PROCUREMENT POLICY

FCC-DC-NC-06.7_Scope of application and notification of procurement requirements at FCC Aqualia and its subsidiaries.

Procurement Department

Version: 7

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Reviewer/Approver: CEO Aqualia

Contents

Version	Date	Responsible	Description of change
1	October 2015	Purchasing Department	Creation of the document.
2	May 2017	Purchasing Department	Removal of form FCC-DC-OP-20 New investment form to replace the current procedure
3	December 2019	Purchasing Department	Various updates.
4	June 2021	Purchasing Department	Expansion into international markets and various updates
5	October 2022	Purchasing Department	Inclusion Annex 2
6	July 2023	Procurement Department	Clarification regarding Framework Agreements is included and Annex 3 is added
7	May 2026	Procurement Department	The involvement of the DCAQ in international delegated procurement processes is included, financial approval thresholds are updated, and financial reporting limits to reporting to Procurement.

1. Scope

This document applies to all activities of FCC Aqualia and its subsidiaries, including:

i. Joint ventures, consortia or any other type of association with third parties controlled directly or indirectly by FCC Aqualia (where FCC Aqualia is the parent company, in accordance with the criteria set out in Article 42 of the Commercial Code) and integrated into FCC Aqualia's management system.
ii. Joint ventures with majority private capital where the Governing Body so decides at any given time (either generally or for specific purchases). Joint ventures with majority public capital are considered public sector entities and must subject their procurement to the provisions of current public procurement regulations.
iii. Works with a budget of less than €100,000 (see NOTE).
iv. Any other entity, association or consortium which, whether or not listed in the previous points, requests the procurement service.

NOTE: For works with a budget of €100,000 or more, please refer to the specific document FCC-DC-NC-07.

2. Introduction

The purpose of this procedure is to define the various areas of responsibility for Procurement Management at FCC Aqualia and its subsidiaries. The provisions of this document are **binding**. Where, in specific cases, particular circumstances make it necessary to exclude certain areas or projects from the scope of this procedure, these shall be documented in a specific Annex, which shall be approved by the same persons who approve this document.

Likewise, the information channels to be used and the content required to communicate any procurement needs to the DCAQ (Aqualia Procurement Department) are established.

3. Purchases to be managed by the DCAQ

The DCAQ or the RTCs (Regional Procurement Managers) / DCL (Local Procurement Department) shall be responsible for managing all procurement for FCC Aqualia and its subsidiaries. Procurement requirements, regardless of the type of goods or services involved, shall be directed, in accordance with the thresholds set out in section 4.2 of this document, to the DCAQ or the RTC/DCL for management.

The following are the exceptions to the general procurement regulations set out in this procedure:

- Purchases of vehicles with a maximum authorised mass of less than 3,500 kg – (the specific policy on the allocation and use of vehicles shall apply).
- Legal, tax and labour dispute services. (The specific procedure for the engagement of external lawyers at Aqualia (AJ-01) shall apply)
- Sponsorships and Donations. The Procedure for the Management and Control of Sponsorships, Partnerships and Donations shall apply.

4. Classification of Purchases

Depending on the goods or services to be purchased, their value, the potential for leveraging purchasing synergies and the specific circumstances of each transaction, purchases will fall into one of the following categories and will be treated as described in each case.

4.1. Framework Agreements

A Framework Agreement is one in which only general conditions are established with the successful supplier(s): prices, supply conditions, volume discounts, etc.; without any commitment being made regarding purchase volume and/or value (example: the current practice for the procurement of water meters and process reagents).

Framework Agreements negotiated by the DCAQ shall **be binding**. Goods or services covered by a Framework Agreement may only be procured from a supplier other than the successful tenderer in exceptional cases justified by the urgent need to resolve an incident that jeopardises the provision of the service, or which could lead to an accident or additional costs whose financial loss exceeds the cost of the procurement. Such cases must be occasional, and the purchase shall be strictly limited to the materials or services necessary to resolve the emergency. The DCAQ must be duly informed of these exceptions by email sent to the relevant RTC or DCL, justifying the exceptional nature of the case.

The DCAQ must be notified of any issue arising from a Framework Agreement or any suggestion regarding it (also via the RTC or DCL, for Framework Agreements negotiated by the DCAQ).

To encourage the creation of Framework Agreements and the commercial benefits they offer, the managing/user units shall facilitate their operation by putting in place the necessary logistical measures.

It will not be necessary to notify the DCAQ of orders placed via Framework Agreements. These orders shall be placed directly by the user/managing unit, with the relevant order recorded in SAP (or the available electronic tool).

Framework Agreements may be local, national or international in scope.

4.2. Other Purchases

All procurement requirements not covered by framework agreements must be brought to the attention of the DCAQ when their value exceeds €50,000, as indicated below (section 4.2.1). Purchases of a lower value will be managed by the RTC or DCL, as specified in section 4.2.2. In the case of recurring purchases, this threshold will apply to the total annual amount for the same item. Purchases may not be split in order to avoid exceeding this limit.

Procurement requirements relating to the specific activities of Central Services (Finance; Communication, Brand and Public Affairs; People and Culture; Compliance; Customer Management; Information Systems and Technologies; Strategic Development and Research; Sustainability and Innovation; Operations and Technology; Legal Advice; and Procurement) shall always be directed to the DCAQ, regardless of their value and origin (Central Services departments or Production units). In order to take advantage of the synergies and procurement conditions of the FCC Group, in accordance with the provisions of document FCC-NC-03, the DCAQ will refer both these requirements and those it receives relating to so-called “Aggregated Procurement” to the FCC Central Services Procurement department for management.

4.2.1. Communication of procurement requirements

The purchasing requirement must be communicated by the requesting user or managing unit to the DCAQ sufficiently in advance, as soon as there is evidence of a potential need for a good or service, or at least 30 working days prior to the award deadline, in order to ensure compliance with the required delivery times for materials or services. Where this is not complied with, the Procurement Department cannot guarantee that deadlines will be met.

Notification of the procurement requirement to the DCAQ shall be made for each procurement process by the relevant RTC or DCL or, if none exists, by the site manager, management unit or a higher-level manager, using the standard form *FCC-DC-OP-04_Purchase Requirement Form,* via the channels specified by the DCAQ, attaching the necessary additional documentation. This notification shall contain the following information:

- **Description of the Purchase Requirement**: a brief description of what needs to be purchased.
- **Company / Division with the requirement**.
- **Estimated amount.**
- **Included in approved planning/budget (yes/no)**
- **% of Aqualia's stake (in the case of a joint venture or associated company)**
- **Scope (national/international)**
- **Division / CECO**: division or cost centre to which the expenditure is expected to be allocated.
- **Start date of the requirement**.
- **Contract duration (if applicable)**
- **Documentation describing the requirement**, including any documents that may be useful to the purchaser in preparing the request for tenders, depending on the type of goods or service to be contracted:
    - Detailed description.
    - Technical description sheets (technical specifications, applicable regulations and tests that must be included in the contract).
    - Required service/support levels.
    - Plans, measurements or number of units.
    - Work or delivery schedules.
    - Delivery terms.
    - Regulations or certifications to be complied with.
    - Tests, inspections and trials to be carried out.
    - Documentation to be provided by the supplier.
    - Suggested suppliers.
    - Any other relevant documents; study proposals, etc.
    - Other conditions.

If the purchase is included in the current budget plan, it will be sufficient for the applicant (the contract manager, head of the management unit or a higher-level manager) to sign the standard form *FCC-DC-OP-04_Purchase Requirement Procedure*, attaching the necessary additional documentation. If it is not, express approval will be required, for which the necessary approval signatures must be provided, following the workflows and authorisation levels indicated in the annex, which are more restrictive than those indicated in document "FCC-NI-01".

If the purchase relates to an authorised investment, the "Investment Authorisation" form with the relevant signatures may be sent to the DCAQ instead of the *FCC-DC-OP-04_Purchase Requirement* Form.

In cases where the outcome of the procurement process results in a cost higher than the approved estimated amount, that amount must be updated and re-approved.

Once notification of the purchase requirement has been received, it is at the discretion of the DCAQ whether to manage the purchase itself or to delegate its management to the User or Management Unit

The DCAQ will manage the purchase in accordance with the regulations and procedures of the FCC Group's Procurement Department. This system is certified under the UNE-CWA 15896 standard "Value-added procurement management".

Delegated purchases shall be managed as specified in section 4.2.2.

The DCAQ will assign a "Purchase ID" code to each purchase it manages or delegates. This code will be a unique identifier for the process. Contracts/orders must comply with the agreements made with the supplier to ensure the traceability of the purchasing process. In SAP, the assigned ID code must be entered in the header text, in the title field before any other text, and within the "Additional Data" tab, in the "Purchase No." field.

4.2.2. Locally managed purchases

Purchases of less than €50,000 and purchases of a higher value that have been delegated by the DCAQ must be managed by the RTC or DCL, in accordance with the principles set out in section 50 of the General Standards Manual, and must be duly **formalised and documented**. The DCAQ will be involved in the management of all purchases delegated to the International Department, analysing the bids collected by the local procurement managers and approving the proposed award.

All purchases exceeding €3,000 must have at least three bids from different suppliers (wherever possible) that meet the required conditions and are comparable, with the most economical option being selected. Purchases may not be split in order to avoid exceeding this financial threshold. In exceptional cases where this cannot be met, written justification from the unit seeking the contract will be required, signed by the Head of the Delegation, the Head of Department or an equivalent figure. The bids, or justification for their absence, must be stored in a traceable and auditable repository. All other documentation relating to these procurement processes shall be held by the RTC or DCL and shall be available at all times to the DCAQ and to those entrusted with procurement functions.

In the case of delegated purchases, the ID assigned by the DCAQ must appear on **all documents** generated in connection with the procurement process (emails with suppliers or any other party involved in the purchase, comparisons, contracts, purchase orders, information in SAP, etc.). In SAP, the assigned ID code must be entered in the header text, in the title field before any other text and within the "additional data" tab, in the "Purchase No." field.

Contracts/purchase orders must comply with the agreements made with the supplier to ensure the traceability of the procurement process.

4.3. Purchase identification code (ID)

To ensure the correct identification of purchases, the purchase ID must be entered correctly on all purchase orders (in the case of purchase orders managed on the SAP platform, in the "Additional data" tab, "Purchase No." field)

The DCAQ will assign the ID for purchases it manages or delegates, as specified in section 4.2.1. For all

other purchases, a generic ID will be used, as set out below:

·A00ALOCAL0 – For purchases under €50,000 (requirements not reported to the DCAQ and managed by the RTC or the DCL). At sites where a DCL exists, a specific local code may be used, solely for these purchases, which must be agreed with the DCAQ.

·A00AAGUA00 – For orders relating to the purchase of water. These are purchases subject to specific conditions by their nature.

·A00APUBLIC – For orders placed with public authorities for items other than the purchase of water (municipal charges, confederation charges, settlements, etc.). These are purchases that are subject to specific conditions by their nature

· A00AINTERC – For intercompany transactions

· OTROGASTOS – For purchases not managed in accordance with procurement procedures (insurance, financial/banking services, legal services, fees or taxes, association membership fees, image rights, donations, sponsorships, fees and rents for offices, warehouses and parking spaces).

If, for any exceptional reason (as set out in procedure PADM-MM3), an invoice is posted via the financial module, the ID must be entered in the “Header Text” field.

4.4. Use of solutions incorporating Artificial Intelligence (AI)

In procurement processes involving the supply, development or use of solutions based wholly or partly on Artificial Intelligence, an Artificial Intelligence Risk Assessment (AIA) must be carried out prior to the award of the contract.

For this risk assessment, and in accordance with *the FCC Group’s AI Governance Model, the requesting user or managing unit must provide the AI Form to the supplier(s) of the product or service being tendered for the specific procurement. Once completed, the form must be sent toIA@aqualia.com* .

The contract award to the supplier cannot be formalised until the RIA has been carried out and validated in accordance with the criteria established by the organisation

Digitally signed by Alberto Andérez Ibáñez
Date: 20 May 2026 17:24:05 +02:00

Digitally signed by TORROJA RIBERA JOSE MARIA - 00816864L
Date: 21 May 2026 17:32:44 +02:00

Digitally signed by Santiago Lafuente Pérez-Lucas
Distinguished Name (DN): cn=Santiago Lafuente Pérez-Lucas, email=slafuentep@fcc.es, c=ES
Date: 22 May 2026 07:36:42 +02'00'

Signed: Mr Alberto Andérez Ibáñez
Lucas Purchasing Director, Aqualia

Signed: Mr José María Torroja Ribera
Purchasing Director, FCC

Signed: Mr Santiago Lafuente Pérez-
CEO, Aqualia

APPENDIX 1: Authorisation Level Tables

FCC AQUALIA CENTRAL SERVICES	
POSITION	AMOUNT (upper threshold of the level)
Head of Department	€5,000
Line manager	€25,000
CEO	No limit

FCC AQUALIA NATIONAL	
POSITION	AMOUNT (upper threshol d of the level)
Head of Department/Site Manager	€1,000
Head of Management Unit/Head of Department	€5,000
Head of Department	€25,000
Regional Director	€50,000
Area Manager	€1,000,000
Director, Spain	€5,000,000
CEO	No limit

FCC AQUALIA INTERNATIONAL	
POSITION	AMOUNT (upper threshold of the level)
Head of Department/Site Manager	€1,000
Project Manager/Head of Management Unit/Department Director	€25,000
Country Manager	€250,000
Regional Manager	€1,000,000
Area Manager	€5,000,000
CEO	No limit

*At the first levels of authorisation, there will always be two approvers, as Administrative Managers approve all documents in the system.