most probably be deleted).

The following parts of the value chain have been included in the analysis of sustainability matters:

Upstream

- Asset suppliers (focus on trucks and heavy machinery)
- ICT equipment
- Suppliers of Secondary Raw Materials

Downstream

- Subcontractors (transport, personnel)
- Operators of disposal facilities

DR BP-2 Disclosures in relation to specific circumstances

Time horizon: no deviations compared to ESRs 1 6.4

- Short term: up to one year
- Medium: between two and five years
- Long-term: beyond five years

Value chain information

The Scope 3 CO₂ emissions were not yet calculated in detail; this is planned for the reporting period 2025f. The following sources have been used for emission factors group-wide to ensure comparison within the company for Scope 1 & Scope 2 emissions:

- [DEFRA Emission factors 2024 \(based on GHG Protocol\)](#)
- [EPA USEEIO emission factors](#)
- [International Energy Agency IEA 2024](#)

Estimation and outcome uncertainty

Due to the massive amount of emission factors available, and the difficulty of elaborating Life Cycle Assessments in the waste sector, a certain uncertainty for ESRs E1 is given. Furthermore, the Group is still in the build-up phase of automatic and digitalised reporting, leaving room for mistakes in the transfer of data from hand-written reports to reporting and controlling software.

Changes in preparation and presentation

As of 2024, a group-wide harmonised approach for the calculation of GHG emissions is used. The numbers from previous years were based on individual measurements and country-specific sources used according to best knowledge and not on an industry average. Comparative disclosures for the prior year were not restated.

Reporting errors

In 2024, the reported volume of waste from one major country was inaccurate due to a faulty formula in the file. This error was detected and due to usage of more sophisticated solutions it should not occur anymore.

The 2024 figures were not retrospectively adjusted.

Disclosures from local regulations or other sustainability reporting regimes

None.

Incorporation by reference

Done partially.



The financial impact from impaired assets (triggered by environmental effects, like floodings) was not yet included but is in process of being analysed.

DR GOV-1 The role of the administrative, management and supervisory bodies

Composition, numbers and roles of the company's bodies, see Figure 1: Organisation within FCC Environment CEE:

Management Committee (MC)

- Björn Mittendorfer: CEO of FCC Environment CEE and responsible for Czech Republic, Slovakia, and Poland, as well as Group Strategy & Development, Group Legal & Compliance, and Group Corporate Sustainability and responsible for sustainability matters.
- Antonio Hervella: CFO of FCC Environment CEE and responsible for Group Administration, Controlling & Reporting, Group Finance & Treasury, Group Human Resources, and Group Internal Process Analysis.
- Franz Predl: CTO of FCC Environment CEE, responsible for Austria, Group Technical Services, Group ICT, Group Procurement and Group Communications and Marketing
- István Nemeth: Area manager of FCC Environment CEE responsible for Hungary, Romania, and Serbia

Besides the management of the respective line organisation, the MC has the following roles related to sustainability matters:

- Identification of the relevant stakeholders (based on proposals by the PEGASUS Core Team (see below) and line management)
- Final decision on material matters identified and to be addressed by specific activities and action plans
- Setting of specific targets and the related time horizon as regards the material matters
- Follow-up on the target achievements (on an annual basis)

FCC Environment CEE has other supervising functions, such as the Supervisory Board (SB) which consists of following persons:

- Inigo Sanz: Chairman, CEO of FCC Medio Ambiente Holding S.A.U.
- Carlos Afonso: Deputy Chairman, Director Development & M&A of Medio Ambiente Holding S.A.
- Oscar Ruiz, Member; CFO of FCC Medio Ambiente Holding S.A.U.
- Miguel Martinez: Member, CFO of FCC Group
- All members of the Supervisory Board hold positions within the FCC Group; and none of them operate as independent.

FCC E CEE's Shareholding Structure (see Figure 2: Shareholding structure of FCC) looks as follows:

- International Services Inc., S.A.U.: 5.5%.

- FCC Servicios Medio Ambiente Holding S.A.U.: 94.5%, from now on "FCC Enviro-group"

Together hold 100% of FCC Austria Abfall Service AG.

Sustainability Organisation:

- Everything related to Sustainability is embedded in "PEGASUS", the Program for the Establishment of Group-wide Achievements in SUSTainability which ensures the company's readiness to fulfil legal obligations as well as using this unique opportunity to identify and realise the vast number of chances this program unlocks for the company.
- Expertise on sustainability matters accessible to the Management Committee is distributed across various administrative levels within the organisation. The Sustainability Core team ("PEGASUS Core"), consisting of members from the Central Functions Group Corporate Sustainability (CS), Group Strategy & Development (S&D), Group Technical Services (TS) and Group Administration, Controlling and Reporting (ACR)
 - Leading the sustainability due diligence process
 - Proposing KPI's and targets related to the material matters identified during the due diligence process
 - Providing expertise on the CSRD, the ESRs, EU Taxonomy,

and other sustainability-related legislation to the CEE countries

- Aligning sustainability reporting with the requirements of FCC Group in Spain

- The Central Function Group CS, which is responsible for sustainability related matters and leading the PEGASUS Core team
- CF like Group HR, Group LEG, Group CAM, and Group IT

Mainly involved in working on the requirements required by the topical ESRs on social (HR and CAM) and governance (LEG as responsible for compliance, IT for NIS2/cybersecurity) issues

- The staff members responsible for sustainability on country and site level led by a Country ESG Team define responsibilities for the implementation of specific activities and action plans in day-to-day operations.
- The inclusion of different CFs assures that the professional expertise of the team members covers all relevant aspects of ESG reporting. In addition to that, external experts (e.g., auditors, certification agencies et.) are consulted for those cases where the available internal know-how is not sufficient to cover all necessary details of a material topic.

Board of Directors

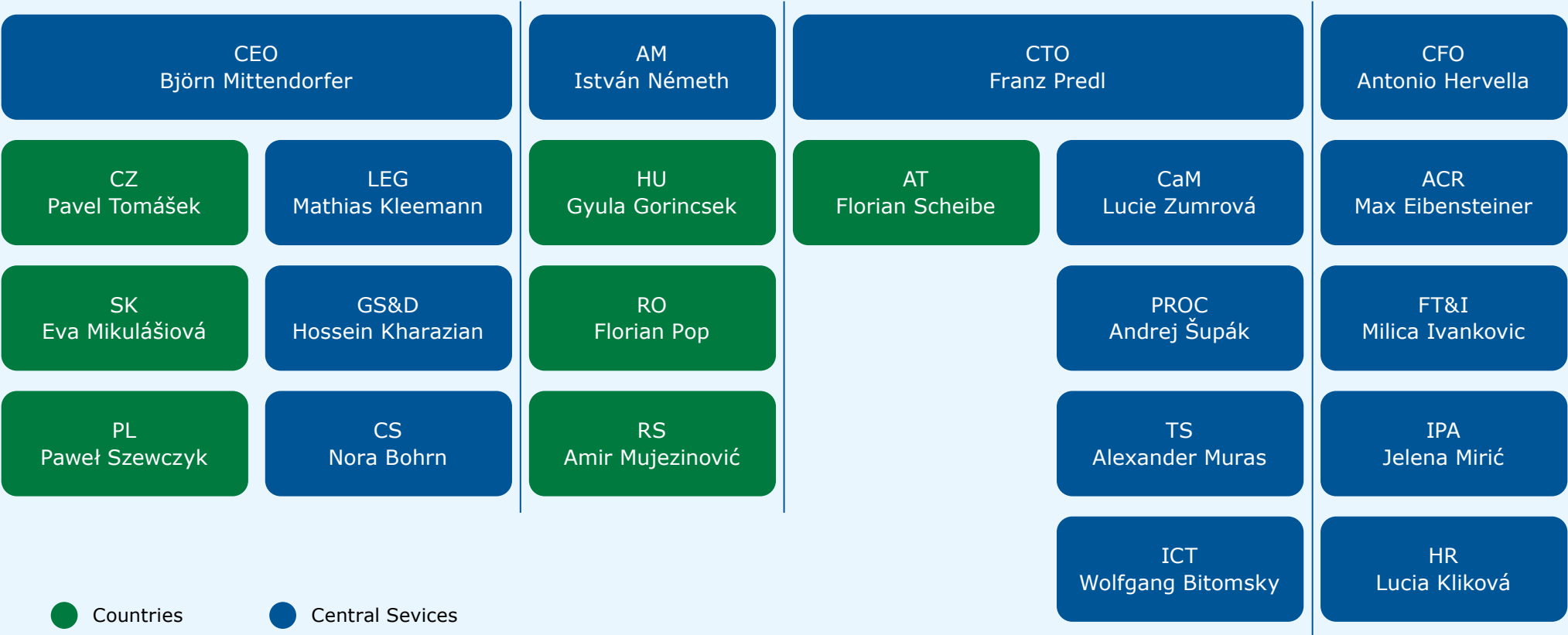


Figure 1: Organisation within FCC Environment CEE as of 12/2024

Shareholding structure of FCC Environment CEE

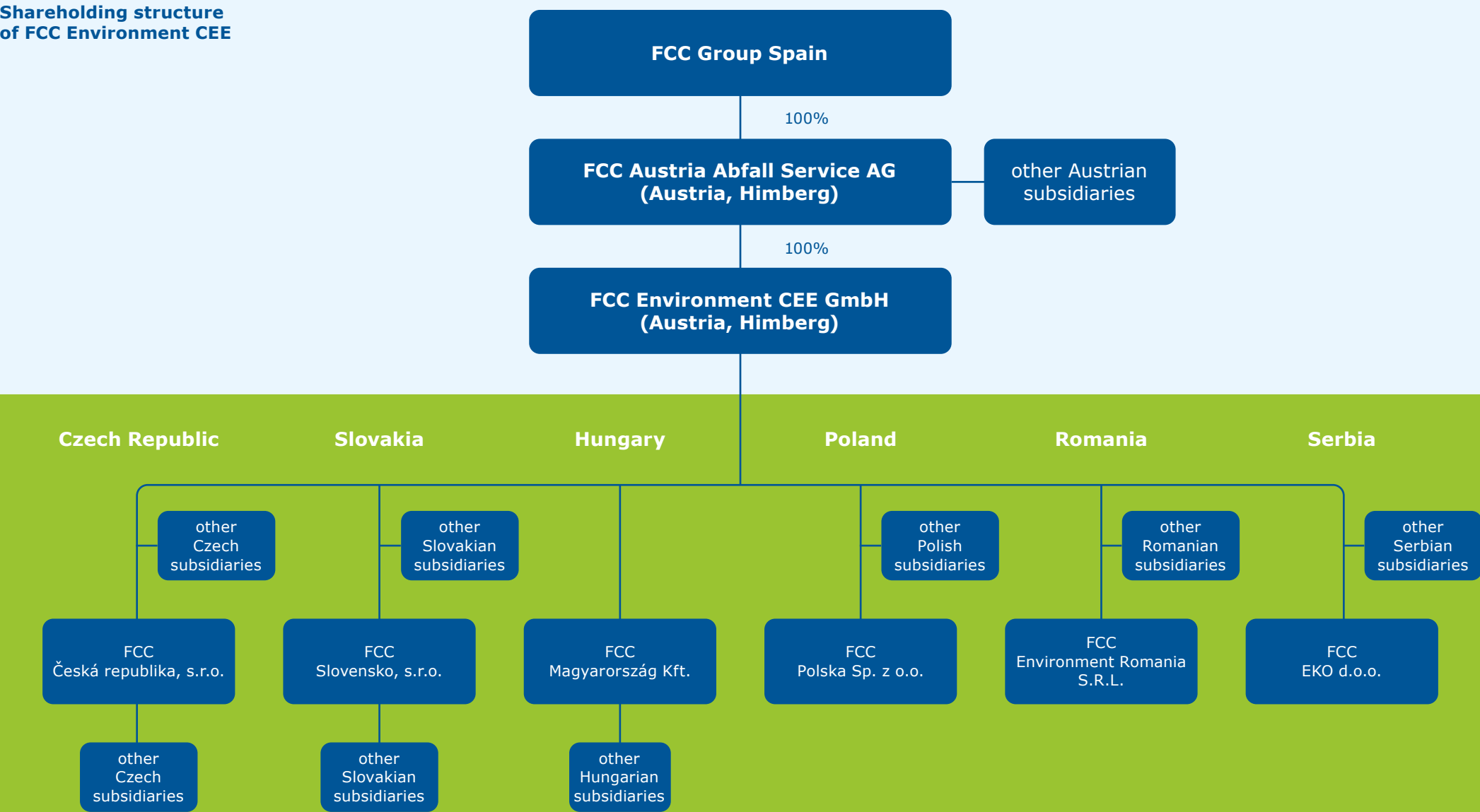


Figure 2: Shareholding Structure of FCC Environment CEE



DR GOV-2 Information provided to, and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The MC is regularly updated on sustainability topics during its monthly meetings, when raised by members or the relevant CF. A yearly review of target achievements, delays, and goal adjustments is conducted once the Group Reporting Packages—which include both financial and sustainability data—are available.

Group CS, in collaboration with Group ACR, oversees data collection and conducts an initial check for consistency and completeness. The relevant CF then reviews and validates the content. For example:

- Group HR manages most social topics, either independently (e.g., training, salary policy) or with Country Operations via the local Country HR (e.g., health & safety) and/or Group LEG (compliance).
- Environmental topics overseen by Group TS, in coordination with country operations and external experts.
- Governance and compliance are managed by Group LEG, cybersecurity by Group IT.

New regulatory developments—such as EU Circular Economy initiatives and pre-treatment rules in CEE countries—require a strategic review of the Group's approach and may lead to business model adjustments.

This process is led by the MC, supported by the CFs CS and S&D. As Group S&D is part of the PEGASUS Core Team, sustainability is embedded in strategic planning.

The following main topics regarding sustainability were discussed in 2024 (list not complete):

- Upgrade of dust filters at the MBT plants in Tarnobrzeg and Nowy Targ (both PL)
- Training on the updated Code of Ethics for all employees
- Order of PV installations in Austria and project feasibility studies in the Czech Republic
- Order of several electric collection trucks in Austria
- Entire refurbishment of the incinerator's filter system in Kysucké Nove Mesto (Slovakia).
- Further landfill gas capturing enhancements.
- Formation of a new Group Central Function "Corporate Sustainability"
- FCC Enviro-group wide harmonised GHG footprint calculation according to GHG Protocol supported by an external advisor launched-group wide harmonised GHG footprint calculation according to GHG Protocol supported by an external advisor.

- Extension of the Financial & Operational data reporting system to ESRS conform reporting.
- Trainings on ESRS reporting and ESG for certain employees.
- Continuous cooperation & exchange between Group CS, PEGASUS Core, Country ESG Team leads and the Sustainability department of FCC Enviro.
- In course of the Strategy 2030 group-wide strategy renewal, the integration of ESG in the general strategy as well as a specific CS strategy.

DR GOV-3 Integration of sustainability-related performance in incentive schemes

At present, no specific incentive scheme exists that explicitly refers to sustainability measures except for Group Corporate Sustainability.

DR GOV-4 Statement on sustainability due diligence

The FCC Environment CEE Group has implemented a structured due diligence process to manage sustainability-related impacts, risks, and opportunities (IROs), aligned with ESRS GOV-4 requirements. The process includes the following key steps:

1. Identification and Prioritisation

Material sustainability topics and key stakeholders are identified by the PEGASUS Core Team in collaboration with Country Operations and Sales Managers. The initial phase was supported by an external consultant.

2. Validation by Executive Committee

The Group's Executive Committee (MC, Country Managers, and Heads of Central Functions) reviews and, if necessary, adjusts the prioritisation of topics. This forms the basis for stakeholder engagement.

3. Stakeholder Engagement

A stakeholder questionnaire was developed to gather external perspectives on sustainability issues relevant to the Group's strategy and operations.

4. Assessment of IROs

Based on stakeholder feedback, material topics are refined and associated IROs are evaluated by the PEGASUS Core Team and country-level sustainability managers, considering national contexts.

5. KPI Definition

Key performance indicators are defined collaboratively by the PEGASUS Core Team, relevant Central Functions, and the parent company's sustainability team to ensure alignment with group-wide priorities.

6. Target Setting

The Management Committee sets performance targets and timelines, based on proposals from the PEGASUS Core Team and country sustainability teams.

7. Action Planning

Country organisations, supported by Central Functions, develop and implement action plans tailored to local business models and conditions.

8. Monitoring and Reporting

Progress is reported regularly: data collection and consistency checks are managed by Group ACR, while communication is coordinated by Group CAM.

DR GOV-5 Risk management and internal controls over sustainability reporting

Currently, there is no dedicated risk assessment framework specifically for sustainability-related issues. Instead, these matters are evaluated within the scope of existing risk management functions, including those overseen by the Group Treasury, Group Insurance, Group ICT, Group Legal and Compliance and Group Corporate Sustainability departments. For a comprehensive overview of the Group’s risk management methodology, please

refer to the Finance section of this Management Commentary.

DR SBM-1 Strategy, business model and value chain

The main activities the Group is engaged in are (see Figure 3: Spectrum of services and main pillars of FCC E CEE):

- Municipal waste collection
- Waste transport and container renting for commercial and industrial (C&I) clients
- Street cleaning services
- Production of and trading in Secondary Raw Materials (SRM) and Residue Derived Fuel (RDF)
- Remediation
- Waste treatment and incineration
- Landfilling
- Outsourcing and facility services

No products or services offered are under a ban or are expected to become banned in the foreseeable future.

Major customer groups are public authorities (e.g., Ministries of Environment, municipalities), private households and industrial & commercial companies.

The countries the Group is operating in are the ones used for the reporting on operating segments according to IFRS 8 (see Appendix 2a and 2b of the Notes to the Consolidated Financial Statements). Furthermore, the

Sustainability Report of FCC Group contains financial information. These documents include the revenue allocation by country as well.

The Group’s activities belong to ESRS sector “Waste & Water Services (EWW)”, see also Figure 4: Infrastructure and Technologies of FCC E CEE.

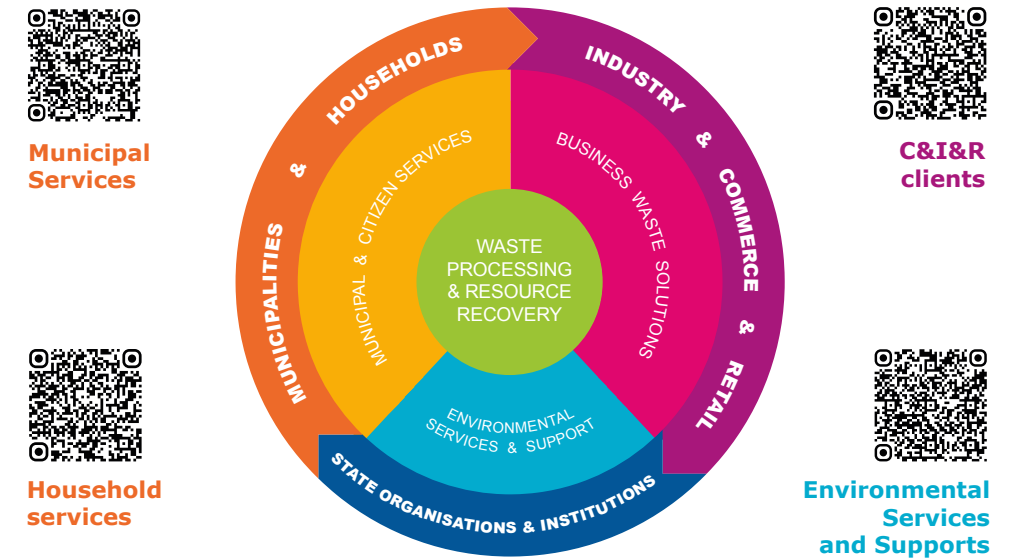


Figure 3: Spectrum of services and main pillars of FCC E CEE

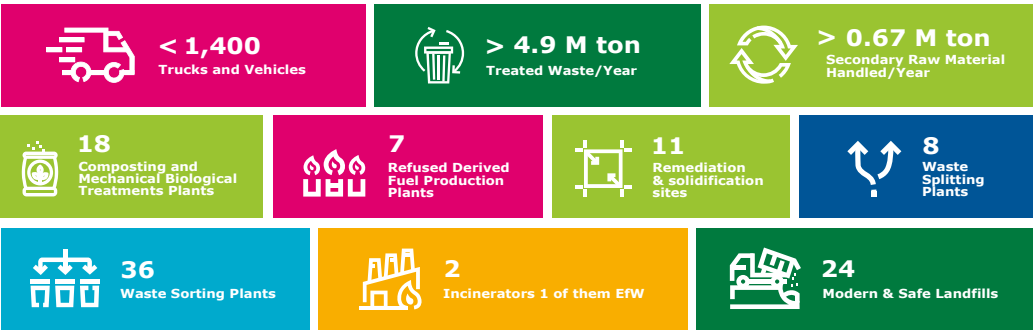


Figure 4: Infrastructure and Technologies of FCC E CEE

At year end 2024 the Group reported 4.485 (2023: 4.479) employees in its countries (see [Table 1](#): Employees in 2024 in FCC E CEE).

The business model of FCC Environment CEE Group looks as follows ([Figure 5](#): Business model of FCC Environment CEE):

The Group's main suppliers of key resources are:

- Producers of logistic equipment (mainly trucks, trailers, compactors, forklifts)
- Plant/technology manufacturers (for sorting/splitting plants and incinerators)
- Construction companies (plants and landfills)
- Other waste management companies (working as subcontractors for logistic and disposal services)
- Bins & container deliveries
- ICT equipment suppliers

FCC Environment CEE Group can provide the full set of waste management services

- (Separate) Collection of the material
- Transport to (own or external) treatment plants
- Extraction of SRM and RDF
- Waste treatment to optimise the heating value for incineration plants
- Incineration of municipal solid waste
- Disposal on landfills
- (Separate) Collection of the (hazardous) material
- Transport to (own or external) hazardous substances treatment plants
- Treatment of hazardous liquids in Chemical-Physical Treatment plants

The processes applied for remediation look a little bit different and not all steps outlined below are relevant for all projects:

- Excavation of polluted areas
- Transport of excavated material to (own or external) treatment facilities

- Treatment of (partly contaminated) material and preparation for final disposal (e.g., solidification, demulsification)
- Disposal of hazardous materials either at special incinerators or, if permitted, storage at a dedicated cell of a landfill

In respect to its sustainability-related goals FCC E CEE Group sees itself primarily as a circular-economy supporter/enabler. Although the business model is currently focused on efficient waste management, a shift towards fostering the supply of secondary raw materials to specialised recycling companies is a clear goal. Investments in modern material recovery facilities that can produce the material in the required quality are currently in progress and/or in project status. The Group's market position in this area is diverse, with partly substantial differences in relation to countries and/or products.

In the Czech Republic, in general being the biggest SRM producer in the whole CEE group, FCC E CEE is among the larger suppliers of used paper (mainly to paper mills) and scrap metals. Austria is the biggest wood SRM producer in the CEE group. Production of refuse derived fuels (RDF); although not recycling, but rather energy recovery resides in Austria, the Czech Republic, Poland, and Hungary with Poland being the biggest supplier in the group.

One of the main challenges besides the considerable CAPEX needed, will be the legal environment under

which the Circular Economy concept envisaged by the European Union will be put in place. A main question will be the one regarding the ownership of the pre-material (i.e., the waste collected) as this heavily impacts the economic viability of the investments. Sorting plants need a certain minimum quantity being processed as well as competitive prices to justify the risks associated with the investment. A further open topic is that of the size and, consequently, the number of plants needed in a specific country/region/area. The bigger the plant, the more streamlined and efficient the production can be with the necessary proviso that this brings some competition issues on the table.

Besides the above-mentioned shifts in its business model, the Group strives for a reduction of the ecological footprint of its “traditional” operations. The main known negative impacts triggered are currently:

- CO₂ emissions (incinerators, truck fleet, heavy machinery)
- CH₄ emissions (landfill gas)
- Odor, dust pollution (sorting, splitting, mechanical-biological treatment)
- Microplastics (from tires and RDF production)
- Noise (treatment plants, trucks)
- Leachate water (landfills)

By at least fulfilling legal requirements (process encapsulation, installing filter and/or capturing systems) reduces its impact to a minimum.

Table 1: Employees in 2024 in FCC E CEE

Country	2023	2024	Delta
Austria	770	786	16
Czech Republic	2.272	2.257	-15
Slovakia	390	403	13
Hungary	184	184	0
Poland	613	617	4
Romania	152	126	-26
Serbia	98	112	14
Total	4.479	4.485	19

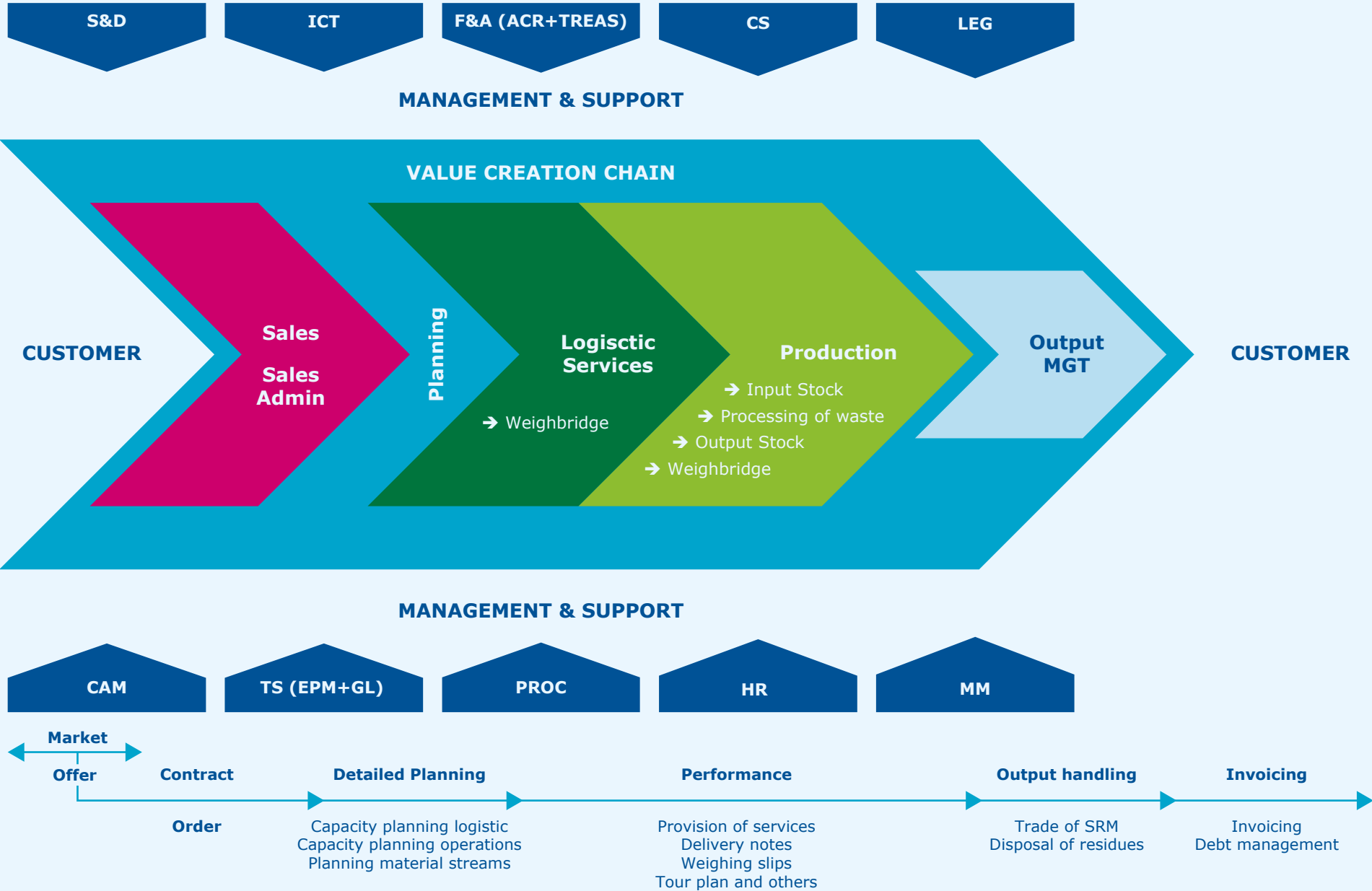


Figure 5: Business model of FCC Environment CEE

FCC E CEE is part of FCC S.A. Group's CDP (Carbon Disclosure Project) rating as well as FCC Enviro being part of the UN Global Compact (see [Figure 6](#): Program participation and ratings as part of the whole FCC Enviro and FCC S.A. group).



Figure 6: Program participation and ratings as part of the whole FCC Enviro and FCC S.A. group

In 2024 the whole group also decided to rate the whole group in the EcoVadis scheme to fulfil client requests for specific CEE ratings, thereby assessing the pillars Environment, Labour and Human Rights, Ethics and Sustainable Procurement. In the first rating, the group managed to achieve a “Committed” badge with a total score of 55/100 and placing FCC E CEE the 58th percentile industry average (see [Figure 7](#): EcoVadis “Committed” badge for the first group-wide rating). Since 2024, FCC Environment CEE participates in the OeKB ESG Data Hub evaluation, where ESG information is shared with a consortium of several banks, thereby facilitating required reporting.

In Czech Republic and Poland, own EcoVadis ratings are performed. 2024,



Figure 7: EcoVadis “Committed” badge for the first group-wide rating

Czech Republic gained a “Committed” badge as well, Poland received a bronze medal. Austria, Czech Republic, Poland, and Slovakia also participate or performed in other ratings, evaluations and assessments directly in connection with clients (e.g., SAQ).

The ratings are used as base and to get a feeling for improvement measures.

DR SBM-2 Interests and views of stakeholders

The Group’s Material stakeholders, as identified by the Double Materiality Assessment (DMA) performed in 2024 can be found in [Table 2](#): Stakeholder Assessment for FCC E CEE, Ranking from 1 (low)-10 (high), performed 2024. Engaging with stakeholders is vital for

Table 2: Stakeholder Assessment for FCC E CEE, Ranking from 1 (low)–10 (high), performed 2024

Stakeholder	Influence of stakeholders on the company	Interest of stakeholders in the company	Average
Management Committee (MC)	8,2	9,1	8,7
Executive Committee (EC)	7,6	8,8	8,2
Employees	8,0	7,7	7,8
Customers	8,3	7,2	7,7
Supervisory Board (SB)	7,4	7,9	7,6
Owners	7,4	7,7	7,6
Shareholders	7,2	7,4	7,3
Representatives of Authorities	7,9	6,2	7,0
Suppliers	6,5	7,0	6,7
Competitors	6,7	6,5	6,6
Collecting and Recycling Systems	6,3	6,2	6,2
Banks	5,4	5,8	5,6
Lawmakers	7,5	3,0	5,2
Local Communities & Residents	5,1	5,1	5,1
NGOs	5,2	4,7	5,0

transparency and sustainable business practices. Ongoing dialogue with key groups—such as employees, customers, communities, and shareholders – supports ethical conduct and underpins long-term corporate success.

The engagement with internal stakeholders (MC, EC, SB, Owners) makes use of the existing organisational structure, the company statutes, and legal requirements. Employees are approached via their line management and the corporate intranet. In case of

compliance issues a whistleblower hotline in all local languages is available.

As far as external stakeholders are concerned, they are actively involved in the DD/materiality analysis process via questionnaires and interviews. In addition to that, individual customer complaints are managed by the sales back office.

Due to the heterogeneity of the stakeholders, their interests and views are necessarily diverse. However,

legally compliant, and safe treatment of waste using modern equipment is in the common interest of all. Owners (=majority core shareholders of the parent) and other shareholders are interested in a regular cash flow from dividends and-over time-an increase in the value of the Group. Consequently, they see the common interest outlined above as a (necessary) constraint to their main interests.

Employees are interested in a fair remuneration for their services and a safe and healthy work environment. Customers are interested in a high quality of services at a reasonable price, so here FCC E CEE is closer to the features of the common interest in the first place. Accordingly, the Group gives these needs a strong weight as in the end it is the customers who pay for the services provided and who ensure the dividend stream to the shareholders.

Considering the Group's sustainability-related goals it becomes apparent, that stakeholders which are currently further down the list are expected to increase their influence. This might be due to their increased importance as a customer (collecting and recycling systems as purchaser of secondary raw materials) or due to their role as primary beneficiaries of the Group's efforts to reduce its negative impact on the environment (local communities & residents, NGOs). DR SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model(s)

In line with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), FCC E CEE conducted a Double Materiality Assessment (DMA) to identify priority areas. In 2022, the first DMA on CEE group level was conducted. The process was repeated two times on a consolidated level by FCC Group including CEE. In 2024, the scope was expanded to include new geographies and acquisitions. No major changes were identified compared to the previous year.

During the materiality assessment, the topics in S1 Own Workforce, E1 Climate Change, and G1 Business Conduct, have been identified as the ones with the highest impact. FCC E CEE's management model is designed to support the sustainability of the environments and communities where it operates. Managing key impacts, risks, and opportunities is essential to improving service quality, reducing emissions and carbon footprint through cleaner technologies, promoting the Circular Economy, and supporting sustainable urban development. Each aspect is detailed in the relevant chapters of this statement.

The DMA is based on two dimensions:

- **Impact materiality**, which identifies the company's actual or potential effects on people and the environment over the short, medium, and long term. The scaling is from the lowest impact being 1,00 to the highest impact of 5,00.

- **Financial materiality**, which assesses risks and opportunities that could significantly affect the company's financial performance. The scaling is from the lowest impact being 1,00 to the highest impact of 5,00.

The process followed five phases:

- **Identification of impacts, risks, and opportunities (IROs)**: Impacts on stakeholders and environmental risks were identified with input from key personnel.
- **Grouping into issues**: IROs were prioritised and aligned with ESRS topics, resulting in 58 non-financial Impacts, Risks and Opportunities (see

Figure 8: Distribution of Impacts, Risks and Opportunities across the ESRS).

- **Impact assessment**: Management and stakeholders (staff, customers, suppliers) were consulted to evaluate the magnitude and likelihood of ESG impacts, which were then quantified.
- **Risk and opportunity assessment**: Relevant personnel assessed financial, reputational, operational, and legal effects, along with the likelihood of occurrence were also quantified.
- **Materiality matrix**: Issues scoring above the average in either impact or financial materiality were classified as material, in accordance with ESRS criteria.

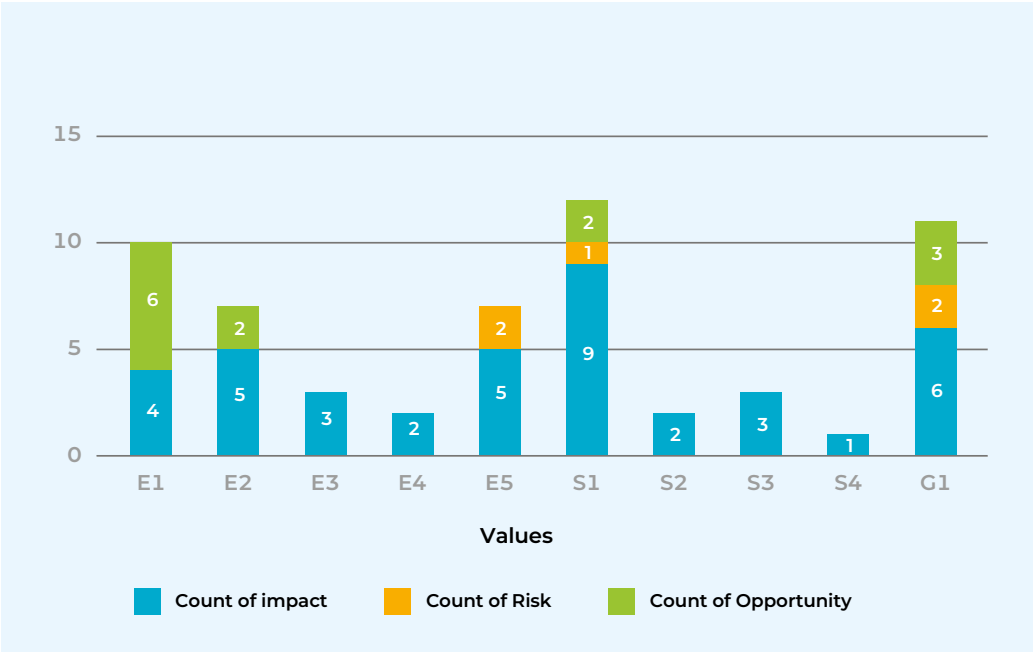


Figure 8: Distribution of Impacts, Risks and Opportunities across the ESRS

- The full results of the double materiality assessment are presented in the following sections, an overview of the material matters, and the assessed subtopics can be seen in [Table 3: Double Materiality Assessment FCC Group \(2024\)](#).

DR IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

As mentioned already in the previous chapter, FCC Group’s operations generate a range of actual and potential impacts across its value chain. These include

Inside-out (actual and potential) impacts the Group has on people and the environment:

- **GHG emissions:** Emissions from trucks, heavy machinery, and incinerators are widespread and inevitable, occurring both in the Group’s own operations and across its value chain, including suppliers and subcontractors.
- **Pollution:** Includes dust, odour, and noise from trucks and treatment plants, leachate water from landfills, and hazardous materials such as solvents, and used oil, noise from trucks and treatment plants.
- **Own workforce:** Health and safety risks are constant due to hazardous material handling, truck operations, and work on sorting lines. These

- require ongoing training and awareness
- **Circular economy:** The Group contributes to resource efficiency and compliance with recycling targets by expanding sorting plant capacity.
- **Biodiversity:** Land sealing is a consistent impact across nearly all operational sites

An impact is considered material if it occurs in more than one of the Group’s main business areas. For example, GHG emissions are present in all logistics-related activities (e.g., municipal collection, C&I transport, street cleaning, treatment plants), incineration, and in landfills—though methane emissions are often mitigated by degassing systems and converted to energy via co-generation units.

Outside-in (actual and potential) impacts on the Group’s financial position, performance, and cash flows:

- **Recycling quotas:** Failure to meet them results in penalties.
- **CO₂ pricing:** Increases operational costs for the truck fleet and may include incinerators under the EU carbon trading scheme.
- **Rising temperatures:** Lead to reduced demand for winter services and higher building cooling costs.
- **Natural disasters:** Heavy rainfall increases leachate water in landfills, raising treatment costs, to be evaluated also for the long term within the Physical Climate Risks Assessment in the upcoming years.

Key decisions regarding the Group’s business model and sustainability strategy are made by the Management Committee (MC), including the final definition of sustainability targets.

Preparatory work on sustainability matters is handled by the PEGASUS Core Team at the Group level. Controlling and reporting responsibilities lie with the Group and Country Controlling Departments, while much of the content—both quantitative and qualitative—is provided by operational staff at country and site levels.

The assessment took again the Impact and Financial Materiality approach into consideration (explained in Considering the Group’s sustainability-related goals it becomes apparent, that stakeholders which are currently further down the list are expected to increase their influence, be it due to their increased importance as a customer (collecting and recycling systems as purchaser of secondary raw materials) or due to their role as primary beneficiaries of the Group’s efforts to reduce its negative impact on the environment (local communities & residents, NGOs). DR SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model(s)), where the **Impact Materiality** focusses on an overall topic (e.g., Climate Change adaptation) with a Subtopic describing the Impact in more detail (e.g., Climate Change adaptation via products and services).

Table 3: Double Materiality Assessment FCC Group (2024)

Material matters	Subtopic
Climate Change	Climate Change and energy
Resource Use and Circular Economy	Waste
Pollution Prevention	Pollution
Resource Use and Circular Economy	Resources and materials
Business Conduct	Behaviour of integrity
Own Workforce, Workers in the Value Chain	Working conditions
Business Conduct	R&D and innovation
Own Workforce, Workers in the Value Chain	Health and safety
Biodiversity and Ecosystems	Biodiversity
Water and Marine Resources	Water
Own Workforce, Workers in the Value Chain	Equality and diversity



Where the Impact is expected to happen will be shown in “Location”, where the ESRS suggest a categorisation into

- Own Operations
- Upstream Value Chain
- Downstream Value Chain.

When the impact is expected to happen is shown in “Horizon”, where the ESRS suggest a categorisation into

- “Current” meaning already occurring impacts
- “Short-term” meaning within the reporting period
- “Medium-term” meaning after the reporting period up to five years
- “Long-term” meaning more than five years.

For Risks and Opportunities, also the above-mentioned Location needs to be taken into account, and the expected financial effects are to be described.

For Climate Risks and Opportunities, also the type of impact is to be given being according to the ESRS either

- Physical, meaning location specific as they happen when “natural systems are compromised due to the impact of climatic events”
- Transitional, meaning any Risks and Opportunities arising from a necessary adaptation

In total, 58 Impacts (40), Risks (eleven) and Opportunities (seven) were found across FCC Group (see [Figure 8: Distribution of Impacts, Risks and Opportunities across the ESRS](#)), where

ESRS S1 showed the most Impacts, followed by ESRS G1 and ESRS E5. The most Risks occur from ESRS E1, followed again by ESRS G1 and ESRS E5. Most Opportunities are expected for ESRS G1, followed by ESRS E2 and ESRS S1. For further details please refer to the respective chapters in this report.

Policies MDR-P Policies adopted to manage material sustainability matters

The Group adopted no additional policies to manage material sustainability matters in 2024.

A list of existing policies valid for the whole FCC Group can be found via following link: [FCC Group's Policies and Guidelines](#).

Actions MDR-A Actions and resources in relation to material sustainability matters and Metrics MDR-M Metrics in relation to material sustainability matters

This is included under the disclosure requirements of ESRS E1 Climate Change.

DR CCR-4 Tracking effectiveness of policies and actions through targets

FCC Environment CEE has not yet established specific sustainability targets in 2024 but is currently in the process of defining them in course of the Strategy 2030 process at CEE level as well as on FCC group level, with a particular focus on initiatives such as the decarbonisation of the (truck) fleet.





ESRS E1 Climate Change





E1 Introduction

As of 2024, the remuneration of key decision-making bodies does not incorporate targets for reducing greenhouse gas (GHG) emissions. This omission is primarily due to the fact that a substantial portion of emissions is effectively locked in, given the limitations of existing technologies. As a result, management has limited flexibility to achieve significant reductions in GHG emissions. Still, it is planned to develop a detailed Decarbonisation Roadmap for each country within the FCC Enviro Group. FCC Enviro's overarching Decarbonisation Roadmap can be found in the 2024 report: https://www.fccenviro.com/documents/14101825/60990379/FCC_enviro_memoria_2024_eng.pdf

DR E1-1 Transition plan for Climate Change mitigation

Despite the limitations to the reduction of GHG emissions, there are several areas in which the business model of the Group can be enhanced in terms of more sustainable development.

- Energy savings: plant modernisation, improved insulation of buildings
- Energy sourcing: increase the Groups production of electricity (via PV installations and cogeneration units using landfill gas)
- Reduction of pollutive factors: modernisation of the truck fleet

(less noise, lower fuel consumption), enclosed storage facilities for SRM (less material dispersed)

- Replace road by train transport, focus on the “last mile” between the main tracks and the operating locations

A full alignment of the Group's business model with the necessary reduction of GHG emissions outlined by IPCCs 6th report (–43% from the 2019 level until 2030) to limit global warming to 1,5° is currently unrealistic as the major emission contributors (landfills, incinerators, truck fleet and treatment plants) are core elements of operations and are needed for the provision of services, thereby forcing contract breaches. This in turn would prohibit the proper functioning of waste management services as a whole as long as waste volumes are not substantially reduced.

Regarding the further alignment with the technical screening criteria outlined in the EU Taxonomy Regulation, substantial investments in modern material recovery equipment is planned where feasible with the target to increase the sorting depth as well as the quality of the material prepared to be recycled. These investments, although primarily targeted on an enhanced circular economy, have an indirect effect on Climate Change mitigation as the amount of waste to be incinerated should decline with a corresponding reduction of GHG emissions from the incineration process.

Although no formal transition plan exists for CEE and is planned to be elaborated in the upcoming reporting period, the major investments outlined above form part of the Group's strategy and is thus embedded in the standard decision-making processes and sustainability governance procedures (see the “GOV” chapters above).

In 2024, no country-specific transition plan was introduced and implemented, but the group will continue including specific actions and action plans in the Group's Decarbonisation Roadmap to foster the sustainability of its operations.

DR to E1- ESRS 2 SBM-3 IRO & their interaction with strategy and business model

As far as the resilience of the business model related to Climate Change is concerned, different scenarios (SSP 1-2.6, SSP 2-4.5 and SSP 5-8.5) have been applied by external experts (company Global Factor) on the main operations and almost all countries the Group operates in. The assessment was done on a regional level and is planned to be extended to local level. The main analysed physical risks associated with Climate Change are:

- Rising Temperatures
- Fire (because of higher temperatures and irregular rainfall)
- Wind
- Heavy rainfalls and flooding

Regarding higher temperatures, the main risks consist of:

- Negative effects on collection vehicles (loss of engine power, evaporation of brake fluid, tire wear, etc.).
- Negative impacts on staff health & safety (heat stroke, heat fatigue), requiring rescheduling of activities.
- Changes in energy demand patterns (higher air-conditioning consumption and lower heating consumption).
- Increased cost of operations due to lower worker productivity.
- Bad odours and pest proliferation caused by high rates of waste decomposition in the containers.
- Higher risks of self-incineration.

The main activities to adapt to these threats are:

- Improve air-conditioning of vehicles and buildings
- Reduce work time/shift length of operators to reduce their exposure to heat
- Reduce the storage time of waste
- Improve employees' awareness of risks associated with heat (keep hydrated, make sufficient breaks, keep helmets/caps on when exposed to sun etc.)
- Install thermal surveillance equipment, e.g. on landfills to detect hot spots
- Supporting the drinking regime of employees.

Overall, while performance may occasionally be affected, the necessary adaptation measures are either already in place or scheduled for imminent implementation. Therefore, the business model



will be considered resilient to the anticipated rise in temperatures. In respect of heavy rainfalls and floods, the main risks are:

- Increased health and safety hazards due to heavy rains and floods.
- Increase in the number of incidents in facilities and processes due to heavy rains and floods
- Increased incidents and damage to assets due to heavy rains and floods.

Additionally, following impacts could occur

- Delays and interruptions in waste collection and transport due to extreme rainfall and flooding.
- Clogging and/or loss of stability of waste storage containers.
- Possible incidents hindering the subsequent treatment of waste materials.
- Loss of stability of the container and possible leakage of solid waste and leachates, causing soil and water Pollution.
- Damage to containers and urban elements due to displacement of containers.
- Increase of leachate water volumes on the landfills

The main activities to adapt to these threats are:

- Periodic review and adaptation of facilities, equipment, and vehicles to cope with extreme weather events.
- Construction and/or installation of containment elements (walls, barriers, gratings).

- Training of workers on the risks associated with heavy rainfall and flooding.
- Increase the capacity of leachate water treatment facilities on the landfills
- Adapt sewage and drainage systems at the operating locations
- Development of emergency plans to remediate polluted soils and/or water
- Development of emergency plans and crisis plans for how to react in a given situation (Crisis manual).

Some of the impacts of heavy rainfall have already been successfully mitigated in the past (e.g. leachate water on the landfills). Emergency remediation plans need to be developed as they exist for a variety of incidents but not specifically related to floodings. The highest probability for Water-related impacts exists at locations near rivers and creeks. Here, depending on the distance to the waterline and the depth of the stream, physical barriers might be the method of choice. However, this needs to be analysed and reviewed on an ongoing basis.

Whereas, following physical climate risks are considered as “medium” or “low” and are not further described here:

- Rise of sea levels

As far as transition risks are concerned, please refer to the next paragraph (DR to IRO-1).

DR to E1- ESRS 2 IRO-1 Climate-related impacts, risks and opportunities

Regarding the impacts and physical risks associated with Climate Change, please refer to the analysis above.

In the context of a low-carbon transition, significant changes in energy consumption, industrial production, and consumer behaviour are expected to reduce the overall volume of waste entering the market. This waste currently serves as a key input for the Group's service and production processes. As reuse rates increase and product life cycles extend, the availability of waste materials will decline in the long run.

This shift presents both opportunities and challenges. On one hand, the extended operational lifespan of landfills will allow capital expenditures previously earmarked for expansion to be redirected toward more sustainable infrastructure, such as advanced recycling facilities. On the other hand, profitability may be impacted, as landfilling still represents a relevant portion of the business portfolio in CEE.

Moreover, reduced waste volumes are likely to intensify competition among incineration facilities for sufficient feedstock, potentially driving down gate fees and affecting operational efficiency.

The overall financial impact of this transition remains uncertain and will largely depend on the future regulatory and market framework—particularly regarding waste classification, ownership rights, and pricing mechanisms within the recycling sector.

The Group is already well-positioned in select recycling niches, such as used oil recovery. However, to remain competitive and aligned with long-term sustainability goals, substantial investments in additional recycling capacities—especially for plastics—will be essential.

The details of the Impact and Financial Materiality assessment, performed for the whole FCC group can be found in [Table 4: E1-IRO-1 | Climate Impact Materiality Assessment](#) and [Table 5](#).

In total, for Climate Change **four Impacts** were evaluated and **six Risks**, both Physical and Transitional.



Table 4: E1-IRO-1 | Climate Impact Materiality Assessment

Topic	Impact	Horizon	Location
Climate Change adaptation	Climate Change adaptation via products and services	Current	Own Operations
Climate Change mitigation and energy	Scope 1 and 2 emissions' contributions to Climate Change	Current	Own Operations
	Scope 3 emissions' contributions to Climate Change	Current	Own Operations, Upstream Value Chain
	Contribution to Climate Change mitigation as a result of renewable energy production	Current	Own Operations, Upstream Value Chain

Table 5: E1-IRO-1 | Climate Financial Materiality Assessment

Topic	Financial Impact	Risk or Opportunity	Financial effects	Location	Physical or Transitional
Climate Change adaptation	Global average temperature rise	Risk	Operating expenses increased and productivity reduced because of heat-related impacts	Own Operations	Physical
	Extreme weather events – increase in severity and frequency	Risk	Capital and operating expenses increased because of facility damage and disruptions caused by extreme weather events	Own Operations	Physical
	GHG emissions price rise	Risk	Operating expenses increase because of higher GHG emission prices	Own Operations	Transitional
	Development and adaptation to Climate Change market requirements insufficient	Risk	Loss of competitiveness, investment and technology development costs increase to adapt to new low emission technologies	Own Operations	Transitional
	New Climate Change regulations	Risk	Operational expenses increased because of adaptation to Climate Change regulations and potential payment of penalties for non-compliance	Own Operations	Transitional
Climate Change mitigation and energy	Energy costs increase	Risk	Operational expenses increased and productivity loss because of higher energy prices, with potential impact on customers	Own Operations	Transitional





DR E1-2 Policies related to Climate Change mitigation and adaptation

Some of the key methods FCC E CEE considers for reducing greenhouse gas (GHG) emissions are outlined below.

- Climate Change mitigation (= reduction of GHG emissions)
 - Reduce fuel consumption of the truck fleet
 - Increase waste transport by rail
 - Support the purchase of electric company cars
 - Limiting heating as well as cooling temperatures in (office) buildings
 - Use landfill gas for energy production
- Climate Change adaptation
 - Improve air-conditioning of trucks, (treatment) plants and buildings
 - Extend leachate water treatment and drainage systems
- Energy efficiency
 - Insulation of buildings
 - Modernisation of technical infrastructure
- Renewable energy deployment
 - Increase own electricity production from renewable sources (PV on rooftops and landfills).

In 2024, all countries within the Group maintained environmental policies that address Climate Change mitigation, with a strong emphasis on energy efficiency.

Austria's ISO 14001 and 50001 policies focus on reducing greenhouse gas emissions by lowering specific energy consumption and fossil fuel use in transportation. Czech Republic has adopted three separate standards, including ISO 50001 and ISO 14001, which address energy management, environmental responsibility, and the corresponding policy frameworks. Hungary's policies, among them the ISO 14001, target operational efficiency in heavy-duty vehicle fleets, promoting fuel consumption standards and performance-based incentives.

Poland, Romania, Serbia, and Slovakia have adopted integrated environmental policies aligned with ISO 14001. Climate Change mitigation with a focus on energy efficiency is a consistent element across all countries.

Renewable energy deployment is explicitly included in the policies of Czech Republic, Poland, Romania, and Serbia. Climate Change adaptation is currently only addressed in Czech Republic's ISO 14001 policy. Additional aspects such as fossil fuel reduction and towing charge regulations are present in Austria and Hungary. Overall, the company demonstrates a comprehensive and regionally tailored approach to environmental responsibility, supporting its broader sustainability and climate resilience goals.

As can be seen, the majority of policies do not cover yet Climate Change Adaptation aspects. A more detailed

assessment of Physical Climate Risks, Transition Risks and Adaptation measures is planned for the reporting periods of 2025 and 2026 and it can be expected that policies will be adjusted according to the outcomes.

In some countries, renewables are not yet deployed. In course of the planned country-specific Decarbonisation Roadmap this is expected to change.

DR E1-3 Action plan and resources in relation to Climate Change

In 2024, FCC implemented several high-impact sustainability actions across its European operations.

In Austria, five electric trucks were procured to decarbonise the fleet, significantly reducing transport-related emissions. With that FCC continues offering the best service to public and private customers and meeting the demands of zero-emission waste collection. In Hungary, a new baling machine was introduced in Gyál to improve energy efficiency and reduce emissions through optimised logistics. In Poland, energy storage systems were developed to support renewable energy use and grid stability, while the Biała landfill continued operating entirely on photovoltaic energy. In Austria and the Czech Republic, pilot projects have started using HVO instead of diesel for the operation of collection trucks, which

can reduce direct CO₂ emissions by more than 90%.

Additionally, e-fuelling infrastructure was expanded in Austria, with in total 24 charging points, 16 for trucks and eight for other electric company vehicles planned to support the electrification of company vehicles and trucks.

These initiatives reflect a strategic commitment to decarbonisation and energy efficiency and are aligned with FCC Group's broader climate goals and contribute to long-term environmental resilience.

DR E1-4 Targets related to Climate Change mitigation and adaptation

As outlined above, the Group has yet to establish quantitative targets for reducing CO₂ emissions from its truck fleet or for emissions related to the heating of production and office buildings. This is primarily due to current technological and operational constraints that limit the feasibility of setting reliable long-term goals. Nevertheless, efforts are underway to explore potential measures such as fleet modernisation, improved building insulation, and optimised heating systems—including limiting indoor temperatures where applicable. These initiatives are expected to contribute to reductions in Scope 1 emissions over time.

Regarding Scope 2 emissions, the planned installation of photovoltaic (PV) systems is expected to gradually increase the share of energy sourced from renewables.

As briefly outlined above, waste volumes are expected to decrease in the medium to long-term, due to more durable designs of devices as well as higher re-use and recycling quotas. GHG emissions of (modern) treatment plants usually trigger less (Scope 2) emissions than the internal combustion engines used by the truck fleet (Scope 1), so the net effect of running more recycling plants versus transporting less waste should lead to a reduction of CO₂ emissions. As far as energy sources are concerned, the Group targets on a higher share of own electricity (by ways of PV and by optimising the use of electricity produced by WtE plants), thereby reducing the need for purchasing energy from partly not renewable provenance.

The final version of the group's targets will be aligned with the overarching Decarbonisation Roadmap developed in 2024 with detailed steps being developed in the upcoming months and years by the FCC Group.

DR E1-5 Energy consumption and mix

Table 6: E1-5 | Energy consumption and mix displays the composition of energy used by the Group in course of the

(non-) financial year 2024, together with a comparison to 2023.

With respect to own production, the numbers below cover the cogeneration units which use landfill gas (non-renewable) and the PV plants installed on rooftops and landfills (renewable).

Austria has the main part of energy consumption due to the owned waste-to-energy plant which contributes to both fossil and renewable energy consumption. It is followed by Czech Republic. Lowest energy consumption is made by Serbia being also the smallest country from operational aspect within FCC E CEE Group.

All activities are from high climate impact sectors.

It needs to be taken into consideration that the way of reporting between 2023 and 2024 was changed significantly (from only Excel-based to the usage of a consistent database) which contributed to data quality enhancements.

Likewise, the Decarbonisation Roadmap project for the elaboration of a group-wide harmonised calculation of GHG emissions contributed widely to awareness raising for a better data base. It is to be expected that the process of consistently improving the data quality will continue (see DR E1-6 Gross Scopes 1, 2, 3 and Total GHG Emissions).

DR E1-6 Gross Scopes 1, 2, 3 and Total GHG Emissions

To enhance the accuracy of the carbon footprint calculations and initiate the climate transition strategy, FCC E CEE conducted a thorough review of the group's greenhouse gas (GHG) emissions and calculation methods throughout 2024. As a result, the group standardised the methodology across all countries where the group operates and adopted an emissions reporting approach based on the level of involvement in each contract. The methodology applied aligns with the GHG Protocol standards, was externally verified in Spain and uses national GHG inventories as well as the DEFRA database for Scope 1 and 2 emission factors. For Scope 2, the report uses both the location-based and market-based approaches.

For Scope 3 emissions, FCC E CEE is currently in the process of identifying and standardising them across all regions, which means the group does not yet have a complete emissions inventory for 2024.

The subtotal of Scope 1 and Scope 2 emissions fully related to fully consolidated subsidiaries. Associates, joint ventures, and minority shareholdings are included under Scope 3 as the Group has no controlling influence on their operating activities.

For the GHG footprint, the main portion of the whole CEE group is emitted by

Czech Republic, having the highest number of landfills in the portfolio (besides other lower-emissions treatment processes). The lowest GHG footprint from the group is produced in Poland with a landfill ban in place and lower carbon-emissions processes like mechanical-biological treatment or sorting.

As can be seen that the market-based and location-based emissions differ especially for Austria as energy supply contracts ensure 100% of consumed energy from renewable sources. Renewable energy usage is expected to grow in the future also in other countries.

Biogenic Emissions: Biogenic GHG emissions are mainly generated from waste combustion in energy recovery facilities and biofuel use. All emissions can be found in Table 7 for 2024 together with a comparison with 2023.

Main change was again the higher data quality compared to 2023 resulting in a more thorough capture of energy consumed and thus a higher GHG footprint for mobile sources. Furthermore, LF emissions are expected to rise year by year until the landfill bans in every country, but mainly in Czech Republic (expected for 2030) are enforced. Finally, more quantities were processed 2024 by MBT and Composting plants leading to higher emissions there. On the other hand, due to calculation changes, WtE emissions dropped slightly.



Table 6: E1-5 | Energy consumption and mix

Energy consumption and mix	Austria	Czech Republic	Hungary	Poland	Romania	Serbia	Slovakia	Total 2024	Total 2023 (baseline)	Delta 2024–2023
Fuel consumption from coal and coal products (MWh)	–	–	117	147	–	–	112	376	195	0.02%
Fuel consumption from crude oil and petroleum products (MWh)	33,251	137,001	13,140	20,490	7,709	3,705	15,940	231,236	169,880	8.26%
Fuel consumption from natural gas (MWh)	645	9,889	–	1 061	44	–	200	11,840	50,151	–5.16%
Fuel consumption from other fossil sources (MWh)	239,375	–	–	–	13	–	–	239,388	234,621	0.64%
Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	824	5,229	213	5 142	616	174	1,282	13,480	10,822	0.36%
Total fossil energy consumption (MWh)	274,095	152,119	13,470	26,840	8,383	3,879	17,533	496,319	465,669	4.13%
Share of fossil sources in total energy consumption (%)	50%	99%	96%	100%	100%	100%	96%	64%	63%	0.00%
Energy consumption from nuclear sources (MWh)	–	–	–	–	–	–	455	455	–	0.06%
Share of consumption from nuclear sources in total energy consumption (%)	0%	0%	0%	0%	0%	0%	3%	0%	0%	0.00%
Fuel consumption for renewable sources, including biomass (also including industrial and municipal waste of biologic origin), biofuels, biogas, renewable hydrogen, etc.) (MWh)	244,818	–	–	–	–	–	–	244,818	249,902	–0.68%
Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	26,112	–	292	–	–	–	212	26,616	26,986	–0.05%
The consumption of self-generated non-fuel renewable energy (MWh)	8,457	860	263	7	–	–	–	9,588	142	1.27%
Total renewable energy consumption (MWh)	279,387	860	555	7	0	0,00	212	281,021	277,030	0.54%
Share of renewable sources in total energy consumption (%)	50%	1%	4%	0%	0%	0%	1%	36%	37%	0.00%
Total energy consumption (MWh)	553,482	152,979	14,025	26,847	8,383	3,879	18,201	777,795	742,699	

Table 7: E1-4 | Total GHG emissions Gross Scope 1, Scope 2, Scope 3

	Austria	Czech Republic	Hungary	Poland	Romania	Serbia	Slovakia	Total 2024	Total 2023 (baseline)	Delta 2024–2023
Scope 1 (t CO ₂ -eq)	98,849	555,302	187,517	40,522	137,986	58,187	223,372	1,301,735	1,220,214	6.68%
Scope 2 (location based) (t CO ₂ -eq)	3,565	2,293	107	2,662	152	224	28	9,031	9,430	–4.23%
Scope 2 (market based) (t CO ₂ -eq)	–	2,144	192	2,662	152	224	46	5,419	6,614	–17.35%
Scope 3* (t CO ₂ -eq)	2,252	9,627	861	1,528	507	256	1,088	16,118	11,935	35.01%
Contribution of each country	7.89%	42.75%	14.21%	3.37%	10.45%	4.42%	16.92%	100%		
Biogenic (t CO ₂ -eq)	68,679	64	65	1,317	86	0	64	70,276	92,948	



DR E1-7 GHG removals and GHG mitigation projects financed through carbon credits

The Group's locations cannot contribute to a permanent removal

and/or storage of GHG, especially CO₂ (also known as carbon capture and storage or CCS).

As far as carbon credits are concerned, the Group does not plan to finance any projects in the forthcoming years.

Although the targets for GHG reductions are planned to be ambitious, the Group does not have technology to become GHG neutral until 2050 yet.

FCC E CEE has not made any public declarations of GHG neutrality and

currently no such programs are ongoing in the group.

DR E1-8 Internal Carbon Pricing

An internal carbon pricing mechanism has not yet been implemented.

DR E1-9 Potential financial effects from material physical risks, material transition risks and climate-related opportunities

The Group's operations will undergo a detailed assessment of Physical Climate Risks to see impacts, risks, opportunities, and dependencies in its operations and value chain for this topic in course of the financial years 2025 and 2026.

While the main risks may require additional CAPEX or lead to impairments if realised, recognising future obligations at this stage would be speculative.

All assets exposed to physical and transition risks are included under "Property, plant and equipment" in the consolidated financial statements.

Management sees opportunities in the shift toward sustainable activities—particularly in the circular economy and renewable energy production—but cannot yet reliably estimate the potential revenue due to ongoing regulatory uncertainty.





ESRS E2 Pollution

E2 Introduction

Managing Pollution is a routine aspect of the waste management industry. The main actual or potential sources of Pollution include:

- (Handling of) Hazardous waste
- Leachate water from landfills
- Particulate matters (from the trucks' diesel engines)
- Microplastics (from the trucks' and company cars' tyres)
- Dust
- Noise
- Odour

Emissions are observed via regular measurements, either inhouse or by external specialists (e.g., laboratories). As far as hazardous materials are concerned, special (legal as well as operating) regulations exist to ensure a proper treatment of this kind of waste, such as:

- Specific guidelines and training for the handling of hazardous materials
- Special containers and tanks (in case of liquids)
- Special labelling of vehicles carrying hazardous materials
- Dedicated treatment areas
- Separated landfill compartments for final disposal

DR to E2- ESRS 2 IRO-1 Pollution-related impacts, risks and opportunities

The details of the impact and financial materiality assessment, performed for the whole FCC Group can be found in [Table 8](#): E2-IRO-1 | Pollution Impact Materiality Assessment and [Table 9](#).

Five impacts as well as two opportunities related to Pollution were identified.

DR E2-1 Policies related to Pollution

While there are no dedicated policies specifically and only targeting Pollution, compliance with legal requirements and a strong emphasis on employee health and safety ensure that Pollution remains a consistent focus in daily operations. This applies across all countries where the Group operates, with primary responsibility resting with the Country Operation Managers (COMs). Stakeholder interests—particularly those of local municipalities—are regularly considered through ongoing engagement with their representatives at operational sites.

Table 8: E2-IRO-1 | Pollution Impact Materiality Assessment

Topic	Impact	Horizon	Location
Pollution of air	Pollution of air from own operational emissions of polluting gases (NOx, Sox, particles, etc.)	Current	Own Operations
	Pollution of air from the production of goods and services (NOx, Sox, particulate matter, etc.) upstream value chain	Current	Upstream Value Chain
Pollution of water	Pollution of water bodies because of leachate production and release	Current	Own Operations
Pollution of soil	Pollution of soil because of leachate production and release	Current	Own Operations
Microplastics	Contribution to the microplastics reduction from cleaning and waste treatment activities	Current	Own Operations

Table 9: E2-IRO-1 | Pollution Financial Materiality Assessment

Topic	Financial Impact	Risk or Opportunity	Financial effects	Location
Pollution of soil	Increased turnover from the development of soil restoration projects	Opportunity	Growth potential in turnover and projects related to the sanitation and remediation of contaminated sites	Own Operations
Substances of concern and substances of very high concern	Continued development of the business of hazardous and extremely hazardous substances treatment	Opportunity	Generation of economic profitability through the treatment of hazardous substances for other companies while avoiding negative environmental impacts	Own Operations

The primary focus is on mitigating negative environmental impacts by proactively preventing Pollution incidents. The management of hazardous materials has been addressed above. Other key Pollution sources are managed or planned to be managed through targeted measures, including but not limited to the following examples:

- **Dust:** primarily through in-housing of operations and filter technology
- **Noise:** in-housing of treatment operations, use of modern trucks and treatment equipment, reducing the rolling resistance of truck tires via operational measures like air pressure, less braking, drivers' trainings
- **Odours:** swift processing of degradable waste fractions, bailing of waste with foils, minimisation of external storage
- **Leachate:** physical barriers preventing leachate water to reach the ground water e.g., by geotextiles) according to legal requirements in each country, capture and recirculation of leachate to the landfill body, cleaning the leachate in reverse osmosis plants

Overall, in 2024, all countries within FCC E CEE Group implemented policies aimed at mitigating negative environmental impacts related to air, water, and soil Pollution. Czech Republic's ISO 14001 policy addresses both Pollution Mitigation and Emergency Preparedness. Hungary has a comprehensive set of operational instructions covering logistics, waste treatment, composting, and water purification, all of which include

Pollution Control and incident prevention measures. Additionally, Hungary's Havaría Plan specifically targets emergency response readiness, control and incident prevention measures.

Poland's environmental policy explicitly includes Pollution Mitigation, Substitution and Minimisation of Hazardous Substances, as well as emergency prevention. Romania's Prevention and Protection Plan is similarly comprehensive, addressing all three aspects of Pollution Control. Slovakia's management policy, aligned with ISO 14001, 9001, and 45001, focuses on Pollution Mitigation and Emergency Preparedness.

Substitution and phase-out of substances of concern are currently addressed only in Poland and Romania. Across the Group, Pollution Prevention is a consistent priority, with varying levels of integration of chemical safety and emergency planning. These policies reflect the Group's commitment to environmental protection and operational safety across its European operations.

The use of "substances of (very high) concern" is of limited or no relevance.

DR E2-2 Actions and resources related to Pollution

As already outlined above, the Group's primary target is to avoid Pollution in the first place. However, due to the nature of the business and

given the currently available technical solutions, also actions aiming at Pollution Reduction are implemented. As an example, the modernisation of the mechanical-biological treatment plants in Poland, based on BAT (Best Available Technologies) requirements, can be mentioned. Moreover, the investments in modern technologies like bale presses reduce the number of transports and thus emissions as well as the proliferation of microplastics.

Besides the ones mentioned above, actions include sanitary landfilling and landfill coverages and gas collection systems, increased capacity for the CP plant in Slovakia and modernisations of hazardous warehouses and bencalors.

However, there are also opportunities for environmental management associated with the Pollution topic, as the Group is engaged in a broad variety of remediation projects. These are largely focussed on eliminating environmental hazards from former industrial activities, restoring the site and make it available for use again. The most important sites are former industrial plants and the Group's activities are mainly dealing with contaminated soil. This material is excavated, treated and then either disposed on special compartments of landfills or incinerated.

Furthermore, the Group runs three chemical physical treatment plants, one in Radomsko (PL), one in Žilina (SK), and one in Wiener Neustadt (AT) dealing with purification of liquid industrial residues.

DR E2-3 Targets related to Pollution

In respect of Pollution-related targets one must separate the impacts from the Group's operating business as such and those from accidents. As example: it might for the foreseeable future not be possible to completely avoid microplastics emissions from truck tyres or RDF production if there is no alternative to rubber available. However, it is, through appropriate safety protocols, technical barriers and employee trainings, possible to avoid the Pollution of water and soil. Accordingly, the target for these two categories (water and soil) in the long run is to come as close to Zero Pollution as possible.

Regarding leachate water, the Group in recent years invested in a couple of reverse osmosis plants which improved the efficiency of leachate water cleaning substantially. This technology enables the elimination of pollutive substances down to a level where releasing it in the water circle does not pose harm to the environment.

Dust emissions are dealt with by ways of running the related operations in closed areas, ensuring that appropriate filter mechanisms are available to keep the impacts on employees and surrounding areas as small as possible.

Pollution caused by the truck fleet (particle matter as well as microplastic) is harder to overcome. Although diesel engines are still improved and

the Group’s truck fleet is renewed constantly, a full elimination of particle matters will only be possible by alternative fuels or intensified electrification. Microplastics, caused by the wear and tear of tyres will remain, independent from the propellant used in the trucks and company cars. Here a reduction of the mileage driven (e.g., higher share of rail transport, further optimisation of routes) and smoother driving techniques (e.g., slower to avoid hard breaks) are possible actions to reduce the related emissions.

DR E2-4 Pollution of air, water and soil

An overview on the main pollutive substances can be found in [Table 10: E2-4 | Pollutants released \(kg\)](#). Like with Climate Change and related data, also for Pollution, it needs to be taken into consideration that the way of reporting between 2023 and 2024 was changed drastically (from only Excel-based to the usage of a system) which contributed to data quality enhancements. It is to be expected that the development of a better data quality will continue.

Although no sum of all emissions can be made, the height of total emissions is similar and has only a delta of 3% when 2023 and 2024 are compared.

Measurements for pollutants where possible are done on a regular basis (partially yearly, partially monthly, partially weekly, also depending on the

operational permit’s requirements) and analysed by independent laboratories. Where no measurements are done, official country-specific databases as well as GHG Protocol are used for the calculation of pollutants.

FCC E CEE is actively working to gather consistent and reliable data on pollutant emissions to water, soil, and microplastics across all regions where the group operates. Goal is to continuously enhance data quality to enable accurate and transparent reporting in the future.

In 2024, a notable spill occurred at FCC E CEE’s waste treatment facility in Arad, Romania, involving approximately 0.40 cubic metres of oil and oil-contaminated water. The facility’s containment systems effectively managed the incident internally, and no adverse impacts on soil or nearby water bodies were observed.

DR E2-5 Substances of concern and substances of very high concern

While substances of (very high) concern are not considered material in 2024, certain Group operations inherently involve their handling. This is particularly relevant in the collection, treatment, and disposal of hazardous waste, which requires specialised licenses due to the unavoidable contact with such materials (e.g., PFAS).

Table 10: E2-4 | Pollutants released (kg)

Pollutant	Amount released (kg/year) 2024	Amount released (kg/year) 2023	Delta 2023–2024 – attention: more detailed distribution of pollutants in 2024
Total amounts from all countries			
Methane (CH4)	7,849		100%
Carbon monoxide (CO)	99,213		100%
Carbon dioxide (CO2)	866,845		100%
Nitrous oxide (N2O)	156,585		100%
Ammonia (NH3)	1,056		100%
Non-methane volatile organic compounds (NMVOC)	6,071		100%
Nitrogen oxides (NOx/NO2)	60,265	102,841	–71%
Sulphur oxides (SOx/SO2)	1,325	8,054	–508%
Chlorine and inorganic compounds (as HCl)	2,283	2,288	0%
Fluorine and inorganic compounds (as HF)	98	0	100%
Particulate matter (PM10)	1,838	6,255	–240%
TOTAL Volatile Organic Compounds (VOC)	5,632		100%
TOTAL Other emissions	298,124	1,639,260	–450%

DR E2-6 Anticipated financial effects from Pollution-related impacts, risks and opportunities

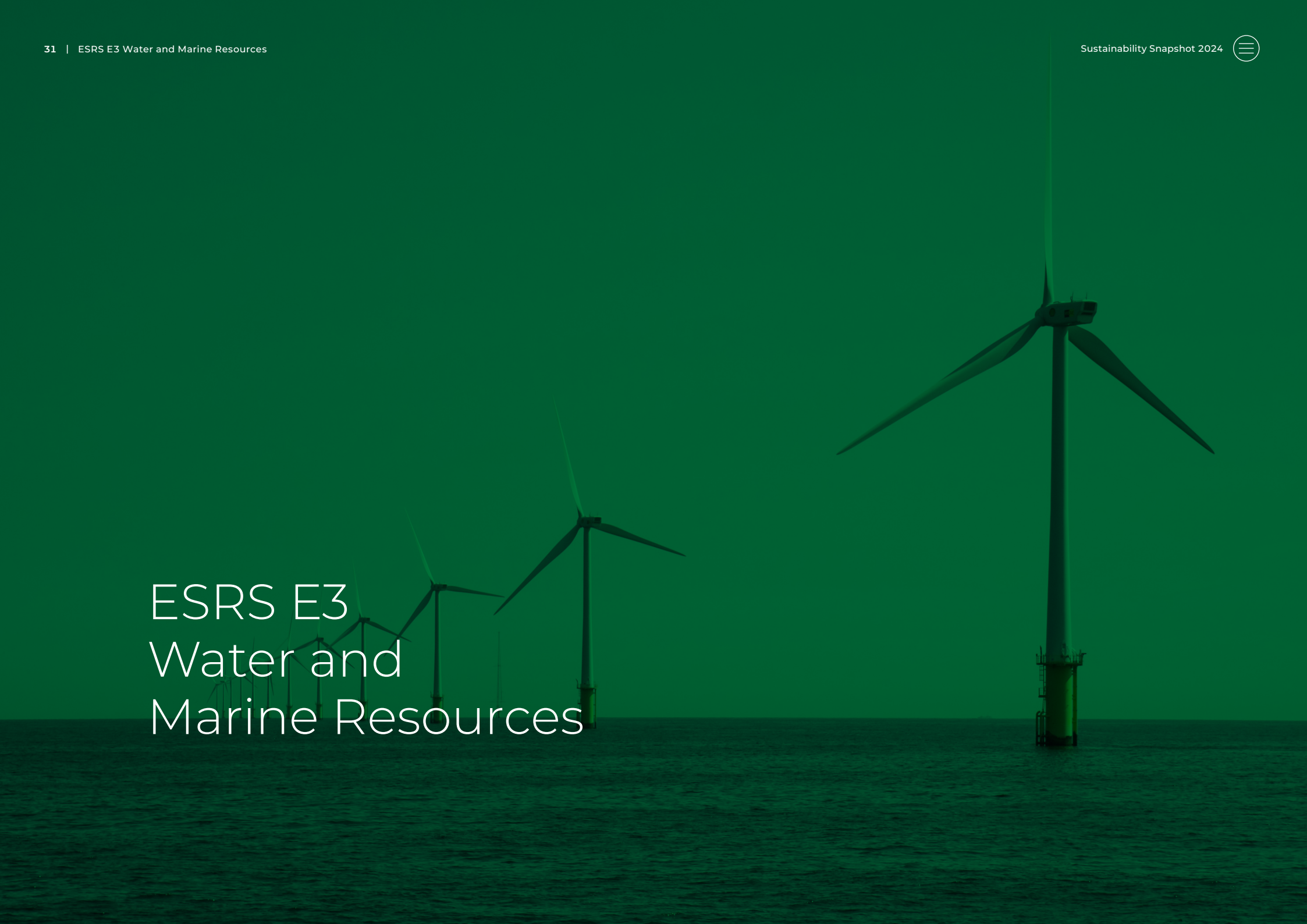
Potential (material) negative financial effects related primarily to improper handling of hazardous waste or leaking of landfill leachate water to the groundwater.

In recent years, no major events triggered by the above-mentioned

risks arose. This was achieved by special regulations for handling hazardous materials, application of modern technical measures (e.g., ground sealing, sensors in geotextiles used in landfill bodies, appropriate capture, storage and treatment of leachate) and appropriate training of employees working on these topics. For information regarding recultivation and aftercare provisions, please refer to the Notes to the Consolidated Financial Statements.



ESRS E3 Water and Marine Resources

A photograph of an offshore wind farm with several wind turbines visible against a clear sky and the ocean. The image is overlaid with a semi-transparent green filter.

E3 Introduction

In general, the waste management industry does not make extensive use of Water Resources, seen from an operational perspective. As far as FCC E CEE Group is concerned, the main processes triggering the use of Water are:

- Cleaning of equipment (trucks, cars, treatment halls etc.)
- Watering during greenery service provisions
- Solidification
- Cleaning of administrative premises
- Sanitation (showers, toilets)
- Drinking

Regarding the topic of leachate water produced by landfill operations, please refer to the chapter “Pollution” above.

DR to E3- ESRS 2 IRO-1 Water and marine resources-related impacts, risks and opportunities

The details of the Impact and Financial Materiality assessment, performed for the whole FCC group can be found in [Table 11](#): E3-IRO-1 | Water Impact Materiality Assessment.

Table 11: E3-IRO-1 | Water Impact Materiality Assessment

Topic	Impact	Horizon	Location
Water Consumption and Withdrawal	Water Stress increase as consequence of own operations.	Current	Own Operations
	Increased water stress because of water consumption in the upstream value chain.	Current	Upstream Value Chain
Water Discharges	Impact on water bodies because of the generation of wastewater in operations	Current	Own Operations

Three impacts related to *Water* were identified.

For the **financial materiality**, no risks or opportunities were found.

Marine resources are not material for FCC CEE, as no businesses are located near a coastal area.

DR E3-1 Policies related to Water and Marine Resources

FCC E CEE’s sustainability policy prioritises reducing consumption and protecting Water and Marine Resources as part of its broader environmental strategy. While FCC E CEE does not currently have a dedicated global policy on this topic, these commitments are addressed through ISO 14001-certified environmental management systems implemented across FCC E CEE’s geographic platforms. These

systems uphold the core principles and actions related to Water and Marine Resources protection.

However, in 2024, Romania and Poland demonstrated the most comprehensive approaches to managing Water and Marine Resources impacts. Romania addressed multiple dimensions, including water stress from operations, spill risks, and compliance with stricter discharge parameters, while also implementing water efficiency and discharge control measures. Poland reported water stress from container and machinery washing, along with risks related to water Supply and regulatory constraints. Slovakia acknowledged spill-related impacts and potential water supply interruptions. Other countries, including Austria, Czech Republic, Hungary, and Serbia, did not report specific measures or impacts related to Water and Marine Resources.

Romania and Poland were the only countries to include water management practices in their policies, covering water use, treatment, and Pollution Prevention. Additionally, Poland committed to reducing significant water consumption in water-risk areas. No country reported designing products or services to address marine resource challenges. The use of reclaimed Water and Marine Resources-specific initiatives were not observed across the Group.

Additionally, wherever technically possible (sufficient space for the construction of storage infrastructure must be available) and from the perspective of health & safety feasible, the Group operates rainwater capture systems to minimise the use of drinking Water for operational purposes.

Based on the classification of the World Resource Institute (WRI¹), some of the Group’s sites operates in an area of water stress (i.e., regions where the percentage of water withdrawn for human activities is substantial), like for instance Radomsko in Poland. However, due to the low consumption of water by the Group’s operations no specific policy in relation to this matter was implemented.

A similar pattern holds for the main subcontractors, as these are operating in the same areas as the Group itself. Some of the operating facilities of the main

1 https://www.wri.org/applications/aqueduct/water-risk-atlas/#/?advanced=false&basemap=hydro&indicator=bws_cat&lat=47.27177506640828&lng=21.093750000000004&mapMode=view&month=1&opacity=0.5&ponderation=DEF&predefined=false&projection=absolute&scenario=optimistic&scope=baseline&threshold&timeScale=annual&year=baseline&zoom=6

asset suppliers are in arid areas (e.g., South Africa), but not in regions of water stress.

The Group's operations will undergo a detailed assessment of Physical Climate Risks to see impacts, risks, opportunities, and dependencies for this topic in its operations and value chain for this topic in course of the financial years 2025 and 2026.

DR E3-2: Actions and resources related to Water and Marine Resources

At FCC E CEE's landfill in Arad, Romania, a leachate water treatment & regeneration system has been installed several years ago to obtain tertiary water to be used for road maintenance, road cleaning or as a fire reserve, reducing the plant's water consumption and increasing the

availability of drinking water for other uses in the area (see [Table 12: E3-4 | Water consumption by Location/Sector/Segment](#)). By reducing reliance on groundwater and public water services, the action contributes to the conservation of freshwater resources and lowers operational water acquisition costs. The project is designed to run throughout the operational life of the WWTP, including the 30-year post-recultivation monitoring period. This action has provided an environmental advantage recognised by the Romanian National Water Agency.

Although no other specific action plans related to water are in place, the focus in the daily business lies on avoiding and reducing the use of this resource. Capturing of rainwater is a standard feature at most locations whereas the capturing-to-be-used of greywater is considered only whenever new premises are built or existing ones

revamped as the technical necessities of constructing such plants need to be considered and not all existing premises are suitable without a major overhaul. Besides that, many of the administrative buildings are rented so it needs the consent of the lessor to install a greywater collection device.

Besides technical measures, awareness raising on staff level contributes to reducing the use of water.

DR E3-3 Targets related to Water and Marine Resources

No specific target values related to Water and Marine Resources were set as the impact of operations on this area is not material. A bigger impact could be gained by a stretching of the cleaning cycles for the truck fleet, although possible, contradicts the intention of being perceived by clients as a proper and modern service

provider, which is besides the service quality also determined by the outward appearance of the equipment used. So, a balanced view needs to be taken.

DR E3-4 Water consumption

The water consumption triggered by the Group's own operations as well as additional information on its water cycle are outlined in [Table 12: E3-4 | Water consumption by Location/Sector/Segment](#) together with a comparison between 2023 and 2024. Water consumption in areas of water risk refers to the locations in Poland described under DR E3-1.

Total water recycled refers to the volume of wastewater managed by the wastewater treatment plant in Radomsko (PL).

Numbers are either taken from invoices from the local distributors or

Table 12: E3-4 | Water consumption by Location/Sector/Segment

Water consumption	Unit	Austria	Czech Republic	Hungary	Poland	Romania	Serbia	Slovakia	Total	Total 2023 (baseline)	Delta 2024–2023
Total water consumption	m³	27,571	64,493	11,099	45,689	25,061	2,075	11,133	187,121	159,854	17.06%
Thereof: Total water consumption in water-risk areas, including areas of high-water stress	m³	–	–	–	14,820	–	–	–	14,820	15,345	–3.42%
Thereof: Total recycled and reused water	m³	–	–	–	–	14,918	–	–	14,918	–	0.00%
Thereof: Total water in storage and changes in storage	m³	–	–	–	–	4,582	–	–	4,585	254	1,703.74%



directly measured via metres at the locations (except for water stored, which is calculated based on the size of (rainwater) tanks and an estimated number of discharges, depending on the type of use).

The water consumption is reflected to the offered services (street cleaning,

MBT, composting, remediation). Czech Republic, offering services like street cleaning, composting, and remediation, has the highest water consumption. It is followed by Austria with a WtE plant, an MBT plant and a CP treatment plant and Poland, having MBT and composting plants as well as a CP treatment plant. Romania

runs a composting facility and tracks also the permeate of its reverse osmosis plant.

Like with Climate Change and Pollution, also for Water, it needs to be taken into consideration that the way of reporting between 2023 and 2024 was changed drastically (from

only Excel-based to the usage of a database) which contributed to data quality enhancements. Furthermore, group wide harmonisation of data collection still needs to be enforced. Consequently, data quality and consistency will improve in the years to come.

DR E3-5 Anticipated financial effects from Water and Marine Resources-related impacts, risks and opportunities

As of today, no material impacts on the Group's financial position, performance and cash flows are expected, although a detailed assessment is outstanding. However, the Group's operations do not significantly depend on water use and most of the sites are in areas with no or only limited water scarcity and currently not overly exposed to flooding risks. A first Physical Climate Risk assessment showed that with in certain scenarios this risk could increase. Please refer to chapter DR to E1- ESRS 2 IRO-1 Climate-related impacts, risks and opportunities.

As mentioned in DR E3-1, the Group will conduct a detailed assessment of Physical Climate Risks to see impacts, risks, opportunities, and dependencies for this topic in its operations and value chain for this topic in course of the financial years 2025 and 2026.





ESRS E4 Biodiversity and Ecosystems

E4 Introduction

Based on the 2022 evaluation of the Taskforce on Nature-related Financial Disclosures (TNFD), Water and Waste Services are included in the list of priority sectors regarding this standard. Accordingly, the disclosure requirements outlined in ESRS E4 are mandatory for FCC E CEE Group.

DR E4-1 Transition plan on Biodiversity and Ecosystems

Planet Earth's boundaries as described and regularly analysed by the Stockholm Resilience Centre consist of nine areas (see [Figure 9](#): Planetary boundaries with the status as of September 2023).

Although no formal transition plan for its business model specifically addressing biodiversity is in place or planned in the foreseeable future, the topic is given its proper attention. Besides activities impacting Climate Change which have been analysed above, the Group's current business model might affect the following areas:

- **Land System Change:** e.g., through greenfield investments or through recovered areas from remediation projects and recultivation of landfills
- **Novel Entities:** e.g., through the handling of plastics and hazardous substances

In the context of its capital expenditure projects which require real estate, the

Group strives for making use of already built-up land and avoids pure greenfield investment to as large an extent as possible. In addition to that, extensive Environmental Impact Analyses (EIAs) go along with all major investment projects, thereby overlapping with a broad variety of topics addressed by ESRS. Having successfully passed these EIAs gives the Group sufficient confidence, that no material impact on the ecosystems affected by the project will arise.

To foster biodiversity and support the EU Nature Restoration Plan, the Group took some (however minor) **initiatives** such as reforestation activities (target 9) in those areas of its premises that are not directly involved in daily operations, or the installation of insect hotels (target 5). In addition to that, target 10 "significant progress in the **remediation of contaminated** soil sites" is one of the core competencies of the Group's operations in the Czech Republic and Slovakia and furthermore, landfills after their operational lifetime are to be recultivated after a certain period in all CEE countries where FCC E CEE is operational.

Regarding "**Novel Entities**" the Group takes all available measures to ensure that no pollutant substances affect the environment of people (for details see the comments on ESRS E2 above). The management of waste makes a certain exposure to the risks associated with potential pollutants unavoidable (and, besides that, necessary to protect people and the environment from their harmful impacts), so there is no substantial

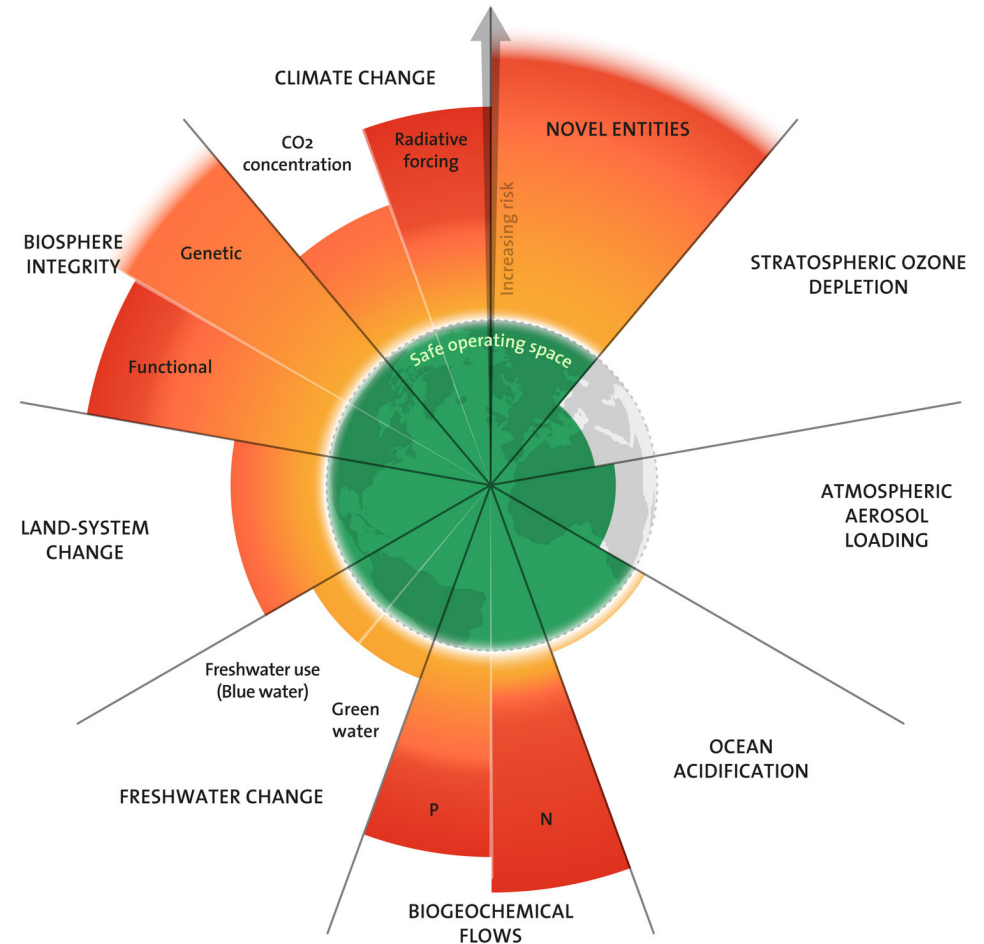


Figure 9: Planetary boundaries²

² <https://www.stockholmresilience.org/research/planetary-boundaries.html>

change in the business model planned to eliminate this risk. However, in its own production sphere (e.g., during operations of its incinerators), the Group works on minimising the use of chemicals as far as it is technically possible and from a safety point-of-view feasible (e.g., using sand instead of salt when providing winter cleaning services).

No biodiversity offsets are currently in place or planned.

DR to E4-
ESRS 2 SBM-3 Material
impacts, risks and
opportunities and their
interaction with strategy
and business model

Besides the general systemic impact from functioning (or not functioning) ecosystems on society, no direct physical risks for the waste management business of CEE Group in relation to Biodiversity and Ecosystems were identified in a first assessment. The waste management business is not directly dependent of specific ecosystems in its surroundings (as e.g., agriculture or forestry would be).

However, part of the group's business model is to actively contribute to the restoration of damaged ecosystems via the **remediation activities the Group performs** in the Czech Republic and Slovakia. These are focussed on the removal of contaminated former

industrial areas and old/illegal dumpsites which exist throughout the whole CEE area. In fact, FCC E CEE sees this an opportunity to combine economic success with ecological improvement.

DR to E4- ESRS
2 IRO-1 Biodiversity and
Ecosystems-related impacts,
risks and opportunities

The Biodiversity and Ecosystem Impact Assessment focused on the Group's own operational sites. For the value chain, publicly available sustainability information from key suppliers and subcontractors was reviewed. Among the Biodiversity and Ecosystems-related topics, following received the most attention:

- **Land System Change / Soil sealing:** While some land sealing is necessary for safe and efficient waste management operations, the Group prioritises brownfield over greenfield investments wherever possible.
- **Novel Entities (Plastics):** Plastic collection and processing are core to the Group's business model and seen as an opportunity. The primary goal is to produce high-quality secondary raw materials. In 2024, the Group operated 25 sorting plants, and 15 splitting plants. Where recycling is not feasible, refuse derived fuel (RDF) is produced for co-incineration in cement plants or combined heat and power plants; untreated waste incineration is used only as a last resort. All plastic output

from the plants is securely stored to prevent environmental leakage.

The Group's operations are not directly dependent on local ecosystems. Physical risks are more closely linked to Climate Change (see E1 DR SBM 3). The transition to a sustainable economy presents more opportunities (e.g., remediation, recycling) than threats.

No specific analysis of systemic biodiversity risks has been conducted, however, the work centres owned or operated by the company located within or less than 15 kilometres away from natural areas protected under the **Natura 2000 Network** or other equivalent protection figures, such as Protected Natural Parks, have been catalogued.

However, none of the Group's sites directly or materially affect surrounding ecosystems. However, for major projects, the Group engages with local communities and conducts Environmental Impact Assessments (EIAs), which may require technical adaptations before permits are granted.

No comprehensive biodiversity scenario analysis has been conducted, as the Group's business model has limited direct impact on biodiversity and is not significantly influenced by it, aside from general ecosystem degradation risks.

The time horizon for biodiversity assessments remains undefined, and no scenario analysis has been applied. Most operational sites are located outside biodiversity-sensitive areas; therefore, product or service traceability in this context is not applicable.

No instances of land degradation or desertification have been identified. No threatened species are materially affected by the Group's operations.

The details of the Impact and financial materiality assessment, **two impacts** related to *Biodiversity and Ecosystems* were identified. For the **financial materiality**, no risks or opportunities were found (please see Table 13: DR to E4-IRO-1 | Biodiversity and Ecosystems Impact Materiality Assessment).

Table 13: DR to E4-IRO-1 | Biodiversity and Ecosystems Impact Materiality Assessment

Topic	Impact	Horizon	Location
Direct impact of biodiversity loss drivers	Impact on biodiversity (biotic and abiotic factors) because of the location and occupation of facilities, buildings and works	Current	Own Operations
Impacts and dependencies of ecosystem services	Preservation of ecosystems because of the company's activities	Current	Own Operations



DR E4-2 Policies related to Biodiversity and Ecosystems

There is no specific policy related to this aspect beyond FCC Group's general sustainability policy. At present, the only policy in place dealing with ecosystems is best addressed with the label "keep away from greenfield investments". It serves the purpose to systematically reduce the soil sealing caused by the Group's activities. The Group sees to a reduction in additional sealing, if possible. In case a sealing is unavoidable, either due to restrictions on the intended use on an already existing site (due to missing permits or a negative EIA), it will be limited to the minimum area possible.

As second (not material) "policy" the Green Events guideline, issued by the Communications and Marketing department of FCC E CEE can be mentioned. Hence, a provision of compensation programs with sustainable activities (planting trees at the group's locations, creating insect hotels, etc) for group events is envisaged.

DR E4-3 Actions and resources in relation to Biodiversity and Ecosystems

Concerning their position in the mitigation hierarchy, the topics

identified above can be allocated as follows:

- Soil sealing: avoidance and reduction
- Novel entities: avoidance

In respect of opportunities, remediation can be placed in the group "restoration and rehabilitation of ecosystems".

Official Biodiversity offsets are not established. In accordance with permits biodiversity measures are installed if required (e.g., an installation of a biotope at the Waste-to-Energy plant in Zistersdorf in 2009), besides the above-mentioned installations of insect hotels or the planting of trees in course of the Green Meetings initiative.

As both topics mentioned above are rooted in the Group's own operating process, the actions taken are systematic ones, i.e., performed on a continuous basis. As they are independent of third parties, there is no regular involvement of external stakeholders, and they are not embedded in a wider action plan. No negative external effects of the Biodiversity and Ecosystems-related actions on other environmental goals were identified.

Still, in 2024, FCC Group advanced its efforts to protect Biodiversity and Ecosystems through targeted infrastructure projects. In Hungary, the landfill platform covering in Gyál was planned to be completed, significantly

reducing the risk of fires and thereby helping to prevent biodiversity loss in the surrounding area. In Romania, the ongoing development of the Arad landfill and associated facilities aims to consolidate FCC's regional presence while incorporating environmental safeguards, including new wastewater treatment infrastructure planned for 2025 and beyond. These actions are designed to minimise ecological disruption and support long-term environmental resilience. The landfill platform covering was finalised in Q3 2024, while the Arad development will continue in phases through 2028 and beyond. In Slovakia, stork's nests were installed onto masts nearby the landfills Zohor and Trnava, the breeding and tracking of their migration with GPS followed up by SOS/BirdLife.

These initiatives reflect FCC's commitment to at least limiting negative biodiversity impacts and to considerations into waste management infrastructure.

DR E4-4 Targets related to Biodiversity and Ecosystems

There is no specific formal target related to this aspect beyond.

However, as already outlined above, it is the Group's goal to avoid further soil sealing caused by its own operations. In this respect, the erection of new landfill sectors is not considered as sealing, as

after the end of the disposal activities, the respective sites are recultivated and ecosystems are restored (however, not fully to its former extent as free access to the former landfill is prohibited. For wildlife however, this is no problem).

Regarding the processing of plastics, this is in FCC E CEE's understanding referred to by ESRS 4, AR4: A higher sorting depth leads to a higher output of recyclables and thereby to a reduction of residues to be used as RDF or to be incinerated.

When setting these goals, no specific ecological thresholds/allocations have been used, but rather a general assumption that an increase of unsealed soil and the maximum avoidance of preventing plastics from becoming an environmental burden are valuable achievements by themselves.

DR E4-5 Impact metrics related to Biodiversity and Ecosystems

As main biodiversity metric, it was assessed which locations owned or operated by the company are located within or less than 15 kilometres away from natural areas protected under the **Natura 2000 Network** or other equivalent protection figures, such as Protected Natural Parks. Only one rented site in Austria lies within a protected area³.

³ Biodiversity Atlas / European protected sites: <https://www.eea.europa.eu/data-and-maps/explore-interactive-maps/european-protected-areas-1>



Internally, also soil sealed (number of m² used by the Group's locations) as well as the sorting depth (defined as "Output of Secondary Raw Materials/ Total Output" of the sorting facilities) is tracked. Both metrics are measured directly and limited to the group's own operations in the CEE region. Soil sealing is derived from land registers, EIAs and geodetic surveys whereas the sorting depth is calculated monthly and included in the regular technical reports.

As far as it can reasonably be known, FCC CEE Group did not contribute to the introduction of invasive species. No material impacts on the state of species (population size, extinction risks, range within specific ecosystems) were identified.

Additionally, no substantial impacts on specific ecosystems, neither in terms of the area covered nor in terms of the ecosystems' conditions were identified.

DR E4-6 Anticipated financial effects from Biodiversity and Ecosystems-related risks and opportunities

Given the actions envisaged regarding soil sealing and increase of sorting depth, the main financial impacts will come from capital expenditure. It might be, that purchasing already built-up land instead of using a greenfield might be more expensive as far as the purchase price is concerned. On the other hand,

greenfield investments usually require additional resources to make the basic infrastructure (electricity, water, sewage etc.) available.

Regarding the increase of the sorting depth, modern facilities

that support optical processing will be invested independent from its positive impact on the surrounding ecosystems, as they are essential for improving the Group's position as an enabler of the Circular Economy (see ESRS E5 Resource Use and

Circular Economy) and will contribute to an improved productivity of the treatment processes. Considering all apparent facts, the Group does not expect additional CAPEX or expenses solely related to the Biodiversity and Ecosystems topic.





ESRS E5 Resource Use and Circular Economy



E5 Introduction

The topics addressed by this standard are essential for the current and future business models of FCC E CEE Group. At present, the collection and transport of waste, followed by its optimal preparation for incineration and/or landfilling is the backbone of the activities. To increase the production of (high-quality) Secondary Raw Materials (SRM) is one of the primary goals. Overall, the Group sees itself as a supporter and enabler of the Circular Economy.

DR to E5- ESRS 2 IRO-1 Description of the processes to identify and assess material Resource Use and Circular Economy-related impacts, risks and opportunities.

The details of the impact and financial materiality assessment, performed for the whole FCC Group can be found in [Table 14](#): E5-IRO-1 | Resource Use and Circular Economy Impact Materiality Assessment and [Table 15](#).

Five impacts as well as **two risks** related to *Resource Use and Circular Economy* were identified.

DR E5-1 Policies related to Resource Use and Circular Economy

Since FCC E CEE does not manufacture products, the classic analysis on how the production process can support desired properties such as a longer product life, easier repair and maintenance and (frequent) re-use is not in the focus. This can only be achieved indirectly in the upstream value chain, by purchasing goods that contribute positively to the Circular Economy (e.g., treatment equipment which can be maintained by the location personnel or easily repaired).

The primary target of the waste hierarchy, prevention, is even working against the (actual) business model which benefits from larger quantities of waste, a fact that turns the hierarchy upside-down with incineration and disposal in the lead. Nevertheless, the Group is fully aware, that its strategy (and, accordingly, its business model), needs to reach higher levels, with recycling being the obvious focal point. Re-use is currently a very small area, limited to Back2Life re-use centres in Trnava, SK and Zabrze, PL and some smaller reuse centres in Czech Republic where goods brought by clients can be resold.

However, in turn, through the ISO 14001 policies present in the geographic platforms where FCC E CEE operates, the commitments and general principles of

action in relation to the use of resources and the Circular Economy are covered.

In 2024, Czech Republic demonstrated the most comprehensive change in approaching Resource Use and Circular Economy related policies, which cover waste valorisation, reuse of resources, biofuel production, and advanced recycling. Poland and Hungary also showed strong engagement, particularly in waste management, resource reuse, and addressing risk. Slovakia reported impacts related to waste generation and valorisation but lacked broader circular economy measures. Austria, Romania, and Serbia did not report (new) specific policies or impacts in this area.

With this as background, the Group's strategy supports a shift from disposal/landfilling to enhanced, modern recycling and recovery technologies, targeting mainly on paper, plastics and metals. The main targets to be achieved are:

1. Provide clients (e.g., paper mills, plastic producers) with high-quality material that limit their own raw material cost and helps them achieving the required quotas of recycling material input in their production processes.
2. Reduce the amount of residual waste that needs to be disposed. Best is raising the awareness for a correct (pre-) sorting via separate collection at the end of waste producers. This improvement of attitudes is supported

by the group via a variety of trainings and information campaigns (e.g., at schools or on communal level).

3. Increase the sorting depth while treating mixed municipal solid waste.

However, even in an almost perfectly circular world, materials will reach the end of useful life at some point in time, making proper treatment and disposal with a low impact on the environment and society necessary. Accordingly, the operation of Waste-to-Energy plants where material not suitable for the Circular Economy (e.g. residues from sorting containing substances of concern) is treated safely whilst providing power and heat and modern landfills (e.g., for the safe disposal of incineration residues) will still remain an important part of the Group's service portfolio.

DR E5-2 Actions and resources in relation to Resource Use and Circular Economy

To support the strategy summarised above and the adapted business model required by it, main capital expenditure efforts need to be taken, mainly addressing:

1. The refurbishment of existing treatment plants to improve their productivity and the quality of output (waste hierarchy c) recycling)

2. The construction of new, state-of-the-art sorting plants with a high throughput and highly automatised processes (waste hierarchy c) recycling)	In 2024, FCC Group made substantial progress in advancing circular economy principles and improving resource efficiency across its operations.	In Hungary, the replacement of the RDF secondary shredder improved material processing efficiency, and new baling machines in Gyál and Hódmezővásárhely supported the delivery of secondary raw materials for reuse. Additionally, door-to-door SRM collection systems were introduced to improve sorting at source. In Slovakia, FCC supported the expansion of the Trnava landfill and initiated environmental assessments for a facility in Kysucké Nové Mesto. Across all countries, digitalisation was advanced through the rollout of the	modern system for electronic waste tracking. All actions in Resource Use and Circular Economy actions in 2024 reflect FCC's strong commitment to sustainable material management and waste valorisation (see Overview of Actions in CEE).
3. The construction of waste-to-energy plants in regions, where the waste management infrastructure still needs development to assure a safe disposal of residual waste (waste hierarchy d) energy recovery)	In Austria, the expansion and renovation of the Himberg site, including the construction of a new splitting plant aimed at increasing recyclability has a big focus. In Poland, the Nowy Targ composting plant was upgraded, boosting processing capacity, while new MT and RDF production plants were developed to enhance material recovery and alternative fuel production.		Besides providing the necessary funds for CAPEX, the Group co-operates with its clients and research institutions to permanently improve the quality of the output provided and potential alternative applications for the material produced.
4. Enabling the reuse of materials in Back2Life centres (waste hierarchy b) re-use)			

Table 14: E5-IRO-1 | Resource Use and Circular Economy Impact Materiality Assessment

Topic	Impact	Horizon	Location
Resource inflows, including resource use	Depletion of natural resources because of the production of goods and services in the upstream value chain	Current	Upstream Value Chain
	Re-use of natural resources, because of waste treatment activities	Current	Own Operations
Resource outflows related to products and services	Production of new useful by-products and biofuels because of waste recovery and reuse	Current	Own Operations (and Downstream Value Chain)
Waste	Pollution of water and soil because of waste generation in operations	Current	Own Operations (and Downstream Value Chain)
	Third-party and own waste resulting from the company's activity - recovery and management	Current	Own Operations

Table 15: E5-IRO-1 | Resource Use and Circular Economy Materiality Assessment

Topic	Financial Impact	Risk or Opportunity	Financial effects	Location
Resource inflows, including resource use	Cost of raw materials and materials rise	Risk	Reduced profit margins and increased contract operating costs	Own Operations
Waste	Changes in waste management legislation	Risk	Capital expenditure and risk of non-compliance increased because of the introduction of new waste management regulations, potentially also requiring unplanned investments	Own Operations



DR E5-3 Targets related to Resource Use and Circular Economy

As outlined above, the major goals for the Group are the improvement of the quality of secondary raw materials produced as well as the increase of the sorting depth achieved by the treatment plants. This would account for waste hierarchy c) recycling. The metrics used for measuring them are as follows:

Quality of material:

- number of clients complaints/rejects of material
- quantity of material rejected (in % of deliveries to clients)

Increase of sorting depth:

- Sorting depth (output of Secondary Raw Materials/total output)

Divert material flow from disposal to recycling

- share of total tons collected sold as secondary raw material (this is a quite ambitious one as it needs more effort and the percentage will for sure be small, at least in the beginning)

DR E5-4 Resource inflows

In the context of a classic industrial production environment, the Group's business looks quite peculiar as waste is the main resource inflow. Besides that, fuel (mainly in form of

diesel for the truck fleet), sand and salt (for street/winter cleaning), packaging foil and yarn/wire (for baling) as well as chemicals (needed for demulsification, chemical-physical treatment and incineration) are the main inputs to the service provision process. In terms of property, plant and equipment used in the Group's own operations, please refer to the chart of fixed assets included in chapter 6 in the Notes to the Consolidated Financial Statements.

As the material flow related waste management services do not fit to the requirements outlined in ESRS 5-4 31 the requirements have internally been slightly adapted to better reflect the business. This is a voluntary report and may not include all details, however, [Table 16: E5-4 | RESOURCE INFLOWS](#) shows an overview of Resource Inflows per Country in %. For complete ESRS-compliant information covering the entire group, please refer to the FCC Group report: <https://www.fcc.es/en/sustainability-reports>.

DR E5-5 Resource outflows

Waste figures are derived from the comprehensive waste balance system implemented across the FCC E CEE Group. This system records every waste movement within the organisation, ensuring accurate and transparent reporting. All other material weights are based on the corresponding delivery notes

provided by suppliers. Although the Group does not engage in manufacturing activities and therefore does not directly influence product design, it plays a crucial role in the Circular Economy. Through the treatment and processing of collected waste and materials, the Group significantly contributes to their reintegration into production cycles, supporting sustainable resource use.

The Group adheres to a strict waste separation policy at all major operational and administrative sites. Clearly labelled bins and containers are provided to facilitate effective waste segregation. In administrative areas, notable resource savings have been achieved through the widespread adoption of digital communication tools—such as electronic invoicing—which reduce the demand for raw materials like wood and water in paper production.

Efforts to reduce fuel consumption have included the modernisation of the truck fleet, incorporating more efficient internal combustion engines. While electric trucks (e-trucks) offer potential for further improvements, their current limitations—such as restricted operational range, partially no existing infrastructure for charging, high resource demands during production, higher CAPEX, and the complex, costly recycling of engine batteries—pose challenges to widespread adoption. FCC E CEE is still committed to gradually replacing

fossil-fuelled trucks, either through procurement processes or in response to specific client requirements.

Key products designed along circular principles are mainly focused on good recycling properties (secondary raw materials). To a minor extent, recirculation by the biological cycle plays a role as far as composting is concerned. Since FCC E CEE is not a producer itself but a waste management company, the main portion of products and materials managed is made up by the ones collected from customers and clients.

Own waste generated is in the range of 0,6% compared to the total amount managed in the group 2024. The own waste generated is mainly located from offices. Waste managed by FCC E CEE's operations primarily originates from the functioning of facilities, including process-related activities, machinery maintenance, and renovation work in offices and infrastructure.

Total amounts of resource outflows / waste generated, and waste managed in the group can be found in the FCC Group report. Instead, only the share of Waste collected, hazardous and non-hazardous waste treatment in each country is shown in [Table 17](#). Data for the whole group according to the ESRS can be found in FCC Group's report <https://www.fcc.es/en/sustainability-reports>.



Table 16: E5-4 | Resource Inflows

Resource Inflows	Unit	Austria	Czech Republic	Hungary	Poland	Romania	Serbia	Slovakia
Total weight of technical and biological products and materials used	M-%	10.93%	62.14%	8.23%	8.72%	4.44%	0.70%	4.84%
Percentage of biological materials that are from sustainable sources	%	8%	7%	6%	5%	13%	30%	25%
Weight of reused or recycled secondary components, secondary intermediates, and secondary materials used	M-%	19.02%	56.64%	1.10%	9.79%	2.59%	0.05%	10.83%

Table 17: E5-5 | Resource Outflows / Waste managed

[illegible]



The Group generates a variety of waste streams that are sold as secondary raw materials, including but not limited to plastic, wood, glass, ferrous and non-ferrous metal, and organic waste. No radioactive waste was managed and/or generated by the group's activities in 2024.

DR E5-6 Anticipated financial effects from Resource Use and Circular Economy-related impacts, risks and opportunities

At present, estimating the financial impact is challenging. A decline in EBITDA margin is expected as high-margin landfilling is replaced by lower-margin treatment and recycling. Additionally, increased product reuse, durability, and repairability are likely to reduce waste volumes and overall revenue. Additionally, the Group's operations will undergo a detailed assessment of Physical Climate Risks to see impacts, risks, opportunities, and dependencies in its operations and value chain for this topic in course of the financial year 2025.





SRS S1 Own Workforce

S1 Introduction

For FCC E CEE Group, the topics addressed by this standard are key as employees are the backbone of its activities now and in the future, especially since FCC is a service provider. This is a voluntary report and may not include all details. For complete ESRS-compliant information covering the entire group, please refer to the FCC Group report: <https://www.fcc.es/en/sustainability-reports1>.

DR to S1- ESRS 2 SBM-2 Interests and views of stakeholders

In a service-oriented industry with frequent client interactions—down to individual households—employees are central to the Group's success and long-term business model. Currently, structured feedback mechanisms between staff and management are implemented via Employee Surveys at the Group level. Mainly though, communication typically occurs at the country or site level through direct interactions between employees and their immediate supervisors.

DR to S1- ESRS 2 SBM-3 Own Workforce-related impacts, risks and opportunities and their interaction with strategy and business model

As outlined in Chapter DR SBM-3, three of the five material topics identified relate directly to the Group's workforce: "Working Conditions" and "Health & Safety" and "Equal and Diversity".

Given the nature of the waste management sector, which involves handling potentially hazardous materials, working conditions and Health & Safety—particularly for blue-collar staff (both employees and contractors)—can be physically demanding.

This includes exposure to heat, dust, and odours, especially in roles such as:

- Loaders in collection and transport
- Sweepers in street cleaning
- Sorting staff in mechanical treatment
- Personnel handling hazardous substances in chemical-physical treatment

These challenges are largely inherent to the industry and cannot be eliminated without ceasing core operations. Nevertheless, the Group is committed to continuously improving working conditions through administrative solutions such as trainings, or technical solutions such as air conditioning, dust filtration systems, and the provision of personal protective equipment for all affected employees.

For office-based staff, the pursuit of the material objective "Behaviour of integrity" while keeping as service provider the main goal Quality and Customer Satisfaction may occasionally create conflicts of interest, particularly where performance-based incentives for customer acquisition are in place. While this is primarily a governance matter addressed in Chapter ESRS G1 Business Conduct, it is also supported by FCC E CEE's mandatory Code of Conduct, which is reinforced through ongoing and regular employee training programs.

One of the Group's strategic objectives is to ensure safe working conditions and promote occupational health and well-being, with the long-term ambition of becoming an accident-free organisation and reducing work-related illness absenteeism by 2050, in alignment with UN Sustainable Development Goal 3.

As far as remuneration is concerned, the range of worker's pay is wide (for further details see below), depending on the activities an employee needs to perform. By its remuneration policy, the Group strives to achieve two main goals:

- Equal pay for equal work and
- Payment in line with the specific responsibilities and aligned with industry standard

Payment is reviewed regularly, at least on an annual basis, to assure that adverse economic effects (such as inflationary pressure) is properly taken care of by a fair adjustment of wages

and salaries. Payment is also included in a benchmarking tool "Mercer" to ensure proper payment across the industry.

The main risk for CEE Group related to the workforce topic is the lack of (properly) skilled personnel. This risk can have a broad variety of sources:

- A missing long-term economic perspective of the Group's activities
- The potential damage to its reputation as an employer in case of overly harsh working conditions and/or remuneration that is considered as unfair
- Activities and/or business models, that are considered as detrimental to the environment or the society at large
- A perceived lack of individual development opportunities

The details of the Impact and Financial Materiality assessment, performed for the whole FCC group can be found in [Table 18](#): S1-SBM-3 | Own Workforce Impact Materiality Assessment and [Table 19](#).

Nine impacts, one risk and two opportunities related to *Own Workforce* were identified, making this topic the most material for FCC.

DR S1-1 Policies related to Own Workforce

In line with the commitments of the parent company CEE Group adheres to the UN Guiding Principles on Business and Human Rights as

Table 18: S1-SBM-3 | Own Workforce Impact Materiality Assessment

Topic	Impact	Horizon	Location
Employment and professional development	Direct employment creation through workers' recruitment	Current	Own Operations
	Encouraging labour market integration via the promotion of scholarship and professional development programs	Current	Own Operations
	Alignment of work and family life	Current	Own Operations
	Contribution to the socio-economic development of the communities in which the company operates via its employees' professional development	Current	Own Operations
Diversity, equality and inclusion	Gender equality and diversity promotion via implementing plans and programs	Current	Own Operations
	Employees' skills improvement via training programs	Current	Own Operations
	Labour inclusion promotion and job creation among people with disabilities	Current	Own Operations
	Contribution to the prevention of harassment at work via implementation of the Protocol for the Prevention and Eradication of Harassment, as well as training on harassment and cyberbullying, and the protection of victims of gender-based violence	Current	Own Operations
Safety, health and welfare	Exposure of employees to impacts on occupational health and safety	Current	Own Operations

Table 19: S1-SBM-3 | Own Workforce Financial Materiality Assessment

Topic	Financial Impact	Risk or Opportunity	Financial effects	Location
Equal treatment and equal opportunities	Integration of women	Opportunity	Diversity opportunity which also helps the facilitation of generational change	Own Operations
	Measures focused on diversity and equality	Opportunity	Differentiation of competitors via implementation of equality measures, attraction of talent and improvement of the company's perception	Own Operations
Other work-related rights	Cyber-attacks and loss of personal data	Risk	Disruption of operations and loss of key data because of cyber-attacks	Own Operations

well as to the ILO Declaration of Fundamental Principles and Rights at Work. Therefore, FCC group also has a Human Rights Policy.

The policies addressing CEE-specific topics are defined on the level of the countries where the Group is

operating-in. 2024, in five (Czech Republic, Hungary, Romania, Serbia, Slovakia) of FCC E CEE's seven countries, ISO 45001 (working safety) system is installed and audited yearly. It is planned to extend this system to at least a sixth country (Austria) in the next reporting period.

Focus of those policies which target on blue-collar workers relate to health and safety measures (H&S) with emphasis on the prevention of work-related accidents and/or training requirements are usually based on local occupational safety legislation. They are carried out according to the job position when the

employee starts working and are usually repeated after 1 or 2 years as periodic retraining.

Written instructions together with regular trainings are the pillars on which H&S resides. The trainings are organised regularly and are



held at the locations the addressed staff is employed according to the job position. Examples for such trainings are:

- Procedures for municipal collection (truck and bin handling)
- Procedures for industrial container handling
- Proper storage and treatment of hazardous waste

For white-collar employees, the maintenance and improvement of their specific skills and know-how via education and training programs were in the focus, such as

- Specific workplace trainings (e.g., how to adjust the desk chair and screen for proper working conditions)
- Cybersecurity
- Training on Microsoft 365 suite
- Microsoft Dynamics 365

From a health perspective some country organisations support annual vaccination campaigns (COVID-19, influenza, FSME etc.)

Some of FCC E CEE general Group targets:

- Support the socio-economic progress of the environments in which it operates, through the generation of stable and quality employment, as well as through the retention of its professionals and the management of diversity, with special emphasis on generational diversity (UN SDG 8).
- Promote equal opportunities by developing measures aimed

at promoting female talent or identifying under-represented profiles. The goal is to continuously increase gender balance (UN SDG 10).

DR S1-2 Processes for engaging with Own Workforce and worker's representatives about impacts

Only a couple of legal entities have a worker's council which are then in direct contact with the respective company's management. In all other cases, the communication between employees and their employing legal entities is established directly via the responsible line management (i.e., their direct superiors). For white-collar workers with a variable salary component (bonus), annual target meetings which also serve as a feedback platform, are required. Although the main purpose of these meetings is the mutual agreement on the employee's goals for the next year, it covers skill development and training initiatives as well.

For blue-collar workers, no regular engagement processes are currently in place. In most cases any claims are handled by the responsible Country (Operation) Managers.

In case of more severe issues, like violations of compliance regulations or cases of harassment, a Whistle-blower

hotline is available in all languages spoken in the area the Group is operating in. The setup of this hotline assures anonymity and shall prevent any negative impacts on the informants as a consequence of their actions. This communication channel is managed by the Group's Compliance Officer, in close alignment (if claims should be substantiated) with the Management Committee. The Compliance Manager, together with the responsible country and line management, supervises the effectiveness of any measures initiated to stop non-compliant behaviour and to remediate any damages that may have been caused. For more information, please see ESRS G1 Business Conduct.

At present no engagement processes targeting explicitly on vulnerable groups are in place.

In line with FCC Group's objectives, efforts will continue to strengthen feedback and development processes for both blue-collar and white-collar employees. This includes regular initiatives such as employee surveys, annual performance reviews, exit interviews, and yearly training programs. A whistleblowing platform has already been implemented (see Chapter G1), and by 2030, the Group aims to introduce additional communication tools taking best practices already installed in some countries—such as a potential company-wide roll out of Slovakia's Kaizen idea and improvement boxes—to encourage employee engagement and continuous improvement.

DR S1-3 Processes to remediate negative impacts and channels for Own Workforce to raise concerns

Besides the hotline addressed above, no dedicated grievance mechanisms exist. Complaints or issues of concern are brought forward directly to the responsible line management. In all matters related to health and safety (H&S), the location/site management, aligned with the country operation managers, is the main addressee of complaints as well as the level responsible for taking corrective actions.

Negative impacts which need remediation, are managed and overviewed by the Country Management, in severe cases or if structural/procedural changes which affect more than one country are needed, the Group's Management Committee would be involved as well.

DR S1-4 Taking action on material impacts on Own Workforce, on managing material risks/opportunities and on tracking the effectiveness of these actions

Inside-out perspective:

The most significant impacts on the Group's workforce relate to working conditions and fair remuneration. Due to the nature of environmental

management, certain roles—particularly among blue-collar workers—involve exposure to health and safety risks, such as handling hazardous materials or working in environments affected by weather, dust, and odours. These risks are mitigated through comprehensive health and safety (H&S) regulations, the provision of appropriate protective equipment, and ongoing training programs. The effectiveness of these measures is monitored through regular reporting on key H&S indicators, including accident rates and cases of work-related illness. These reports are made accessible to all employees, either digitally via the intranet or physically on noticeboards at each site. Trends in these indicators help identify areas where further action is needed. One of the Group's core objectives is to prevent workplace accidents and eliminate fatalities, even in cases where incidents occur despite existing safety protocols.

In terms of remuneration, collective bargaining outcomes serve as a baseline for wage and salary assessments. However, this baseline is often exceeded, depending on factors such as required skills, labour market conditions, and country- or industry-specific practices. To ensure fair and competitive compensation, the Group utilises a Mercer-provided database that benchmarks median salaries by job role, country, company size, and sector. This data-driven approach enables objective evaluation of employee compensation and informs annual salary reviews.

Outside-In Perspective

As previously noted, the availability of a skilled and motivated workforce is essential for success in a service-driven industry that relies heavily on direct customer interaction. The primary external risk the Group faces is a shortage of qualified personnel. To address this, the Group's HR strategy is built on two key pillars:

- Enhancing its reputation as an attractive employer to draw in new talent
- Retaining experienced and trained staff within the organisation

Key measures to support these goals include offering fair compensation, ensuring a safe and healthy work environment, and providing continuous training—particularly in the use of logistics and waste treatment equipment. These efforts are especially important for attracting and retaining blue-collar workers, who are vital to the Group's operational success.

Regarding white-collars, remuneration in line with the relevant market for the required skills, an open-minded culture and offering continuous training to improve the individual employee's capabilities are the essential parts of the Group's HR strategy.

DR S1-5 Targets related to managing material negative impacts, advancing

positive impacts, and managing material risks and opportunities

There are no specific targets defined by the Group, but internal approaches take following topics into consideration:

- Continuous reduction of cases of job-related ill-health
- Continuous reduction of accidents
- Tracking of fluctuation rate and reduction year-by-year
- Maintain yearly (bonus agreement) evaluation feedback talks and performance reviews.

The targets were established by Group management in close collaboration with both Group and Country HR teams, as well as relevant members of Country Management—such as the Committee of Operations Management (COM) when addressing matters concerning blue-collar employees.

Both key performance indicators are monitored monthly through the Group's HR reporting system, ensuring consistent oversight and control.

Further targets can be expected in course of the renewal of the strategy within the Strategy 2030 process started in 2024 and to be finalised within 2025.

DR S1-6 Characteristics of the undertaking's employees

Unless otherwise stated, numbers represent headcount as at the end of the reporting period.

The picture of CEE Group's workforce in terms of geographical location and gender can be found in [Table 20: S1-6 | Total Number of Employees by Gender](#).

The related personnel expenses can be found in the profit and loss accounts as well as in chapter 25 of the Notes to the Consolidated Financial Statements.

An overview of FCC E CEE's workforce in relation to its contracts can be found in [Table 21](#).

Employee turnover-fluctuation in financial year 2024 can be found in the FCC Group report.

Table 20: S1-6 | Total Number of Employees by Gender

Gender	Male [%]	Female [%]
Total 2024	77.2%	22.8%
Total 2023 (baseline)	77%	23%
Delta 2024–2023	–7	14

Table 21: S1-6 | Total Number of Employees by Contract

Type of Contract	Permanent Full Time	Permanent Part Time	Other	Total
Austria	86.5%	13.5%	0.0%	100%
Czech Republic	63.2%	0.9%	35.8%	100%
Hungary	90.8%	8.7%	0.5%	100%
Poland	73.7%	0.5%	25.8%	100%
Romania	99.2%	0.0%	0.8%	100%
Serbia	68.8%	2.7%	28.6%	100%
Slovakia	69.0%	2.5%	28.5%	100%
Total 2024	71.5%	3.5%	24.9%	100%
Total 2023 (baseline)	71.5%	3.4%	25.1%	100%
Delta 2024–2023	0.0%	–0.2%	0.2%	

The Formula used to calculate this [(%)- LEAVERS (Voluntary, Involuntary, and Legal/Natural) LAST 12 MONTHS / MEAN HEADCOUNT LAST 12 MONTHS x 100] was used to determine the KPI, it was introduced by end of 2024.

DR S1-7 Characteristics of non-employees in the undertaking’s Own Workforce

Since this is a voluntary report and may not include all details (for complete ESRS-compliant information covering the entire group, please refer to the FCC Group report), the total number of non-employees is not presented here. Non-employee workers in an undertaking’s Own

Workforce include both individual contractors supplying labour to the undertaking (“self-employed workers”) and workers provided by undertakings primarily engaged in “employment activities” (NACE Code N78) The main portion of the latter group are blue-collar workers.

DR S1-8 Collective bargaining coverage and social dialogue

The number of employees covered by the collective bargaining agreement can be found in the FCC Group report.

Across the whole FCC S.A. group only in the platforms with environmental services of FCC Enviro in Spain and the UK, European Works Councils exist but none are installed for FCC E CEE Group.

DR S1-9 Diversity metrics

The overview on the gender structure of the Group’s top management as well as the age distribution of the Group’s total workforce at the end of the reporting period can be found in the FCC Group report.

Top management is defined as the Executive Committee, consisting of the Management Committee, the Country Managers and the Heads of Central Functions.

DR S1-10 Adequate wages

The Group is confident in its ability to pay all employees adequate wages. The following steps support this conclusion:

- 1. Minimum Wage Compliance: Minimum wages are set at or above 60% of the country’s median wage.
- 2. Collective Bargaining Agreements: Wages meet or exceed the “60% of median wage” criterion.
- 3. Market Data Reference: Wages aim to align with median market values from Mercer, considering various job parameters.

For non-employees, detailed wage information is insufficient. However, the Group ensures legal minimum wages are met for rentOed labour, with no indications of inadequate pay.

DR S1-11 Social protection

The main issues addressed by the term “social protection” (i.e., coverage against the loss of income due to major life events) are:

- Sickness
- Unemployment
- Employment injury and disability
- Maternity, paternity leave
- Retirement

These topics are covered by legislative measures in all countries the Group is operating in. In case of the Polish entities, FCC E CEE extended the social protection by an additional health care.

Total Group Social protection metrics can be found in the FCC Group report.

DR S1-12 Persons with disabilities

Data about Employee with Disabilities in the whole group can be found in the FCC Group report.

DR S1-13 Training and skills development metrics

As mentioned, regular performance and career development reviews are limited to white-collar workers with a variable salary component. For sales staff, performance reviews are held quarterly, in some cases even monthly. These meetings primarily serve for the determination of performance targets.

Skill development and determination of training needed are handled in separate sessions. For administrative staff and the management functions, the reviews are held on an annual basis, usually in February/March and include, besides the target assessment, also the planning of the employee’s training in the next year.

Besides function-specific offers, know-how regarding general management as well as the enhancement of project management skills are in the focus of the training programs.

DR S1-14 Health and safety metrics

Proper management of health and safety (H&S) issues is of vital importance for the protection of the existing workforce and for the promotion of the Group as a safe working place, thereby remaining attractive as a potential employer.

As outlined above, specific approaches related to H&S have been defined to give this topic the necessary attention and urgency. Despite the best efforts, a complete elimination of accidents with its respective adverse impacts on the affected employees could not be achieved (yet).

The Information below is tracked to have internally an overview on work-related accidents and cases of work-related ill-health that happened in the reporting period.

- Total number of work-related incidents
- Total number of days lost due to work related injuries, fatalities or illness

“Work-related” means that the injuries/cases of ill-health arise from exposure to hazards at work and not necessarily to all incidents that happen in the context of work (e.g., like the effect of a car accident while driving from home to the office or back, in case this is not a business travel and in the interest of the employer).

DR S1-15 Work-life balance metrics

The information below shows percentages of Group’s employees that are entitled to and or make use of family-related leave (Table 22: S1-15 | Family-related leave).

Family-related leave in the context of ESRS comprises of Maternity leave and Paternity leave.

DR S1-16 – Remuneration metrics (pay gap and total remuneration)

To ensure adequate wages, the Group’s remuneration policy strictly adheres to a non-discriminatory approach regarding gender. The income earned by employees is determined solely by their function, responsibilities, and achievements. Due to confidentiality reasons, specific data is not available.

Table 22: S1-15 | Family-related leave

Country	Employees (%) entitled to take family-related leave	Employees (%) that took family-related leave
Austria	100% of both male and female employees	2% male and 7% female employees
Czech Republic	92% of male and 89% female employees	0% male and 5% female employees
Hungary	100% of both male and female	2% male and 7% female employees
Poland	No data	No data
Romania	100% of both male and female employees	1% male and 2% female employees
Serbia	100% of both male and female employees	0% male and 0% female employees
Slovakia	100% of both male and female employees	0% male and 2% female employees

However, a gender pay gap still exists and it differs among countries, highlighting the need for improvement in the coming years.

Regarding the disparity between the highest paid individual and the median total remuneration, it is important to consider that the waste management business often requires partly unskilled labour, which corresponds to lower pay. Additionally, top management is located in regions with comparatively high average incomes and costs of living. Details can be found in the FCC Group report.

DR S1-17 Incidents, complaints and severe human rights impacts

This disclosure shall cover work-related incidents of discrimination such as on

the grounds of gender, racial or ethnic origin, etc., involving internal as well as external stakeholders.

No incidents regarding the violation of major human rights, such as forced and/or child labour were reported in financial year 2024.





ESRS S2 Workers in the Value Chain



S2 Introduction

Workers in the Value Chain still lack data quality which is a topic to be improved in the upcoming years. Regarding the type of workers covered, subcontractors are usually considered as a part of the downstream value chain (e.g., when providing logistic services) or workers engaged in special purpose vehicles (e.g., in consortiums running remediation projects).

DR to S2- ESRS
2 SBM-2 Interests and views of stakeholders

From a materiality perspective, the scope of value chain workers covered in the following paragraphs is limited to those employed by subcontractors with whom the Group works on a recurring basis. This restriction is due to several reasons:

- **Similarity in Structure and Conditions:** As soon as a collaboration is set, the structure and working conditions of these subcontractors' employees are like those of the Group's own workforce. Therefore, the assessment of material impacts, risks, and opportunities can rely on well-founded knowledge and experience.
- **Major Partner Role:** Subcontractors' employees often work on projects where the Group acts as the major partner and direct contact to the client (e.g., in remediation consortiums). Consequently, the Group holds the

main responsibility for performance, working conditions, and general health and safety (H&S) issues, applying the same policies as for its own workforce.

- **Long-term Relationships:** Through long-term relationships with many subcontractors, the Group is familiar with their specific operations and working conditions. Additionally, there is an informal exchange of information regarding working conditions through the cooperation of the Group's own workforce and value chain workers.
- **Remote Value Chain Workers:** Workers in more remote parts of the value chain (e.g., those engaged in growing rubber trees for tire production) are covered by specific stipulations in the Group's General Purchasing Terms where either the Group's own Code of Conduct or similar documents are to be adhered to. Thereby, general human rights issues are addressed (e.g., no child or forced labour). Although the Group lacks sufficient personnel resources to conduct direct controls at remote points of the value chain, the supplier's contractual obligations and the risk of reputational damage for the

main employer provide confidence that these workers are sufficiently protected.

The Group has not identified any geographies especially exposed to the risk of child and/or forced labour. As the subcontractors covered by this analysis (except for Serbia) all perform their businesses within the border of the European Union, the risk of violation of basic human rights is considered as being remote.

The negative impacts on value chain workers are largely similar to those faced by the Group's own workforce, including handling hazardous materials and exposure to heat, cold, dust, and odours. As these issues are related to specific recurring business processes, they are considered to be systemic to a considerable extent.

At present, no specific communication channels with value chain workers are in place because the Whistleblowing channel is accessible to all internal and external stakeholders of the Group, thus also for any Workers in the Value Chain. In case of complaints and concerns the FCC line manager engaging the subcontractor

that employs the worker raising the issue is the first point of contact.

As regards the Group's business model and strategy, subcontractors will from today's point-of-view always have an important role in the provision of services. Accordingly, their workforce needs to be taken care of in a very similar way as the own employees, at least but not limited to health and safety.

DR to S2- ESRS
2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The details of the Impact and Financial Materiality assessment, performed for the whole FCC group can be found in [Table 23: S2-SBM-3 | Workers in the Value Chain Impact Materiality Assessment](#).

Two **impacts** related to *Workers in the Value Chain* were identified.

For the **financial materiality**, no risks or opportunities were found.

Table 23: S2-SBM-3 | Workers in the Value Chain Impact Materiality Assessment

Topic	Impact	Horizon	Location
Working conditions	Indirect job creation via hiring of suppliers and contractors	Current	Upstream Value Chain
Working conditions	Exposure of workers in the value chain to impacts on occupational health and safety	Current	Upstream Value Chain

DR S2-1 Policies related to value chain workers

As far as blue-collar workers are concerned, the policies in place for the Group's own workforce are mostly applicable to the employees of the subcontractors as well. Here please refer to the analysis provided under DR S1-1 above. Services of the subcontractors' white-collar workers are rarely used, so no specific policies are in place for this Group. The same holds for consultants, auditors or any other highly skilled professional services the Group hires.

DR S2-2 Processes for engaging with value chain workers about impacts

Currently, there is no formal mechanism in place for engaging with value chain workers. Any concerns they raise are typically communicated to the relevant

line manager either directly or through informal channels, often facilitated by interactions between internal staff and value chain workers involved in the same tasks, services, or projects.

DR S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concern

As it is the case with the own workforce, the Whistleblower hotline described under ESRS G1, is available to value chain workers as well. Part of the General Purchasing Terms is a reference to FCC's Business and Ethical Principles which contractors are made aware of. Strict anonymity as well as confidentiality is guaranteed. However, there is no formal process in place that would force subcontractors to install a similar system in their own organisation if they are not legally obliged to install it and no targeted assessment of the value chain workers' trust in the hotline takes place. Issue communicated via this channel are evaluated by the Compliance Manager and in substantiated cases brought to the attention of the Management Committee.

Negative impacts that require remediation are handled by the location/site managers hiring the subcontractors, of course in close co-operation with the affected workers' direct employer. In severe cases or if more than one country is impacted, the Group's Management Committee will be involved.

DR S2-4 Taking action on material impacts on Workers in the Value Chain, on managing material risks/opportunities and on tracking the effectiveness of these actions

Although there are no action plans in place that specifically address impacts on subcontractors' workers, the measures applied to mitigate material risks on the own workforce hold for value chain workers as well. High priority is given to the prevention of accidents and work-related ill-health. Safety instructions are in place and communicated to subcontractors working on the premises of the Group or using the Group's equipment while performing their services. Furthermore, their direct employer needs to make sure that the necessary basic knowledge on safe operations is available before the co-operation with the Group starts. This is confirmed in writing via the subcontractor agreements.

Regarding dependencies on value chain workers, they are, though the co-operation with subcontractors is pervasive, considered as low as, except for some specialised services in relation to remediation projects, no apparent cluster risks or dependencies on specific service providers exist.

Besides the attention given to workers directly engaged in service provision, the Group's General Purchasing Conditions contain stipulations that address the most important topics in relation to the

protection of workers' rights as well as their health and safety at the suppliers' workplace. In addition to that the protection of data related to value chain workers (as far as it is made available to the Group) is assured within the context of the European Union's General Data Protection Regulation (GDPR) or similar legal frameworks.

No violations of basic human rights in the context of the Group's value chain became known during the reporting period.

Resources made available to manage risks associated with value chain workers are not specifically dedicated to this area, but rather managed in context of budgets allocated to Health & Safety, Procurement, IT, and HR.

DR S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

No specific targets explicitly addressing value chain workers exist. However, the target of reducing the number of accidents as outlined under DR S1-5 above is applied on the worker's engaged by subcontractors in the context of their service provisions for the Group. The effectiveness of realising this target is measured in a standardised report (provided by operations) on a quarterly basis.





ESRS S3 Affected Communities

S3 Introduction

For FCC E CEE, the topic of Affected Communities is an important one, as with its service provision FCC E CEE has impacts on daily lives of inhabitants and contribute to how a city, municipality or commercial and industrial client is perceived by the general public.

DR to S3- ESRS
2 SBM-2 Interests and views of stakeholders

Especially major investment projects and the operations of waste management installations in the vicinity of housing areas affect the interests as well as the daily life of inhabitants. These are stakeholders whose consent (at least in the form of absence of resistance) to the Group's activities is, even if not legally required, sought for. Besides inclusion in the necessary Environmental Impact Analysis (EIA) accompanying all construction projects, direct contact with the most impacted stakeholders is a standard procedure in CEE Group.

Consequently, the main focus of the Group's interaction with affected stakeholders lies on communities living and/or working around the operating sites. In some cases, like landfills and incineration plants, these communities are also the ones at the end of the value chain. Regarding Indigenous peoples, the Group has no direct operations in areas inhabited by such communities.

Nothing came to the group's attention that communities/Indigenous peoples were affected by FCC E CEE's operations.

Within the communities, FCC E CEE should consider several target groups whose interests are not unified, often shown in the so-called NIMBY effect. It characterises the attitudes of people who refuse to have any generally beneficial or even necessary operation or installation built near their home, which will, however, reduce their personal comfort of living.

The resistance can be caused mainly by the following reasons:

- 1. Misinformation,
- 2. Emotional Needs,
- 3. Conflicts of Values, and
- 4. Conflicts of Interest.

As part of communication, the following target groups must be considered, which are focussed on in the communities:

- General public (=inhabitants of the region)
- Municipalities

- NGO´s and various civic associations
- Local media
- Local partners from the B2B sector

The type and intensity of communication and the media used then depend on the type of problem that needs to be solved with the respective affected community.

It is important to build long-term relationships with the relevant community and build a positive image, for example through ecological education or participation in local activities and events.

To communicate with the given community, the Group uses a spectrum of communication tools and media. Every situation requires choosing the right communication mix.

The types of media mainly used in communication can be seen in [Table 24: S3-SBM-2 | Interests and views of stakeholders](#).

(Potential) negative impacts on Affected Communities can be systemic as well as related to specific events.

The most important systemic impacts are:

- Pollution (including noise, dust and odour issues)
- Traffic (caused by logistic activities associated with waste collection and deliveries to the Group's treatment sites)
- Or other topics that may be perceived as having a negative impact on the running of the local community.

Impacts from specific events relate to the already mentioned investment projects, most prominently among them, waste treatment and WtE plants. Besides systemic topics which are supposed to arise after operations start, the sealing of land, the potential impact on ground water and air quality as well as additional traffic during the construction phase needs to be mentioned. In case of rail transport, additional land will be needed to link

Table 24: S3-SBM-2 | Interests and views of stakeholders

Offline Media	Online media		
	Paid	Earned	Owned
Public relations (Press,) Brochures Promotional items Events (Trade Fairs @ Exhibitions, Company events for clients, Conferences,) OOH (Billboards, trucks)	Google AdWords, Facebook paid ads LinkedIn ads	Social media accounts -Google My Business Profiles	FCC websites Online applications Direct Marketing (Newsletter, ASO Newsletter) Blog (Circular Blog in AT and SK) -Podcast (Circular Blog Podcast in AT)

the plants with already existing tracks. These issues (and a lot more) are addressed by the required EIA.

On the other hand, the positive impact, the existence of proper waste management as such needs to be taken into consideration. A technically safe and economically efficient environmental management system adds to the inhabitant's (and, in general, the society's) health and keeps the related cost for providing the services at good quality in check. In recent times, the production of renewable energy via photovoltaic plants installed on rooftops (mainly for the site's own use) as well as bigger installations on already closed parts of the landfills (here electricity is also produced for the public networks) gets more important, providing energy from a more sustainable source.

Regarding dependencies, good relations and regular and open communication with Affected Communities are vital to continuous, effective and, from a financial point-of-view, profitable operations. Significant and sustained

resistance against projects would, in the long run, also damage the image of the Group. This in turn, would make FCC E CEE Group a less attractive partner for further business opportunities, especially when going for contracts under public procurement law (e.g., communal collection contracts).

DR to S3- ESRS
2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The details of the Impact and Financial Materiality assessment, performed for the whole FCC group can be found in [Table 25: S3-SBM-3 | Affected Communities Impact Materiality Assessment](#).

Three impacts related to *Affected Communities* were identified.

For the **financial materiality, no risks or opportunities** were found.

DR S3-1 Policies related to Affected Communities

Currently, no formalised policies specifically addressing Affected Communities are in place, except for the crisis manual in which it is outlaid how to communicate with the public in case of an emergency. However, long-term practice in combination with legal requirements established a pattern that is followed by the Group, and which can be summarised as follows:

FCC E CEE implemented a unified Human Rights Policy across all countries, which also extends to Affected Communities, emphasising responsible operations and community engagement. The policy commits to acting fairly and transparently, being a reliable partner, and minimising negative impacts on the communities where the company operates. In 2024, Austria, Czech Republic, and Poland reported specific impacts such as noise, odours, and traffic-related inconveniences affecting residents. Austria, Czech Republic, Serbia and Poland also highlighted positive

contributions, including the promotion of healthier spaces through waste collection and disease control.

Poland, Slovakia, and Serbia reported actions supporting local development, such as environmental awareness campaigns and the preservation of green and recreational spaces. Poland and Slovakia also promote the integration of vulnerable groups through community initiatives. Risks related to community dissatisfaction were acknowledged in Austria, Czech Republic, Hungary and Poland. While Serbia did not report specific impacts, the overarching policy still applies to its operations. The policy reinforces FCC's commitment to respecting human rights not only for employees and customers but also for the broader communities impacted by its services. Overall, the company is actively working to balance operational efficiency with social responsibility across Central and Eastern Europe.

Therefore, open and transparent communication with inhabitants affected by the Group's operations is key, be it the day-to-day business or the realisation of investment projects. Here the direct involvement as well as the discussion with legitimate proxies (in the form of political representatives and/or NGOs) is the central element.

Although the Group follows political neutrality, this goes not along with indifference towards main human and democratic rights. Regarding the topic of basic human rights, their promotion

Table 25: S3-SBM-3 | Affected Communities Impact Materiality Assessment

Topic	Impact	Horizon	Location
Economic, social and cultural rights of communities	Promotion of healthier spaces and control of diseases spreading because of waste management and cleaning activities	Current	Own Operations
	Exposure of citizens to inconvenience or injuries from the potential traffic accidents involving company vehicles	Current	Own Operations
Civil and political rights of communities	Initiatives for the integration of vulnerable groups	Current	Own Operations



and protection, however self-evident, is fostered by the course defined by its parent company, FCC S.A. who is engaged in various international frameworks, such as

- United Nations Global Compact
- Universal Declaration of Human Rights Framework
- Declaration of the Rights of the Child
- Various ILO conventions

During the reporting period, no violations of basic human rights that involve Affected Communities have been reported in its own operations nor did the Group become aware of any such infringements caused by its value chain.

DR S3-2 Processes for engaging with Affected Communities about impacts

The Group engages regularly with Affected Communities, either directly or through legitimate proxies, such as elected political representatives or NGOs. The communication channels used are manyfold, such as:

- Information meetings on major projects for the general public
- Site visits on already existing installations
- Information and promotion campaigns in offline, online incl. social media channels
- Project-specific websites in local language (including Q&A)

- Awareness raising campaigns for proper waste collection/disposal by households
- Ecological education for the youngest generation
- Involvement in local projects and support of the local community (e.g., in course of the International Volunteer Day, or community grant programmes).

The effectiveness of the communication is not specifically controlled for. However, the response of affected stakeholders (which can range from open consent to continuous resistance) usually gives a good insight on how well (and convincing) the argumentation brought forward during stakeholder engagement was received.

From an organisational point-of-view, the responsible country management in close co-operation with the Central Functions Communication and Marketing (CaM) and Strategy & Development (S&D) is the main actor on behalf of the Group. In the case of major investment projects or severe incidents, the Management Committee as well as the Central Function Group Legal and Compliance (LEG) would be involved as well.

Regarding the financial resources the company dedicated to the aforementioned initiatives, the total amounts for donations, sponsorships, and contributions to various associations in 2024 please refer to

FCC Group's report <https://www.fcc.es/en/sustainability-reports1>.

DR S3-3 Processes to remediate negative impacts and channels for Affected Communities to raise concerns

Besides the whistleblower hotline described under ESRS G1, no special formalised processes, such as grievance mechanisms for Affected Communities, are in place. Nevertheless, the nature of the business causes stakeholder's complaints which are usually communicated via traditional channels (such as standard or electronic mail), via the "Contact us" box on the Group's websites (available in all local languages) or via direct contacts between stakeholder representatives and the Group's (site) management and social media channels.

The availability of these communication channels is not explicitly communicated to the stakeholders as they are "multi-purpose" and not specifically designed for managing complaints. As the communication managed by the electronic channels outlined above is covered by the General Data Protection Regulation (GDPR), the provisions defined therein apply. No specific feedback loop on the topic of

trustworthiness of the communication channels is in place.

In case of the need of remediation of a negative impact, usually the site that caused the impact is handling any corrective actions, usually by adjusting the business process. The effectiveness of these adjustments is closely monitored until the reason for the complaints is eliminated or brought to a level acceptable by the stakeholders raising it.

In case of financial remedy, this is in most cases related to legal proceedings. Depending on the amount, the Country Management and/or Group Management will take the lead. The same holds for cases of out-of-court settlements involving the transfer of (financial) resources.

DR S3-4 Taking action on material impacts on Affected Communities, on managing material risks/opportunities and on tracking the effectiveness of these actions

Running its business processes in a safe and effective way is a core principle of FCC E CEE Group. This automatically involves the prevention of negative impacts on communities affected by the Group's operations. Through the communication described above, the Group actively involves stakeholders in major



investment projects (to gain insights into their views and to prevent potentially negative consequences during the operating phase of a new installation).

If negative impacts were already brought to the Group's attention, the mitigation moves into the centre of attention. In most cases, an adaptation of the operating processes is sufficient. Examples are the elimination of an excessive population of flies via liquid traps and a closer bailing of stored waste, the use of additives at a mechanical-biological treatment plant to prevent odour issues caused by the biodegradation process or (more capital-intensive) the enclosing of treatment areas to prevent noise, dust or material (via wind shift) from getting into the environment (see also ESRS E2 above). Effectiveness is controlled by checking, whether the issue causing the complaint has ceased to exist or was reduced to an acceptable level. This is usually done on the site that applied the corrective measures.

As outlined above, any financial remediation, triggered by a court decision or by an out-of-court settlement would be handled by Country Management and the Group's Management Committee, depending on the amount involved. In both cases, the transfer of resources would be proof of the action's effectiveness. No such transfer in course of cases happened in recent years.

The Group tries to limit the use of land not already used for industrial or commercial purposes, thereby protecting Affected Communities' recreational areas to as large an extent as possible.

Planning and construction of new plants follow the rules outlined in the corresponding EIA and tries to maximise the use of existing infrastructure, such as roads or rail tracks (see also chapter E5). Transport by rail is given preference if sufficient cargo and track capacity can be assured. If a site is closed, the legal requirements of restoration/remediation of the land plot (which depends on the intended future use) is strictly followed. In most cases, the follow-up use is of a commercial character as well, so complete restoration to the site's original state is rare. With this as background, the already closed and recultivated parts of non-hazardous landfills are an exception as they usually are somehow cultivated pastures (however, fenced ones).

Neither (primary) raw materials production nor the extraction of natural resources is part of the Group's operations or the closer parts of its value chain. The Group's General Purchasing Terms specifically address the respect for environmental impacts and basic human rights and the exclusion of child and forced labour from the supplier's business processes. Beyond that, no further actions or

action plans dealing with the more remote parts of the value chain are in place so far.

Regarding positive impacts on Affected Communities, the Group follows different paths to achieve them. A short summary can be found below:

- Training and awareness raising regarding proper waste management and separate collection for schools and the public (Ecological education)
- Promote the reuse of goods and materials through its "Back2Use" or similar initiatives
- Fostering the health of the workforce by promoting sports competitions
- Promotion of regional sport teams (e.g., basketball)
- Contributing (financially as well as through know-how) to research & development initiatives
- Sponsoring in course of Christmas
- Innovative and sustainable approaches in the field of waste management (low-emission gas-powered waste collection trucks, E-bike for waste collection, extending e-truck fleet,
- Participating at the local events (different Clean-up Days, Eko-festivals, open doors, green weeks)

Additionally, in 2024, FCC E CEE Group conducted several other initiatives to support and positively impact communities across the Group. In Austria, container parking was rearranged in Amstetten to prevent waste from being blown into nearby homes, resolving previous

complaints. In Hungary, the landfill platform covering in Gyál reduced odour emissions, improving local air quality. In Romania, FCC engaged in solidarity actions such as donations, volunteering, and environmental education to raise awareness about sustainable waste practices and support local development. In Slovakia, the reconstruction of administrative buildings in Kysucké Nové Mesto was initiated to improve working conditions and service capacity. FCC also sponsored a local hockey league to promote health and youth involvement. The actions benefiting Affected Communities reflect FCC's commitment to social responsibility and inclusive development.

DR S3-6 Metrics and targets

CEE Group did not define specific metrics related to the topic of Affected Communities. The basic targets in this area are rather of a qualitative than of a quantitative nature and can be summarised as follows:

- Always operate within the framework set by relevant legal requirements. In almost all cases, these are to a substantial effect dealing with the impact on the inhabitants living in the surroundings of the planned installation.
- Meet all requirements associated with the construction and operating permits. These usually address limits for noise, dust etc. that the plant is allowed to emit.



ESRS S4 Consumers and End-Users



S4 Introduction

FCC E CEE being a waste management company and thus a service provider and no producer, will focus on this chapter upon those aspects of Consumer and End-user interaction.

DR to S4- ESRS 2 SBM2- Interest and views of stakeholders

Many clients of FCC E CEE Group's services, especially those related to municipal collection services are also "Consumers and End-Users" in the meaning of this standard. As satisfied clients are the key element of the Group's operations, their views and interests have a significant, albeit often indirect, influence on the business model and the strategy to be followed. If customer requirements are not properly taken care of, this would inevitably lead to a diversion of these clients to competitors and in the long run will endanger the going concern of the Group as such. Accordingly, customer satisfaction was among the highest-ranked topics identified in the internal materiality assessment process.

Besides their fundamental role in the economic development of the Group, consumers are usually a subgroup of Affected Communities due to the service nature of the business which requires direct contact between the staff providing the services and their

consumers. Consequently, the analysis provided under ESRS S3 above holds to a large extent for S4 as well.

DR to S4- ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Main types of clients serviced by the Group are:

- Inhabitants (i.e., households or housing co-operatives) for which collection and container rent services are provided
- Cities and municipalities, where the Group performs collection, disposal, street cleaning, greenery as well as facility services
- Industrial clients, making use of transport services, SRM purchase, disposal, outsourcing and facility services
- Federal authorities, mainly contracting remediation services for old industrial sites

As waste management services are public utilities, they are provided equitably to all residents under contract, with no vulnerable groups identified. Since the Group does not sell consumer products, no direct or potential adverse impacts on consumers are expected. The closest equivalent—Secondary Raw Materials (SRM)—are sold exclusively to industrial clients as production inputs.

Municipal collection services are designed to minimise direct contact with equipment through safe, advanced handling of bins and containers, both at residences and larger collection sites (e.g., for bulky or hazardous waste). Access to disposal facilities such as incinerators and landfills is strictly controlled, with waste delivered by trained personnel or third parties familiar with operational protocols.

Waste management inherently benefits society by safely removing harmful materials, protecting public health, and supporting environmental sustainability. It also contributes to the Circular Economy by supplying secondary raw materials, reducing the need for primary resource extraction.

The primary risk to consumer trust lies in service quality. Maintaining high standards is essential for long-term client relationships and competitive positioning in public tenders. Quality assurance is embedded in internal processes and verified through regular third-party audits (e.g., ISO management systems).

Personal data is protected in full compliance with the EU's GDPR,

supported by robust IT security measures.

The details of the Impact and Financial Materiality assessment, performed for the whole FCC group can be found in [Table 26: S4-SBM-3 | Consumers and End-Users Impact Materiality Assessment](#).

One Impact related to *Consumers and End-Users* was identified.

For the **financial materiality, no risks or opportunities** were found.

DR S4-1 Policies related to Consumers and End-Users

In 2024, all countries except Romania reported having policies that address human rights and consumer protection, with a focus on responsible data use and community engagement. The company commits to acting responsibly with stakeholders, ensuring fair treatment of employees and customers, and safeguarding personal data across international operations. Austria, Czech Republic, Hungary, Poland, and Slovakia identified risks related to privacy regulations and cyber-attacks,

Table 26: S4-SBM-3 | Consumers and End-Users Impact Materiality Assessment

Topic	Impact	Horizon	Location
Privacy	Exposure of consumers' and end-users' private data, due to the management and storage of information	Current	Own Operations



emphasising the importance of secure data management. These countries also acknowledged the potential reputational damage from inconsistent reporting and data publication.

Impacts such as exposure of private data and health nuisances from service failures (e.g., waste collection) were reported in Austria and Poland. Opportunities like alignment with the National Security Scheme were recognised in Austria, Hungary, and Poland. Serbia did not report any relevant policies or impacts, while Slovakia only acknowledged risks related to cyber-attacks. Transparency, data protection,

and community responsibility are central themes in the active countries' approaches. Overall, the company shows strong commitment to human rights and consumer protection.

The Group's policies for customer engagement emphasise consistent service quality through clear operational guidelines and structured complaint handling, managed by the sales back office. All customers are treated equally, with no differentiation by group, ensuring uniform service standards. Customers can reach their local service site via phone or through the contact form available on the

Group's multilingual website, accessible in English and all local languages of operation.

FCC is committed to being a global leader in efficient, innovative solutions, while upholding its reputation as a fair employer, reliable partner, and responsible community member. The Group ensures responsible handling of personal data collected through its international operations, with particular care given to employee and customer information.

No severe human rights violations involving consumers or end-users were reported during the reporting period. As the Group does not sell final consumer products, the risk of infringing on basic consumer rights—such as health and safety—is minimal. In terms of data privacy, only essential personal data is collected to fulfil contractual obligations. This data is managed in strict compliance with the EU's General Data Protection Regulation (GDPR) and safeguarded by robust IT security measures.

DR S4-2 Processes for engaging with Consumers and End-Users about impacts

The Group engages with clients either directly or through authorised representatives, such as public authorities—often the contractual partners for municipal waste collection services. Direct interaction may occur

prior to service delivery, for example through educational initiatives promoting proper waste separation to enhance environmental and financial outcomes.

Post-service communication typically involves complaint resolution. This process is managed by the sales back office, in collaboration with key account managers for larger clients. The Country Sales Manager holds ultimate responsibility for ensuring effective resolution. To verify the success of corrective actions, follow-up checks are conducted with the client who raised the issue.

DR S4-3 Processes to remediate negative impacts and channels for Consumers and End-Users to raise concerns

Several channels for raising concerns exist for the Group's clients (see also [Table 24](#) in ESRS S3).

- Direct contact (in person or via phone)
- Contact form on the website(s)
- Written notice (via standard or e-mail)
- Google my business forms
- Social media channels

The communication channels used to address client concerns vary by client type. Large municipal and industrial clients typically engage directly with their designated key account managers.



In contrast, smaller private or commercial clients usually contact the sales back office or use electronic communication channels provided by the Group.

It is planned that all client complaints are managed through an integrated group-wide Customer Relationship Management (CRM) system linked to the Group's Enterprise Resource Planning (ERP) platform. This ensures that every issue is logged and traceable, enabling consistent follow-up where necessary.

Responsibility for complaint resolution is assigned based on the client's size and strategic importance. The sales back office, in coordination with operations, handles most cases involving small and medium-sized clients. For larger clients, key account managers and/or the Country Sales Manager take the lead, again in collaboration with operations. In complex or legally sensitive cases, the Legal Department is consulted to mitigate potential risks. However, the

Group prioritises out-of-court resolutions whenever possible.

Due to the personalised nature of the services provided, anonymous complaints are not feasible. Nevertheless, all claims are treated with strict confidentiality and shared only with those directly involved in resolving the issue.

DR S4-4 Taking action on material impacts on Consumers and End-Users, on managing material risks/opportunities and on tracking the effectiveness of these actions

As already outlined above, policies that shall assure a high quality of services are in place. These policies primarily target on the prevention of negative impacts on the consumer of the services. The Group's quality assurance system is managed by national operations departments, with resources drawn from their general budgets. While no dedicated budget is currently allocated exclusively to quality assurance, operational teams are responsible for maintaining high service standards across all client segments.

Legitimate client complaints regarding service quality are addressed promptly, typically by completing the service to the client's satisfaction. In cases

involving property damage for which the Group is liable, financial compensation is provided either directly or through the Group's insurer. If subcontractors are involved, the Group ensures direct remediation to the client and subsequently seeks recourse from the subcontractor.

The effectiveness of remediation is confirmed through client feedback—either explicitly in writing or implicitly through payment of the corrected service invoice. Complaints are systematically logged and analysed via the country's CRM system. Recurring issues trigger procedural adjustments, including enhanced employee training. In rare cases, the Group may discontinue specific services or client segments due to elevated risk.

Sales departments regularly generate customer loyalty reports, tracking relationship duration, order frequency, and contract volume. These insights support continuous improvement and long-term client retention.

Additionally, in 2024, FCC Group implemented key actions to enhance transparency, education, and service quality for consumers and end users. Waste education programs in Czech Republic promoted environmental awareness, while in Romania, client satisfaction surveys were conducted to gather feedback and improve services. In Serbia, reminders were sent to debtors to support financial sustainability. Furthermore, cybersecurity training was

provided across all countries to protect user data.

Clients are central to the Group's economic success. Even for standardised waste management services, the Group is committed to delivering the highest possible quality. Tailored solutions are provided where feasible, particularly in sensitive areas such as remediation and hazardous waste handling.

DR S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

No targets related to this aspect are available.

As part of its continuous improvement strategy, the Group is considering the following performance targets to strengthen customer satisfaction and service quality:

- Increase customer retention rate among key client segments (A and B clients) by a defined percentage.
- Reduce the number of client complaints year-by-year by a targeted percentage.
- Shorten response time to client complaints, aiming to meet or exceed a specific benchmark.
- Accelerate remediation time, reducing the duration from complaint receipt to client-accepted resolution.





ESRS G1 Business Conduct

G1 Introduction

This topic is among the most important for FCC E CEE and enhanced and in focus already since many years.

DR to ESRS
2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities

Six impacts as well as three opportunities and two risks related to Business Conduct were identified during the materiality assessment (see

Table 27: G1-IRO-1 | Business Conduct Impact Materiality Assessment and Table 28).

DR G1-1 Business Conduct policies and corporate culture

The establishment of a corporate culture starts already at the time of a new employee's onboarding with specific

trainings, as well as promoted with information campaigns. Continuous and specialised trainings for all employees (e.g., Code of Ethics and Compliance) are mandatory. With these trainings, the mitigation of negative impacts and the maximisation of positive impacts is ensured.

The board is responsible for the development of the corporate culture

Table 27: G1-IRO-1 | Business Conduct Impact Materiality Assessment

Topic	Impact	Horizon	Location
Corporate culture	Responsible business conduct promotion via application of the FCC Compliance Model, generating a sustainable, fairer, and more equitable business environment, and increasing stakeholder confidence	Current	Own Operations
Supplier relationship management	Sustainable practices promotion among suppliers and contractors via implementation of procurement policies and procedures	Current	Own Operations
Fight against corruption	Rule of law strengthening via promotion of law enforcement and impunity reduction	Current	Own Operations
	Trust strengthening in public and private institutions by consumers, investors and other stakeholders	Current	Own Operations
	Ethical behaviour promotion of affected parties via the incidents management of the company, with application of corrective measures and sanctions	Current	Own Operations
Taxes	Financing of public services contribution via tax payments of the organisation	Current	Own Operations

Table 28: G1-IRO-1 | Business Conduct Financial Materiality Assessment

Topic	Financial Impact	Risk or Opportunity	Financial effects	Location
Corporate culture	Government grants and funding schemes and programs that promote sustainable business activities	Opportunity	Income added and alternative funding sources access	Own Operations
	Agreements establishment with other companies for offering complementary services	Opportunity	Revenue increase because of new customers attraction	Own Operations
Supplier relationship management	Steady supply of high-quality products and services, and possible development of new products and solutions	Opportunity	Revenue increase because of new products and solutions development	Own Operations
Fight against corruption	Possible weaknesses in internal controls, resulting in non-compliance not detected in a timely manner	Risk	Damage in reputation and costs increase because of sanctions	Own Operations
	Possible incidents of bribery, corruption, or money laundering related to the company	Risk	Damage in reputation and costs increase because of sanctions s	Own Operations

and company policies together with specialised employees (e.g., Central Functions for Legal and Compliance, Human Resources and Communication and Marketing– Communication policy).

Mainly the Central Function for Legal and Compliance, which is directly reporting to the CEO of FCC E CEE and in close cooperation with the parent company FCC M.A., is responsible for the monitoring and management of risks in relation to Business Conduct as well as for the investigation of concerns about unlawful behaviour or behaviour in contradiction of its code of conduct (e.g., establishment of risk matrices, Whistleblower channel).

The Code of Ethics and Conduct, a document all employees need to follow, and which is trained groupwide at least once a year through a groupwide training platform, ensures all the companies in the Group and all their employees behave in accordance with the ethical principles of the Code of Ethics and Conduct of the Group and that the company does not commit any crime. It is consistent with the United Nations Global Compact, ILO Declaration on Fundamental Principles and Rights at Work and other ILO Conventions.

The Whistleblowing Channel is a tool available to all employees to assist in identifying potential non-compliance with or breaches of the Code of Ethics and Conduct and the associated regulations, and to anticipate potential weaknesses with a view to reinforcing

the culture of compliance within the FCC Group.

Besides that, FCC’s parent company, FCC M.A. engages regularly with its subsidiaries, among others FCC E CEE, to perform a Risk Analysis/Matrix regarding Legal and Compliance topics and possible issues (see [Figure 10](#): G1-1 | Process of identification and evaluation of criminal risks). Responsible for this task in FCC E CEE is also the CF Legal and Compliance.

In view of crime prevention, based on the Group’s Crime Prevention Manual a risk analysis was carried out by an external law firm in order to identify the main criminal law risks that could be relevant to the activities of FCC E CEE employees (see [Figure 11](#): G1-1 | Examples of crimes identified in FCC E CEE Group). As a result, controls were defined within the framework of a risk matrix in relation to the possible occurrence of these risks. These controls, together with the corresponding documentation to prove their implementation, are carried out on an ongoing basis and evaluated twice a year, in May and November.

The Group’s compliance department has introduced specially programmed software for this purpose.

As set out in the Compliance Manual, the review of the functioning of this FCC control system was also included in the annual audit plan and is now regularly reviewed by the Group Internal Audit department.



Figure 10: G1-1 | Process of identification and evaluation of criminal risks

EXAMPLES OF CRIMES IDENTIFIED FOR THE FCC GROUP?

Business corruption

Bribery

Illegal financing of political parties

Influence peddling

Social security fraud

Tax fraud

Crimes against worker’s rights

Environmental crime

Figure 11: G1-1 | Examples of crimes identified in FCC E CEE Group

The controls are reviewed annually and, if necessary, adapted to a changed risk assessment.

DR G1-2 Management of relationships with suppliers

Suppliers are recognised as an important part of the value chain, since equipment, goods and services are necessary to conduct proper operations. To ensure equal treatment in the procurement processes, FCC E CEE follows the policy of requesting at least three competitive offers for each product, service and

good upon a certain threshold from its suppliers and choice after best value principle. Depending on the product, service or good, the range for delivery is narrowed or extended.

On group level, the General Terms of Business and General Purchasing Terms (GPT) set out the rules to do business with FCC. The GPT are in the responsibility of the Central Function Procurement. Included is a reference to FCC's Business and Ethical Principles. Payment terms are set to 60 days, but in individual cases can be renegotiated. No late payments to SMEs were reported in 2024.

In course of establishing a common ground and tracking of supplier ESG metrics, a grouping and scaling of suppliers will be conducted. This is planned for 2025, also to ensure the readiness of the implementation of the CSDDD.

As mentioned in chapter DR SBM-1 Strategy, business model and value chain, FCC E CEE did its first group-wide EcoVadis rating to further adhere to stakeholders' requests. The rating is, among measures, used as improvement tool in the group.

any attempt to influence third parties for undue advantage, preferential treatment, or benefits.

- **Anti-Corruption Policy:** Outlines the Group's principles for preventing corruption, reinforcing and expanding upon the Code of Ethics and Conduct.
- **Gift Policy:** Defines the rules governing the giving and receiving of gifts within FCC E CEE, applicable to all employees and stakeholders.

Potential irregularities, including those related to corruption or bribery, can be reported through the Ethics Channel. These reports are reviewed by the Compliance Committee and the Compliance Officer of FCC E CEE, who operate independently and report regularly to the Board of Directors via the Audit and Compliance Committee.

DR G1-3 Prevention and detection of corruption and bribery

Please refer to DR G1-1 Business Conduct policies and corporate culture where the Code of Ethics and Conduct is described. It contains also information about the key procedures of the undertaking to prevent, detect, and address allegations about corruption and bribery (e.g., Whistleblowing, Risk-Analysis).

To prevent corruption and bribery, FCC E CEE has implemented a robust compliance model focused on identifying and mitigating related risks. This model is supported by a set of key policies, all approved by the Board of Directors at FCC S.A. level:

- **Code of Ethics and Conduct:** Establishes a zero-tolerance stance on corruption and explicitly prohibits

In 2024, FCC E CEE conducted targeted training across all operational regions to reinforce its anti-corruption measures. These sessions focused on key topics such as "Zero Tolerance to Corruption", "Understanding the Code of Ethics and Conduct", "Managing Conflicts of Interest", and general compliance awareness. Special emphasis was placed on training executives, board members, senior and middle management, and technical staff.

The compliance model of FCC E CEE has been formally approved and implemented across all wholly owned subsidiaries. Significant progress was also made in 2024 toward extending this model to affiliated companies and joint ventures.





DR G1-4 Incidents of corruption or bribery

FCC E CEE is continuously improving its compliance-related actions. Compliance remains a topic of major importance. The group had no convictions and incurred no fines during the reporting period.

DR G1-5 Political influence and lobbying activities

FCC E CEE maintains a transparent and collaborative relationship with public administrations across all regions where it operates. This cooperation is essential for the effective delivery of public services and reflects the Group's commitment to supporting local authorities by sharing its expertise in municipal service provision.

In addition to institutional collaboration, FCC E CEE actively participates in industry forums, trade fairs, professional associations, and expert working groups. These engagements help advance the company's strategic interests and contribute to the development of innovative services aligned with environmental, social, and governance (ESG) principles.

The Group takes part in activities and commitments related to its political influence and collaborated with (waste) sector associations, forums,

and expert groups. FCC E CEE is not registered in the EU Transparency Register, neither with its countries nor with its parent company FCC Enviro.

DR G1-6 Payment practices

During 2024, the average supplier payment period, understood as the time elapsed from the delivery of goods or services by the supplier to the payment of the transaction, was 30-60 days and 90 days for logistic vehicles such as trucks.

Intended standard payment terms for key suppliers amount to 60 days which encompass approx. 80% of the annual invoices. Depending on the supplier, the duration can be reduced to a minimum of 30 days. For services, payments are performed within 30 days after receipt of the invoice which are about 5% of its annual invoices. The remaining payments are paid in accordance with marketplace standards within 14-30 days.

No legal proceedings (currently outstanding) during the reporting period for late payments.

Further details of supplier management can be found in The controls are reviewed annually and, if necessary, adapted to a changed risk assessment.





Annex



Overview of Actions in CEE

Country	Description of Action	Status of action	ESRS relation
Austria	Reduction of emissions through the procurement of 5 electric trucks (1 tractor truck, 2 truck tail lift, 2 pressers)	Finalised	E1
Austria	Installation of PV systems	Ongoing	E1
Austria	Installation of energy storage for MBT plant at the location in Halbenrain	Ongoing	E1
Austria	Installation of e-fuelling stations (6 charging points only for trucks)	Finalised	E1
Austria	Installation of e-fuelling stations (24 charging points in total, 8 for company cars and 16 for trucks)	Ongoing	E1
Austria	Installation of a calcium oxide (CaO) injection system for the reduction of CO2-emissions from the WtE plant in Zistersdorf	Finalised	E1
Austria	Expansion, renovation and new construction of the splitting plant at the location in Himberg	Planned	E5
Czech Republic	Usage of renewable energy	Ongoing	E1
Czech Republic	Usage of vehicles with alternative fuels - EV, HVO100, H2	Ongoing	E1
Czech Republic	Usage of energy saving technologies	Ongoing	E1
Czech Republic	Landfill gas monitoring and usage	Planned	E2
Czech Republic	Material use of waste	Ongoing	E5
Czech Republic	Door-to-door system (SRM collection)	Ongoing	E5
Hungary	Replacement of RDF shredder and capacity increase to increase processing efficiency and reduce fossil fuel usage at the location in Gyál	Ongoing	E1, E5
Hungary	Replacement of baling machine at the locations in Gyál and Hódmezővásárhely	Finalised	E1, E2, E5
Hungary	Construction of biogas wells at the landfill at the location in Gyál	Finalised	E1, E2
Hungary	Landfill platform covering at the location in Gyál	In Progress	E1, E2, E4
Poland	Installation of PV systems	Ongoing	E1
Country	Description of Action	Status of action	ESRS relation
Poland	Reduction of emissions through the procurement of CNG truck	Ongoing	E1
Poland	Roof on bulky waste at the location in Zabrze	In progress	E2
Poland	Collection of used kitchen oils	Planned	E5
Poland	New screen and bag opener in the splitting plant at the location in Zabrze	Implemented	E5
Poland	New screens and Fe-separators at the location in Tarnobrzeg	In progress	E5
Poland	Composting plant renewal at the location in Nowy Targ	Implemented	E5



Country	Description of Action	Status of action	ESRS relation
Poland	New MT & RDF production plants at the location in Nowy Targ	In progress	E5
Romania	Landfill degasification at the location in Arad	Ongoing	E1
Romania	Landfill compaction at the location in Arad	Ongoing	E1
Romania	CH4 emission from recultivated Landfill area at the location in Arad	In progress	E2
Romania	Usage of reclaimed water from WWTP at the location in Arad	Ongoing	E3
Romania	Landfill and facilities construction with minimal impact onto biodiversity at the location in Arad	Ongoing	E4, E5
Romania	Acquisition of shredder for green waste for the compost station at the location in Arad	Planned	E5
Serbia	Sanitary landfilling	Finalised	E2
Slovakia	Increasing capacity of the neutralisation station at the location in Žilina	In progress	E2
Slovakia	Revitalisation of the hazardous waste warehouse at the location in Marček	In progress	E2
Slovakia	Modernisation of bencalors to improve safety on sites	In progress	E2
Slovakia	Introduction of the INISOFT programme - electronic waste record-keeping (ENVITA)	In progress	E5
Slovakia	Ensuring the construction of an autoclave facility at the location in Kysucké Nové Mesto	Ongoing	E5
Slovakia	Increasing the capacity of the landfill at the location Trnava	In progress	E5



List of Tables

Table 1: Employees in 2024 in FCC E CEE	13
Table 2: Stakeholder Assessment for FCC E CEE, Ranking from 1 (low)–10 (high), performed 2024	15
Table 3: Double Materiality Assessment FCC Group (2024)	17
Table 4: E1-IRO-1 Climate Impact Materiality Assessment	22
Table 5: E1-IRO-1 Climate Financial Materiality Assessment	22
Table 6: E1-5 Energy consumption and mix	25
Table 7: E1-4 Total GHG emissions Gross Scope 1, Scope 2, Scope 3	25
Table 8: E2-IRO-1 Pollution Impact Materiality Assessment	28
Table 9: E2-IRO-1 Pollution Financial Materiality Assessment	28
Table 10: E2-4 Pollutants released (kg)	30
Table 11: E3-IRO-1 Water Impact Materiality Assessment	32
Table 12: E3-4 Water consumption by Location/Sector/Segment	33
Table 13: DR to E4-IRO-1 Biodiversity and Ecosystems Impact Materiality Assessment	37
Table 14: E5-IRO-1 Resource Use and Circular Economy Impact Materiality Assessment	42
Table 15: E5-IRO-1 Resource Use and Circular Economy Materiality Assessment	42
Table 16: E5-4 Resource Inflows	44
Table 17: E5-5 Resource Outflows / Waste managed	44
Table 18: S1-SBM-3 Own Workforce Impact Materiality Assessment	48
Table 19: S1-SBM-3 Own Workforce Financial Materiality Assessment	48
Table 20: S1-6 Total Number of Employees by Gender	50
Table 21: S1-6 Total Number of Employees by Contract	51
Table 22: S1-15 Family-related leave	52
Table 23: S2-SBM-3 Workers in the Value Chain Impact Materiality Assessment	54
Table 24: S3-SBM-2 Interests and views of stakeholders	57
Table 25: S3-SBM-3 Affected Communities Impact Materiality Assessment	58
Table 26: S4-SBM-3 Consumers and End-Users Impact Materiality Assessment	62
Table 27: G1-IRO-1 Business Conduct Impact Materiality Assessment	66
Table 28: G1-IRO-1 Business Conduct Financial Materiality Assessment	66

List of Figures

Figure 1: Organisation within FCC Environment CEE as of 12/2024	9
Figure 2: Shareholding Structure of FCC Environment CEE	10
Figure 3: Spectrum of services and main pillars of FCC E CEE	12
Figure 4: Infrastructure and Technologies of FCC E CEE	12
Figure 5: Business model of FCC Environment CEE	14
Figure 6: Program participation and ratings as part of the whole FCC Enviro and FCC S.A. group	15
Figure 7: EcoVadis “Committed” badge for the first group-wide rating	15
Figure 8: Distribution of Impacts, Risks and Opportunities across the ESRS	16
Figure 9: Planetary boundaries ²	36
Figure 10: G1-1 Process of identification and evaluation of criminal risks	67
Figure 11: G1-1 Examples of crimes identified in FCC E CEE Group	67



www.fcc-group.eu