

# FUTURE TURNING RING



MCA

Empowering Lives  
for Generations

INTEGRATED  
REPORT 2022

SUMMARY

This year, MCA publishes its **first Integrated Report**, whose purpose is to provide stakeholders with relevant information to analyse the company’s **economic, environmental, social and governance** practices and performance throughout 2022.

As our Chairman, Manuel Couto Alves, highlights, **sustainable development is at the genesis of everything we do**. In 2022, we started and accomplished major projects, with impacts that embody our Purpose, and of which we are very proud of, both because they are truly structural for the Populations that receive them, and because they demonstrate our collective capacity to deliver and succeed.

We are also undergoing an **ambitious transformation path** with the adoption of the best corporate governance practices, the emergence of new corporate areas, the elaboration of processes and new organisational work methods based on digital, as well as the launch of our new Brand, with a view to accompanying the transformation and transversality of MCA’s operations.

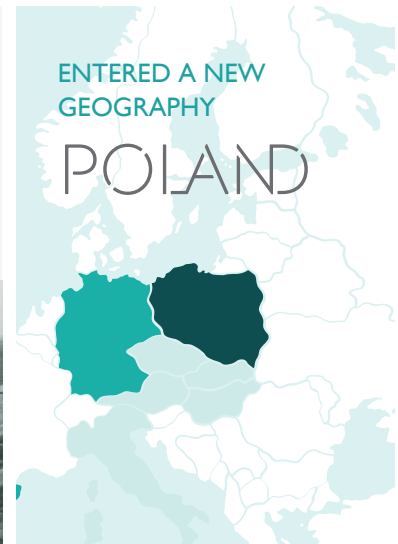
## 2022 KEY HIGHLIGHTS

FINISHED EXECUTION OF LARGEST  
SOLAR PARK  
IN SUB-SAHARAN  
AFRICA



ENTERED A NEW  
GEOGRAPHY

POLAND



START OF  
OPERATIONS OF  
FIRST ADVANCED

BIO  
DIESEL  
PLANT

LAUNCHED  
A NEW  
BRAND



PARTNERSHIP FOR  
THE DEVELOPMENT OF

LOGISTICS  
PARKS IN  
SPAIN

ADAPTATION TO NEW  
GOVERNANCE MODEL,  
PROCESSES & POLICIES

DESIGNED AND IMPLEMENTED

# A SUSTAINABILITY AGENDA



START OF OPERATIONS OF

# HOSPITAL DE CHAVES

CONCLUSION OF

# 31 INFRASTRUCTURE PROJECTS

START OF THE

# TRANSFORMATION PROGRAMME (I9MCA)



## VALUE-DRIVEN GROWTH



**€228 m**

Turnover ⬇️ (-12% YoY)

**€23 m**

Ebitda ⬆️ (+74% YoY)

## CARING FOR OUR PLANET



**285 MW**

Solar PV capacity executed in Angola

**13,824 tCO<sub>2</sub>e**

Scope 1 & 2 emissions ⬇️ (-49 % YoY)

## PROMOTING THRIVING COMMUNITIES



**>€2 m**

Invested in social responsibility projects ⬆️ (30x YoY)

**96%**

Workers hired locally ⬆️ (+1 p.p. YoY)

## SUPPORTING HEALTHY LIVING



**1,056**

Employees in MCA

**4.3**

Lost time injury frequency rate (inc. subcontractors)

## RESPONSIBLE GOVERNANCE PRACTICES



**41%**

Employees completed Ethics & Compliance training ⬆️ (+40 p.p. YoY)

**88%**

Suppliers and partners with risk assessment conducted ⬆️ (+46 p.p. YoY)

# PURPOSE-DRIVEN SUSTAINABLE STRATEGY



Our Purpose of Empowering Lives for Generations serves as a lighthouse for our strategy. In this sense, MCA’s sustainable strategy is underpinned by our **Value-driven Growth** and focus on **Sharing our Value** with the society. All these efforts are supported by **Responsible Governance practices**, a key aspect for MCA in the pursuit of its business. We believe that the creation of shared, long-lasting value is achieved through the involvement of stakeholders throughout the value chain.

## CONTRIBUTION TO UN’S SUSTAINABLE DEVELOPMENT GOALS

This year, we revisited our priority SDGs using the SDG Compass methodology. We engaged with MCA’s internal and external stakeholders to identify major positive and negative impacts across MCA’s value chain.

**5 SDGs were identified as the most relevant** within MCA.

Our aim is to continuously focus on delivering projects which **contribute towards these UN SDGs**, and track our progress throughout time.



# OPERATIONAL AND FINANCIAL PERFORMANCE

2022 was a year where we delivered important projects to our clients and communities which will be positively impacted by them. We highlight the following:

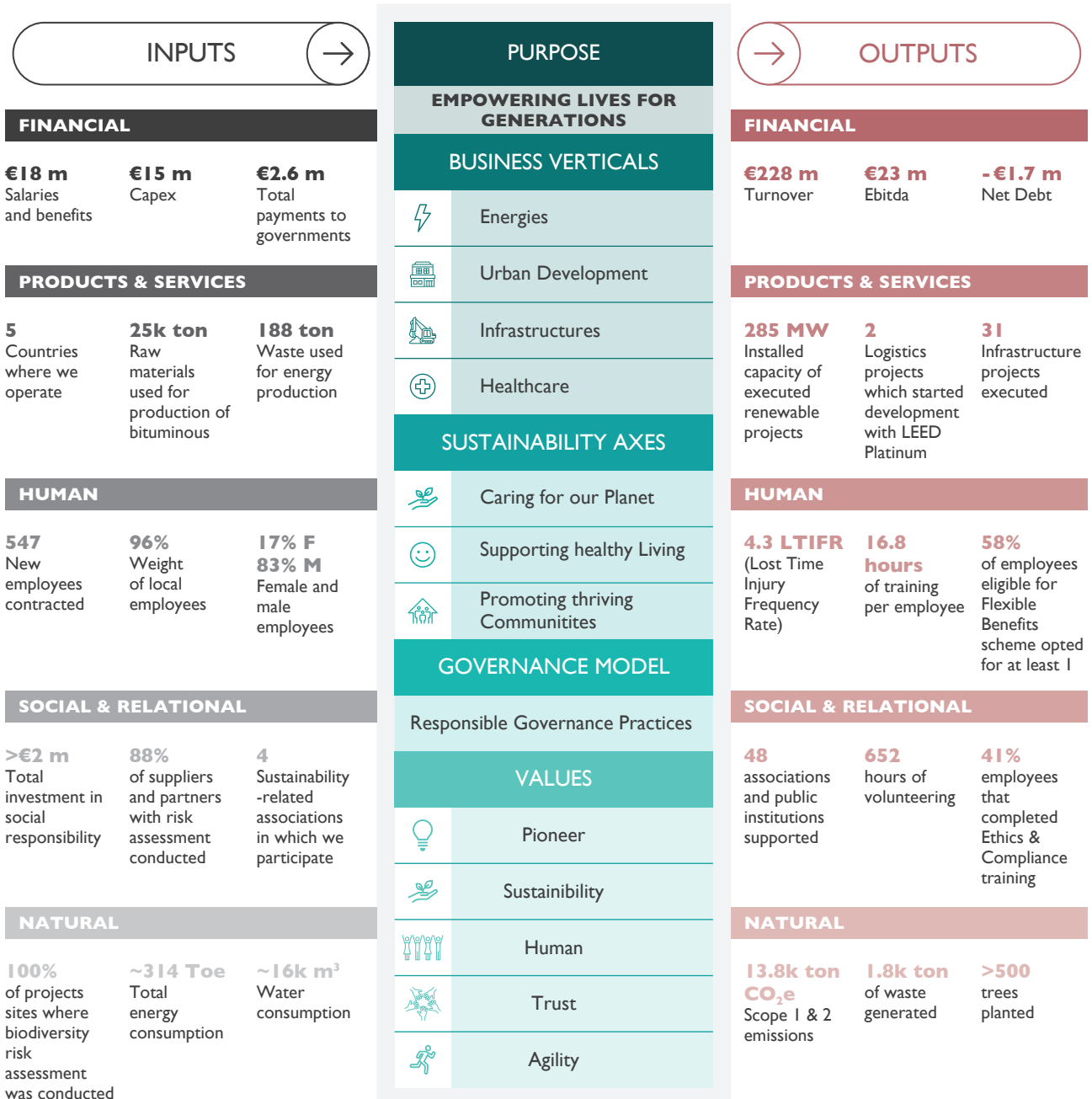
- Two photovoltaic **solar parks** delivered in Angola, that are part of a project of 7 sites, which will benefit more than 2 million people;
- State-of-the-art **logistics platforms** concluded in Spain, with LEED or BREEAM certifications (international certifications that attest to the sustainability of the buildings);
- **Infrastructure projects** in Portugal and Angola that enhance economic prosperity and cross-border trade in developing countries;
- Development of two **healthcare units** in the interior of Portugal, where, together with our partners, we deliver healthcare services in areas of the country where it is most needed.

Regarding our financial performance, consolidated **turnover** amounted to **€228m in 2022**, which represents a 12% decrease compared with 2021. The 370 MW Solar Project in Angola represented more than 65% of the value. However, Group's **EBITDA** increased almost two-fold year-on-year, reaching **€23m** in the period, with a substantial part once again related to the 370 MW Solar Project in Angola, having our EBITDA margin increased from under 4% to 8% in 2022. This clearly reflects our positioning regarding value-driven growth.

The **Net Profit** attributable to MCA shareholders for 2022 amounted to **€12m**, which compares to a loss of €2m in 2021.

The **order book** as of 31st December 2022 totals the amount of **€1,368m**, being the projects located, essentially, in Portugal, Angola and Spain. The Energies projects represent about 71% of the Group's order book. We are confident that with our people, and together with our partners, we will successfully deliver this pipeline of projects, and continue originating new ones.

# VALUE CREATION MODEL

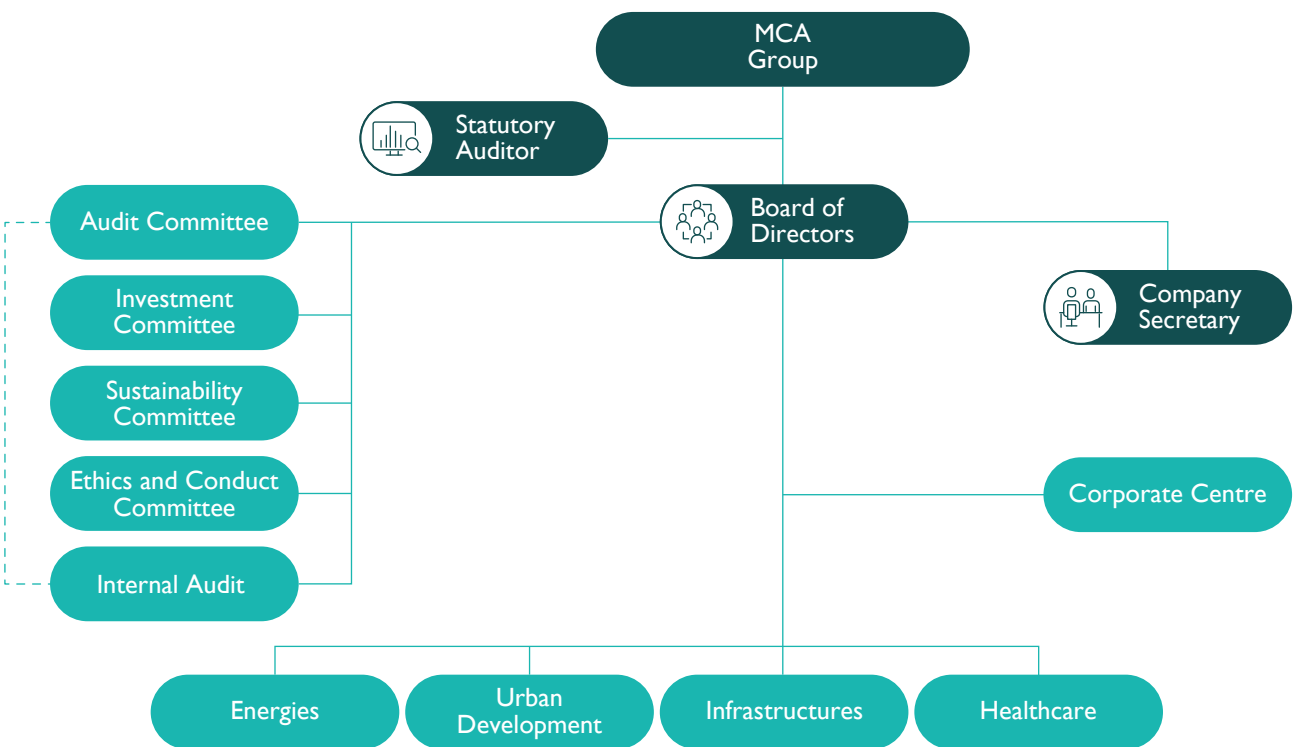


It is important to **measure our results in a more holistic way**, and understand **how we create value** on top of our operational and financial performance. The sustainability of an organisation's business model results from the **interconnectedness of its various types of capital**, namely financial, products & services, human, social & relational, and natural capital. The dynamic process through which organisations achieve balance between these capitals ultimately determines their long-term sustainability. The value created, preserved, or eroded over time translates into capital increases, decreases or transformations resulting from MCA's business activities and outputs.

# CORPORATE GOVERNANCE & RISK MANAGEMENT

As our Chairman highlights, in 2022 we started an ambitious transformation process with the **adoption of the best Corporate Governance practices.**

MCA Group (M. Couto Alves Holding B.V.) is supported by a corporate structure that ensures the management of all Group companies, comprising a Board of Directors, formed by executive members, who are responsible for daily management and the smooth running of the company’s sub-holdings and corporate centre; and non-executive members, who are responsible for advisory and supervisory functions. The structure also includes a supervisory framework, which includes several Committees; and a Company Secretary, who provides support to meeting agendas and ensures the timely flow of information.



MCA has established an integrated risk assessment and identification process, with the purpose of ensuring risk responsibility across MCA (risk-based thinking);

- Improving the risk identification process;
- Integrating risk mitigation in the risk management process;
- Implementing controls aimed at minimising negative effects, and making the most of opportunities, whilst providing Management with a **risk management vision that supports decision-making processes.**

As mentioned by Manuel Couto Alves, the geopolitical crisis triggered by the war in Ukraine and the consequent inflationary context, defines a very **challenging scenario** of instability for companies, making it **important to anticipate and plan**, so that **safe and consistent steps can be taken.**

