



GRUPO
EULEN

REPORT 2014

CORPORATE RESPONSIBILITY



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CORPORATE RESPONSIBILITY



Report >

CORPORATE RESPONSIBILITY 2014

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Company presentation >

(2.1, 2.2, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9)

The Grupo EULEN is the leading provider in Spain of general services for the corporate and public sectors, specialized in cleaning services, security, ancillary services (logistics, general, and telemarketing), FSM (facility services & management), social and healthcare services, comprehensive maintenance, temporary employment, and environmental management.

Our primary brands include EULEN Cleaning, EULEN Security, EULEN Ancillary Services, EULEN Sport, EULEN Educate, EULEN Logistics, EULEN FSM, EULEN Healthcare, EULEN Maintenance, EULEN Flexiplan, and EULEN Environment.

Founded in Bilbao in 1962 by our current chairman, David Alvarez Diez, today the group has a presence in 14 countries: Spain, Portugal, USA, Colombia, Costa Rica, Chile, Jamaica, Mexico, Panama, Peru, Dominican Republic, Libya, Oman, and Qatar. Its global headquarters are located at Calle Gobelás 25-27 (Urb. La Florida), Madrid, Spain. The company is 100% Spanish-owned, with all of its share capital in the hands of the Alvarez family.

In the abovementioned countries, the Grupo EULEN provides its range of services to the most varied clientele in domestic, commercial, and corporate settings. The same type of products and services will be provided in other countries as and when the legal, financial, and social circumstances are favorable for this purpose, in line with the company's strategic vision.

In 2014, the group achieved consolidated sales revenues in excess of 1.38 billion euros and employed more than 84,000 people around the world, including over 35,000 workers outside of Spain.

EULEN S.A. is the parent company of the EULEN subgroup, and the ultimate parent company is Daval. The subgroup also has an interest in different businesses along with other shareholders.

As a general rule, EULEN directly manages all activities related to its core business and only outsources those which it deems can be performed more efficiently by specialized external firms. EULEN holds its outsourcers to the same high standards of quality and responsible conduct with regard to the environment, society, and labor relations.

This clear sense of responsibility to the society we serve is precisely what drives us to reinvest part of our profits in social initiatives: in improving the living conditions and welfare of our fellow citizens, in protecting the environment they inhabit, and, especially, in assisting those who are most vulnerable or at serious risk of social exclusion.

In order to continue these contributions to society, year after year, we are firmly committed to the ongoing task of making EULEN a socially sensitive company, resilient in the face of adversity and with a structural, financial and operational solidity that guarantees its future sustainability.

Group Companies >

(2.3)

CHILE	GRUPO EULEN CHILE, S.A. • EULEN CHILE, S.A. • EULEN SEGURIDAD, S.A. • INSTITUTO EULEN DE CAPACITACION, S.A. • EULEN SOCIOSANITARIOS, S.A.
COLOMBIA	EULEN COLOMBIA, S.A.
COSTA RICA	EULEN DE COSTA RICA, S.A. • SEGURIDAD EULEN, S.A.
DOMINICAN REPUBLIC	EULEN DOMINICANA DE SERVICIOS, S.A. • EULEN DOMINICANA DE SEGURIDAD, S.R.L.
MEXICO	EULEN MEXICO, S.A. de C.V. • EULEN MEXICO DE SERVICIOS, S.A. de C.V. • EULEN DE SEGURIDAD PRIVADA, S.A. de C.V. • EULEN FLEXIPLAN, S.A. DE C.V.
PANAMA	EULEN PANAMA DE SERVICIOS S.A. • EULEN PANAMA DE SEGURIDAD S.A.
PERU	EULEN DEL PERU, S.A. • EULEN DEL PERU DE SERVICIOS COMPLEMENTARIOS, S.A. • EULEN DEL PERU DE SERVICIOS GENERALES, S.A. • EULEN DEL PERU SEGURIDAD, S.A.
PORTUGAL	EULEN PORTUGAL DE SEGURANÇA, S.A. • ALFALIMPA, SERVIÇOS GERAIS LDA • FLEXIPLAN RECURSOS HUMANOS E EMPRESA DE TRABALHO TEMPORARIO, S.A.
QATAR	EULEN MIDDLE EAST, LLC
SPAIN	EULEN, S.A. • EULEN SEGURIDAD, S.A • FLEXIPLAN, S.A. E.T.T. • EULEN SERVICIOS SOCIOSANITARIOS, S.A. • COMPAÑIA INTERNACIONAL DE PROTECCION, INGENIERIA Y TECNOLOGIA, S.A. (PROINSA) • INSTITUTO EULEN DE FORMACION, S.A. • EULEN INTEGRA, S.A. • CODELCO MERCANTIL, S.A. • EULEN CENTRO ESPECIAL DE EMPLEO, S.A. • CORUMBA PATRIMONIO, S.L.
UNITED STATES	EULEN AMERICA, INC. • AMERICAN SALES AND MANAGEMENT ORGANIZATION LLC

Scale of the reporting organization >

(2.8, EC1)

NUMBER OF EMPLOYEES:	
GROUP TOTAL: 84,479 PEOPLE	SPAIN: 49,169 • INTERNATIONAL: 35,310
Financial data* (for more information see the 2014 Annual Report, pp. 15-21):	
Net turnover	1,387,858 €
Net turnover - Spain	1,076,028 €
Net turnover - international	311,829 €
EBITDA	37,710 €
NET INCOME	13,090 €

* (Figures in thousands of euros. Foreign currencies converted using yearly average exchange rate)

* In 2014 the Grupo EULEN did not have companies in Libya and Oman.

FOR MORE INFORMATION VISIT WWW.EULEN.COM

Introduction to the report

(3.1, 3.2, 3.3, 3.5, 3.6, 3.7, 3.8, 3.9, 3.10, 3.11, 4.14, 4.15, 4.16, 4.17)

The scope of the Corporate Responsibility Report and the performance data and indicators it contains is limited to Spain and covers the Grupo EULEN companies established in this country. However, some of our international activities are also addressed in a separate chapter.

The Corporate Responsibility Report is prepared each year and reflects the company's activity in this area, without limitations on the scope of data, during the 2014 calendar year. The most recent previous report was released in June 2014. This is the third year in which we have prepared our report according to the G3.1 Guidelines of the Global Reporting Initiative (GRI).

The Grupo EULEN has declared a B+ application level for this 2014 Corporate Responsibility Report, and the GRI has confirmed that this report has been prepared in accordance with the G3.1 Guidelines at a B+ application level. The company also decided to seek external assurance of this self-declaration regarding the application of guidelines by submitting it to the firm KPMG for review and asking the GRI to check it.

At present, the Grupo EULEN does not have a formal procedure in place for defining and prioritizing material topics. However, the company has applied the principles of materiality and relevance for stakeholders based on the organization's contribution to aspects affecting sustainable development and the company's economic, social, and environmental impacts.

Stakeholders

Although we do not have a formal procedure for identifying and selecting stakeholders, the Grupo EULEN executive team has dedicated considerable time and effort to engaging with the company's stakeholders in order to meet their expectations as well as our own needs.

However, stakeholders are constantly being selected at every level within the organization, which means that we are continually assessing and identifying opportunities for action or collaboration with stakeholders such as foundations, associations, government institutions, the media, etc.

In this respect, stakeholders have been selected based on the degree to which they are affected by our activity, prioritizing the aspects addressed in the report: in other words, our stakeholders are the primary beneficiaries of our social and environmental policies.

Principal beneficiaries of our social and environmental policies

STAKEHOLDERS	MEANS OF ENGAGEMENT	FREQUENCY
Employees	Joint meetings with works councils or workers' representatives Employee surveys Interviews with superiors In-house magazines	Occasional Monthly Yearly Quarterly
Customers	Channel for complaints and claims; Visits Satisfaction surveys Email and telephone	Occasional, when received Yearly
Suppliers	Evaluation surveys; Record reviews Interviews Email and telephone	Yearly Occasional Daily
Shareholders	AGMs/extraordinary meetings Corporate website; Specific publications	Yearly and occasional Occasional
Corporate Social Responsibility	Relations with social organizations and government agencies; Participation in business associations; Participation in forums and symposia Projects with social organizations; Miscellaneous contacts; Partnerships	Occasional Continuous

Information and data is gathered by following internal procedures (quality control, occupational health and safety, standard questionnaires for each area and department, etc.) and conducting internal and external surveys.

The Grupo EULEN in figures >

(2.5)

The Grupo EULEN has adopted a business management excellence model to ensure that its activity—providing general services to the corporate and public sectors—is conducted in a sustainable way while maintaining the standard of quality its customers demand, remaining transparent at all times, and bearing in mind the interests of our stakeholders.

The goal is to efficiently manage our teams in order to achieve excellence in our services, expand our business in Spain, and consolidate the group's presence in the international markets where it is currently active.

This, combined with solid financial results, will satisfy our shareholders and allow us to continue developing our business with high-quality, innovative services—identified and promoted by the R&D+i Department—on our quest for continuous improvement.

Sales >

SPAIN

1,076,028 millions of euros

INTERNATIONAL

311,829 millions of euros

CONSOLIDATED

1,387,858 millions of euros

Employees >

EMPLOYEES SPAIN

49,169 employees

EMPLOYEES INTERNATIONAL

35,310 employees

TOTAL EMPLOYEES

84,479 employees

Portugal

1,972 employees

Dominican Republic

1,244 employees

Peru

5,139 employees

Chile

9,930 employees

Jamaica

124 employees

USA

3,147 employees

Colombia

2,155 employees

Mexico

9,582 employees

Costa Rica

830 employees

Panama

1,187 employees

* The Grupo EULEN's operations in Libya, Oman, and Qatar in 2014 were sporadic, did not involve a permanent workforce, and were carried out via its companies in Spain.



David Alvarez Diez
Executive chairman and founder of the Grupo EULEN

"We want our business activities to help ensure that future generations will continue to enjoy the social, environmental and financial triumphs we have achieved together"

Letter from the Chairman

(1.1)

Dear friends,

It is a pleasure to once again present our Corporate Responsibility Report, this time for the year 2014, which offers a true and transparent account of the Grupo EULEN's actions in relation to our commitment to the society in which we operate. Ours is a clear, firm commitment to growth and improvement with a strong emphasis on sustainability: we want our business activities to help ensure that future generations will continue to enjoy the social, environmental and financial triumphs we have achieved together.

We are not content to rest on our laurels; we are working and will continue to work with tireless determination, doing everything we can to increase our contribution to such a worthy goal. We firmly believe that companies, the true powerhouses of civil society, have an undeniable moral obligation to support and stimulate that society, empowering it to pursue and enjoy greater prosperity and improving the living conditions of our fellow citizens.

Unfortunately, today our country is suffering the effects of a serious crisis of trust. All the economic indicators seem to suggest, and indeed confirm, that we are headed in the right direction: our gross domestic product is rising, unemployment is dropping, the proportion of new companies to failed businesses continues to climb, more and more active workers are registering with the Social Security system... and yet, in several reputable surveys,¹ when Spaniards are asked about the degree of confidence they have in our national institutions, the average of all responses is far below a passing grade.

When we drop down a level and examine the different groups and organizations that survey participants were asked to rate, we find that Spaniards also flunk the corporate world in general, and we notice with grave concern that the latest results are even worse than the already poor score received in 2013.

However, if we break down the corporate world into sectors, we find that family-owned businesses are among the most highly trusted by survey respondents, giving them the numerical equivalent of a B+. We naturally take pride in this fact, although it certainly does not mean we can afford to slack off or become self-complacent. Quite the contrary, in fact: if Spaniards feel that their family-owned businesses are trustworthy, then those companies have a duty to maintain and even improve upon the factors that inspire their confidence.

Regardless of the degree to which the ravages of the global recession, which fortunately seems to be winding down, may be responsible for the negative opinion of the business community reflected in that failing grade, it seems clear that companies—

and, apparently, family-owned businesses in particular—have a duty to help reverse that negative perception, that pessimistic vision of our future, and in my opinion only two things can make it happen: hard work and transparency.


Hard work means actions aimed at creating new and more stable jobs, improving occupational health and safety, promoting the personal and professional advancement of employees, implementing effective equal opportunity and non-discrimination policies, helping at-risk groups gain access to the job market, promoting greater respect for the environment, and generally increasing people's confidence in their present and future possibilities, as the only way we can hope to create an attitude of realistic optimism in our society.

And that hard work must be backed up by total transparency in all business dealings, a firm commitment to best practices in corporate governance, ethical conduct at every organizational level, accountability to every individual or corporate entity affected by our company's activities, and the regular disclosure of true and accurate statements regarding our financial results and the progress we've made toward achieving our stated goals.

For the Grupo EULEN, the year that ended in December 2014 was considerably better than the previous one. Sales are up by more than 4%, which is especially gratifying because most of that increase was generated by our operations in Spain, giving us reason to be moderately optimistic about our country's future.

At EULEN we must continue the journey we embarked on last year, once the internal restructuring process begun in 2012 had been completed: we need to consolidate our new corporate organization, adapting it to the current reality of the service industry and especially the tendency toward integrated services, foster an ethical, socially responsible mindset among our executives and other employees, make our operations increasingly transparent, and continue the permanent work-in-progress of building and growing our company with plenty of creativity and innovation. And we're already working to make it happen.

Warm regards,



David Alvarez Diez
Executive chairman and founder of the Grupo EULEN

(1) Data sources:

- Edelman Trust barometer 2014
- ESADE-Obra Social La Caixa Social Confidence Index 2014

Our Principles >

(4.8)

The activity of the Grupo EULEN is guided by a set of principles, which apply to the entire organization, based on business excellence models and characterized by dialogue and transparency in all stakeholder relations.

These principles operate within a framework of respect for universal human rights, labor laws, and environmental regulations that is ingrained in every area and aspect of our daily operations.

Mission >

To provide the general services our civil society requires with increasing intensity and variety, based on the premises of creating value, social and ethical commitment, and respect for the environment.

Vision >

To provide high-quality general services with the lowest possible environmental impact that contribute to the progress and wellbeing of individuals.

Five values form the bedrock of our vision:

- Corporate social responsibility
- Financial performance
- Respect for the environment
- Development of worker skills
- Team spirit / sense of belonging

Code of Principles and Values >

The Grupo EULEN has a Code of Corporate Responsibility Principles and Values that can be summarized as follows:

- ONE Faith in the power of private enterprise as the driving force of the economy and source of collective prosperity.
- TWO Respect for the laws in force.
- THREE Sensitivity to social needs and action based on criteria of professional ethics, which must guide our conduct.
- FOUR Constantly monitoring and responding to society's demand for services, the *raison d'être* of our business project.
- FIVE Satisfying our customers and delivering the quality they expect, the primary aim of the services we offer and the grounds that justify our profits.
- SIX A spirit of creative innovation and leadership, identifying traits of our corporate culture.
- SEVEN Economic solvency and efficient management of our resources, the foundations of our financial project and the best assurance of its future sustainability.
- EIGHT Shared responsibility at the executive level and orderly delegation of functions, the basis of our management style.
- NINE Training and development for our employees, and active measures to facilitate work-life balance and respect the equality of all workers, the pillars of our human resources policy.
- TEN Respect for the environment and the application of preventive measures to guarantee the health and safety of our workers, the essential framework for conducting all of our activities.

Code of Ethics >

In 2012 the highest governing body of the Grupo EULEN approved the company's Code of Ethics, which was released in 2013. Applying the group's stated vision and values, this code lays out the principles that must guide and govern the professional conduct of Grupo EULEN employees in the performance of their assigned duties and activities. The Code of Ethics articulates EULEN's commitment to act in accordance with certain values that will guarantee responsible conduct and strict observance of the laws in force in all of the company's relations: with its employees, its customers, its suppliers, its shareholders, and civil society in general.

The fact that the Grupo EULEN has adopted a Code of Ethics is solid proof of the company's determination to accept and be bound by a strict code of conduct.

The Code of Ethics is intended for all Grupo EULEN employees, who have been informed of and accepted its contents and are obligated to comply with it from the moment they join the workforce. Suppliers, subcontractors, customers, and any third party legally associated with EULEN—hereinafter stakeholders—will be protected by the principles of this code insofar as they are applicable.

Key Impacts: >

RISKS AND OPPORTUNITIES

(1.2. Managerial approaches)

JUAN RAMON PEREZ SANCHO,
EXECUTIVE DIRECTOR FOR SPAIN AND PORTUGAL

EULEN'S KEY IMPACTS ON SUSTAINABILITY

Human Resources: Our Primary Asset

The value of any company is largely determined by its human capital: people are the ones who design corporate strategy and carry out the actions needed to implement it; they innovate and perform their jobs each day in accordance with a tried-and-true set of principles. No one would question the value of individuals for organizations, and undoubtedly one of the most important tasks of any human resources department is to create a corporate environment that makes its employees—especially its most valuable and dedicated workers—want to stay on with the company, a strategy generally known as employee retention.

This is a particularly important issue for EULEN, because in our company people do not just design, direct and control the activities and services we offer; they are also responsible for actually performing them. At EULEN, people are our most valuable resource. In December 2014, the group employed a total of 84,479 people, divided among the 14 countries and 3 continents where we operate. This figure is 2.12% higher than in 2013, which means that we created 1,753 new jobs over the past year.

That diversified international presence is one of our main strengths, but it also poses one of the greatest challenges we face today: implementing standardized criteria, objectives, and systems for evaluating our performance in terms of corporate social responsibility. The ethical commitments, principles, and values on which our corporate culture and actions are founded have been clearly defined and are backed up by systematic compliance measures. However, there is still work to be done in terms of precisely defining the priorities of our activities in the areas of social outreach, environmental improvement, and support for the arts and sports. We

want to achieve as many of our goals as possible, but without losing sight of our leitmotif: people.

Social dimension

In the area of social outreach, the Grupo EULEN is especially sensitive to the needs of vulnerable groups and therefore remains committed to supporting organizations like Fundación Integra, which helps socially marginalized individuals and people with disabilities enter the job market and take control of their own lives. Last year we reached a new milestone in the integration of these groups, as the company hired 1,500 workers via that foundation. As a result, EULEN's efforts were publicly acknowledged by the foundation at its annual event.

The integration of persons with some kind of disability is a central pillar of our corporate culture. In 2014, disabled employees represented 3.34% of the Grupo EULEN's total workforce in Spain, well above the 2% quota required by law. This means that a total of 1,643 employees in Spain work with some type of disability, probably one of the highest figures in the country.

Yet the scope of the Grupo EULEN's social commitment is much broader, striving to offer equal opportunity of employment not only to the disabled but also to other vulnerable groups. In this respect, we have made a special effort to integrate women in the labor market, employing a total of 30,836 female workers in Spain which represent 62.71% of our national workforce. We actively pursue initiatives and partnerships to integrate disadvantaged members of Spanish society, and one of the most significant is an agreement signed with the Spanish Ministry of Health, Social Policy, and Equality to provide job opportunities for victims of domestic violence. Thanks to this agreement, in 2014 we participated in the ministry's public campaigns and conducted activities to raise awareness of the issue among our employees.

We also strive to offer job opportunities to immigrants, facilitating their integration in Spanish society by providing fair employment that allows them to pursue their life plans and enjoy the same rights as Spaniards. EULEN is a major employer of immigrants, and our workforce currently includes 2,525 resident aliens (5.14% of the total) from Latin America, North Africa, and Eastern Europe.

Since its founding, the Grupo EULEN has been characterized by its insistence on the importance of training. Not only is proper training both personally and professionally enriching, but it also sets our workers apart from the rest and promotes a sense of belonging. The following figures clearly attest to our efforts in this area: in 2014 a total of 35,903 employees in Spain received 323,379 hours of training. In foreign countries we provided a total of 40,303 training hours. Training is provided through the EULEN Training Institute and is available to all employees, including management but also and most especially our service personnel. Different subjects are covered in the approximately one thousand training units that make up our courses, which use the most cutting-edge technology. In 2014, we invested more than 4 million euros in employee training.

Environmental Dimension

The aim of the Grupo EULEN is to minimize the potential environmental impacts of our operations as much as possible.

To this end, our Environmental Management Policy establishes the guidelines for actions that not only affect aspects directly related to the services we provide, but also allow us to influence the actions of our principal stakeholders: customers, employees, shareholders, and suppliers.

The four pillars of our policy are as follows:

- As a **service provider**, we use clean, sophisticated, efficient technology in our production and distribution processes.
- **Customers:** We inform, educate, and offer our customers solutions to help them improve their energy efficiency and reduce the environmental impact of their energy consumption and habits.

- **Employees:** we provide training and raise awareness among employees to encourage less contaminating, more sustainable, healthier habits. One such measure is our in-house awareness campaign, with the slogan "Be Aware, It's Not Too Late to Change".

- **Shareholders:** In September 2014 our chairman, as a member of the Grupo EULEN's highest governing body, approved and signed the Integrated Management Policy, which reflects the company's worldwide commitment to use integrated systems of environmental management, quality assurance, and occupational health and safety.

- **Suppliers:** We include special environmental and social commitment clauses in our contracts with suppliers and subcontractors.

A more detailed description of these initiatives can be found in Section 5: Environment.

As a result of these efforts, the Grupo EULEN maintained its certification to the ISO 14001:2004 environmental management standard in 2014 for all group companies operating in Spain, Portugal, Mexico, the Dominican Republic, Peru, and Colombia.

With regard to energy savings, in 2014 the Grupo EULEN maintained its certification to standard ISO 50001, which regulates energy management systems (EnMS)

Economic Dimension

With regard to the Grupo EULEN's international operations, the percentage of foreign sales remained the same this year (23%). Although sales actually grew significantly in local currencies, this growth is barely reflected in the group's base currency, the euro, as exchange rates did not evolve favorably this year. In 2014, our total sales amounted to 1,388 million euros, of which 312 million were obtained in foreign countries. In comparison with the previous year, global sales rose by 3.85%, registering a 2.97% increase in sales abroad and a 4.16% increase in domestic sales.

With regard to earnings, in 2014 our consolidated EBITDA was 37.71 million euros, 15.18% higher than the previous year. Of the total, 27.29 million correspond to Spain (up 17.58%) and the remaining 10.42 million was generated abroad (up 9.34%). The consolidated net income for the

year was 13.09 million euros, representing an increase of 4.81%. Spain's net earnings amounted to 9.48 million euros, 88.46% more than the previous year, while international activities brought in 3.59 million euros, roughly half of last year's earnings.

These figures reflect the reality of a domestic market still struggling to emerge from a major recession. In Spain, 2014 was a particularly difficult year for the personnel-intensive services industry, not only because of the constrictive market situation that companies had to face, but also because it bore the brunt of the regulatory changes introduced by Royal Decree-Law 20/2012 on urgent measures to guarantee budgetary stability and improve competitiveness, and by Royal Decree-Law 16/2013. On the one hand, these changes eliminated the majority of the rebates on social security contributions for converting existing employment contracts to permanent status. And on the other, companies were forced to include several formerly excluded bonuses in the base salary used to calculate social security contributions. In practice, these changes mean an increase in the employer's social security costs which are difficult, if not impossible, to pass on to the customer in today's market, putting an enormous dent in the profit margins and net income of labor-intensive companies like ours.

Our consolidated net debt at the close of 2014 was 76 million euros. This is quite low considering the figures shown on our balance sheet; in fact, we reduced our debt by 3 million euros (3.80%) from the previous year. Equity amounted to 228.80 million euros, up by 3.09%. These statistics reflect a very robust financial situation that more than guarantees our ability to meet our short and long-term obligations, thereby facilitating the company's sustainability.

Respect for Stakeholders' Rights

This issue is a top priority that influences many decisions within the Grupo EULEN. We are keenly aware of the importance of keeping our stakeholders informed and knowing their opinions; after all, they are the beneficiaries, executors, and underwriters of our actions for and on behalf of society.

In the countries where EULEN operates, the laws in force are designed to safeguard the rights of citizens with regard to the environmental impact of business activities, and to ensure the welfare of society as a whole through corporate or tax legislation. In addition to complying with all applicable laws, the company's operations are governed by internal rules based on widely accepted international standards, as evidenced by our Code of Ethics and other regulations comprising the system of corporate governance, including the General Policy on Corporate Responsibility. Consequently, the company considers that its activities respect the rights of its stakeholders, there being no evidence of any stakeholder rights violations to date.

Moreover, the company regularly meets with all parties with a vested interest in its activities, primarily its employees, customers, suppliers, shareholders, and media representatives, as stated in the introduction to this report.

Management Systems and Processes

The Grupo EULEN's commitment to adopting a responsible management approach is honored in two key ways:

- The Code of Ethics approved in 2012, which applies to all group employees and expresses the Grupo EULEN's commitment to act in accordance with values that guarantee responsible conduct and absolute respect for the laws in force in all company relations.
- In order to verify compliance with the Code of Ethics, EULEN has an Ethics Committee made up of executives from the Corporate Human Resources and Organization & Control Areas, the Legal Department, and one director from the Production Area.
- A common regulatory system, already implemented in Spain and slated for development and implementation in the medium term in all other countries where we operate. This regulatory system gives all management and core personnel the guidelines they need to work.

The Audit and Management Oversight Departments are responsible for monitoring and verifying compliance with these regulations. Both departments have sufficient

organizational autonomy to carry out their tasks independently. Their compliance reports are presented to the highest governing body and to the senior management of the audited area. If any violations or incidents are detected, a corrective action plan must be initiated and progress duly monitored until the problem has been solved, always with a view to continuously improving our processes.

LONG-TERM RISKS AND OPPORTUNITIES: ENTERPRISE RISK MANAGEMENT SYSTEM

Risk identification is a process that involves different people and areas within the company: the Executive Director for Spain and Portugal, the directors of every business area (Sales & Marketing, HR, Finance, Organization & Control, ICT, Legal) and all directors of the departments within those areas, general deputy directors (FS Sales, FS Engineering, FS Production, Security, Social and Healthcare Services, and Temporary Employment), and regional and international area managers.

As a whole, the above-described system allows us to analyze the causes and possible effects of risk, and to specifically manage economic, environmental, and social risks and the impact that any risk event might have on the company's public image. To this end, we have established a specific benchmark risk index, which evaluates the group's business conduct from an ethical perspective as well as its activities in the area of service quality and customer care.

The risk management system allows us to take action and devise strategies to mitigate or eliminate identified risks, as well as evaluate the actions and controls already implemented. During 2014 we continued to develop and update this system in Spain, and we also began the process of international implementation (in Chile) with a view to eventually making it a group-wide system.

GOALS AND THE KEYS TO ACHIEVING THEM

Our mission is to provide the general services that our society wants and needs. In 2012 we created working groups to identify the possible future needs of our

customers, allowing us to stay ahead of the game and consistently offer a range of services and service packages that guarantee the satisfaction of our customers.

The results of that study led us to make changes in our organizational structure in 2013, specifically by separating our different business models at the operational level:

- Facility Services model, which includes cleaning, maintenance, environmental, and ancillary services
- Facility Management model
- Security model
- Social and Healthcare Services model
- Temporary Employment model

The transformation begun in 2013, with the primary goal of adapting to the needs and demands of our customers and deliver the promised level of quality to their entire satisfaction, was consolidated in 2014.

To that end, we made progress in several areas:

- Training multidisciplinary teams
- Adapting and modernizing IT systems
- Devising a sales plan in keeping with the new organizational structure

In addition, we restructured the geographical distribution of our different teams in order to maintain and even improve our close relations with and availability to customers.

Throughout the process, we have consistently acted in the best interests of our stakeholders (employees, customers, and suppliers), honoring our principles of business excellence and following the guidelines set out in our Code of Ethics and Code of Principles and Values.

Commitments to External Initiatives

(4.11, 4.12, 4.13)

The Grupo EULEN actively participates in a number of external initiatives, in Spain and in other countries where it operates in Europe and the Americas.

Proximity to our customers is a cornerstone of our corporate philosophy; we want to be accessible, available, and aware of their needs so that we can meet them quickly, which is why our organizational structure has been designed as a far-reaching capillary network. By way of example, we might point out that in Spain the Grupo EULEN has more than 80 offices in the country's 52 provinces, plus Ceuta and Melilla, or that it has 34 offices spread across Mexico, or that its 16 branches in Chile cover the entire country.

This strong territorial presence is precisely why we are able to actively support a large number of national, regional, and local organizations and associations, some of which are listed at the end of this chapter.

That support is channeled through a variety of association, affiliation, sponsorship, or collaboration agreements on various initiatives that promote a more caring, prosperous society and ultimately lead to better living conditions for its citizens.

SOCIAL, ENVIRONMENTAL, AND ECONOMIC PROGRAMS

The Grupo EULEN subscribes or endorses external initiatives aligned with sustainable development and encourages the adherence of companies in which it has a stake to consolidate ethical values across the group.

It has adhered to the Global Compact since 2003, making a commitment to embrace, support, and enact its ten principles in the areas of human rights, labor standards, the environment, and anti-corruption, both internally and within the company's sphere of influence.

Over the years, the company has made great strides in applying the policies and practices set out in the United Nations Global Compact and published its accomplishments in the annual Corporate Responsibility Report and on its corporate website, which conform to the most prestigious standards and are independently verified. As in previous years, in 2014 the Grupo EULEN submitted a progress report detailing its efforts to enact the principles of the compact.

In the area of social outreach, the company has signed agreements to promote the inclusion of persons with physical or mental disabilities,

immigrants, minorities at risk of social exclusion or with difficulty accessing the job market, and young unemployed university graduates.

The group also sponsors and/or supports different associations and foundations dedicated to promoting cultural initiatives, social policy, environmental action, etc.

Information on these activities is available at our website www.eulen.com, in the 2014 Annual Report, and in the relevant sections of this 2014 Corporate Responsibility Report.

PRINCIPAL ASSOCIATIONS

Given its size and international presence, the Grupo EULEN, either directly or via its affiliates and subsidiaries, belongs to a large number of industry-related associations, the most significant of which are listed below:

- AAEF (Andalusian Association of Forestry Companies)
- AEA (Spanish Arboriculture Association)
- AECA (Spanish Accounting and Administration Association)
- AEdG (Spanish Greenkeepers Association)
- AEDIPE (Spanish Association for Managerial and Human Development)
- AEFCLM (Castile-La Mancha Association of Forestry Companies)
- AEM (Spanish Maintenance Association)
- AEPJP (Spanish Association of Public Parks and Gardens)
- AERCE (Spanish Association of Purchase, Procurement, and Provisioning Professionals)
- AERME (Spanish Association of Fire Protection System Installers and Maintenance Companies)
- AES (Association of Security Companies)
- AESMIDE (Association of Government Contractors)
- AESTE (Association of Dependent Care Service Providers)
- AFE (Extremadura Forestry Association)
- AMI (Association of Maintenance and Energy Savings Companies)
- APD (Association for Progress in Management)
- APROSER (Professional Association of Private Security Companies)
- ASEMPLEO (Association of Employment Agencies)
- ASEJA (National Association of Landscaping Companies)
- ASERPMA (Association of Landscape and Environmental Recovery Companies)
- ASPEL (Professional Association of Cleaning Companies)
- ASELIME (Association of Mechanized Industrial and Technical Cleaning Companies)
- CEG (Management Excellence Club)
- CEOE (Spanish Confederation of Employers' Organizations)
- BUSINESS OWNERS' CIRCLE
- BUSINESS CONFEDERATION OF VALENCIA
- FORO NUCLEAR (Spanish Nuclear Industry Forum)
- FUNDACION COLEGIO LIBRE DE EMERITOS
- FUNDACION EDAD Y VIDA (institute dedicated to improving senior citizens' quality of life)
- FUNDACION SERES
- IFMA (International Facility Management Association)
- ISACA (Information Systems Audit and Control Association)
- ISMS FORUM (Spanish Association for the Promotion of Information Security)
- ISSA (the worldwide cleaning industry association)
- ITEL (Spanish Technical Institute of Cleaning)
- PROTECTURI (Association for the Protection of Historical Heritage)
- SEFM (Spanish Association of Medical Physics)
- SEDEX (organization dedicated to driving ethical and responsible practices in supply chains)
- SEPR (Spanish Society of Radiation Protection)
- SNE (Spanish Nuclear Society)

Corporate > Governance

(4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7, 4.9, 4.10, LA13)

The company has two joint and several directors who are designated by the shareholders at their annual general meeting, and together they constitute the highest governing body of the Grupo EULEN. In addition to their functions as directors, they act in the capacities of Executive Chairman and Vice-Chair of the service group.

Directly under and reporting to them are the corporate directors of Finance, Human Resources, Organization & Control, and Sales & Marketing, as well as the Legal Department and the Director of Information and Communication Technologies.

The Executive Director for Spain and Portugal, the Executive Directors for North and South America, and the general international area managers, who are responsible for our company's performance in their assigned territories, also report directly to the joint and several directors.

At the annual general meeting, the group's shareholders review and, if appropriate, approve the company's accounts and management report, documents which must necessarily be verified by accredited independent auditors. As the two directors are authorized to act jointly and severally, there is no need to establish procedures for resolving conflicts between them.

The managerial performance of group executives is evaluated according to a system that factors in objective indicators as well as personal assessments. This procedure is part of the company's internal regulations, and the Corporate Human Resources Area is responsible for developing and modifying it as necessary.

Detailed information on the joint and several directors' compensation scheme can be found in the "Annual Consolidated Financial Statements and Consolidated Management Report" dated December 31, 2014.

Joint & several directors

JOINT AND SEVERAL DIRECTORS

David Alvarez Diez
M^a Jose Alvarez Mezquiriz

BOARD OF DIRECTORS

Executive Chairman and Founder: David Alvarez Diez
Executive Vice-Chair: M^a Jose Alvarez Mezquiriz
Director of Organizational Development and R&D+i: Jesus David Alvarez Mezquiriz
General Secretary: Santiago Carrero Antin
Executive Director for Spain and Portugal: Juan Ramon Perez Sancho

** As at December 31, 2014*

SENIOR MANAGEMENT STRUCTURE AS AT 12/31/2014

CATEGORY	TOTAL		
	M	W	TOTAL
Executive / corporate directors / executive deputy directors	16	1	17
Sales / technical / operations / department directors	29	11	40
Regional / area managers	14	5	19
TOTAL SENIOR MANAGEMENT PERSONNEL	59	17	76

Stakeholders >



Employees
Customers
R&D+i
Society
Environmental
Suppliers



Employees

Workforce
Remuneration policy
Social commitments of the Grupo EULEN
Company-employee relationship
Human Capital Management
Benefits for employees
Occupational health and safety

1 Employees >

The Grupo EULEN knows that its human resources, the company's principal asset, and the efficiency with which they are managed have a direct impact on our quest for excellence in customer service, an area where professional training plays a vital role. This philosophy and the company's social contributions in Spain—primarily job placement and assistance for people in vulnerable groups or who have difficulty finding employment—are at the heart of the company's approach to social performance.

1.1 WORKFORCE (LA1)

The following is a breakdown of the Grupo EULEN's workforce in Spain: (LA1)

INDICATOR	2013	2014
TOTAL WORKFORCE	48,776	49,169
Men	36.60%	37.30%
Women	63.40%	62.74%
WORKFORCE BY AGE GROUP		
<30	14.06%	14.24%
30-50	55.05%	54.63%
>50	30.88%	31.13%
FULL-TIME EMPLOYEES		
Men	13,959	14,193
Women	9,980	10,000
PART-TIME EMPLOYEES		
Men	3,894	4,140
Women	20,943	20,836
EMPLOYEES WITH INDEFINITE CONTRACTS		
Men	9,879	9,571
Women	19,692	18,984
EMPLOYEES WITH FIXED-TERM CONTRACTS		
Men	7,952	8,763
Women	11,253	11,851

■ Total number of employees by professional category:

	M	W
Executives	118	41
Senior management & skilled professionals	156	253
Middle management	164	121
Administrative staff	34	322
Total core workforce	472	737
Total operative employees	17,862	30,098
Total workforce (absolute) on 12/31/2014	18,334	30,835

(LA2)

INDICATOR	2013	2014
RATE OF NEW HIRES	12.8 %	12.51 %
New hires	18,203	25,406
Hires	142,245	203,114
RATE OF NEW HIRES BY GENDER		
Men	8,878 (48.72%)	12,243 (48.19%)
Women	9,325 (51.22%)	13,163 (51.81%)
RATE OF NEW HIRES BY AGE GROUP		
<30	7,131 (39.18%)	9,812 (38.62%)
30-50	9,839 (54.05%)	13,536 (53.28%)
>50	1,233 (6.77%)	2,058 (8.10%)
NUMBER OF EMPLOYEES WHO LEFT THEIR JOBS	2,656	3,616
Men	1,009 (37.99%)	1,565 (43.28%)
Women	1,647 (62.01%)	2,051 (56.72%)
NUMBER OF EMPLOYEES WHO LEFT THEIR JOBS BY AGE GROUP		
<30	1,046 (39.38%)	1,414 (39%)
30-50	1,358 (51.13%)	1,847 (51.08%)
>50	252 (9.49%)	355 (9.82%)

(LA13)

The composition of corporate governing bodies and breakdown of employees by minority group membership and other indicators of diversity is as follows:

■ Breakdown of the Management category by gender:

Women: 22.37%

Men: 77.63%

Minority groups are not represented in the Grupo EULEN's management in Spain.

■ Percentage of employees in minority groups:

	2013	2014
Disabled employees	3.33%	3.34%
Foreign employees	5.49%	5.14%

1.2 REMUNERATION POLICY (EC5)

In 2014, the salary scale for the company's lowest organizational level established the minimum salary for an indirect employee of EULEN in Spain at approximately 75% more than the standard minimum wage in this country.

In addition to fixed salaries, the group has a variable pay system in place for its core personnel. Variable pay is a management tool that gives employees an additional incentive to work towards goals which the group regards as strategic to the growth of its business.

The benefits package for the group's core personnel also includes a corporate life insurance policy and, for certain executive positions, medical insurance and the use of a company car.

Additionally, since January 2014 all of the company's core staff located in Spain has the option of creating flexible salary packages.

Under this system, and up to the limits established by the law, employees can sacrifice part of their monetary salary in exchange for certain benefits (products and/or services) with special tax treatment, thereby increasing their net income.

Company policy also offers employees a number of other facilities, such as salary advances and loans on request and bonuses for mobility or relocation within Spain.

1.3 SOCIAL COMMITMENTS (LA13)

Corporate social responsibility is a central pillar of the Grupo EULEN's relations with its employees and with civil society in general. In this respect, the majority of the company's internal initiatives focus on diversity, equal opportunity, and work-life balance.

EQUAL OPPORTUNITY FOR VULNERABLE GROUPS

The Grupo EULEN is committed to serving society, and to this end it strives to facilitate insertion in the labor market for different groups, such as disabled citizens, immigrants, and persons at risk of social exclusion or who have difficulty finding employment.

Workforce composition: disabled and foreign workers

The composition of the Grupo EULEN's workforce in 2014, in terms of the number of disabled and foreign workers, is as follows:

Disabled employees: 1,643

Foreign employees: 2,525

In 2014, disabled personnel represented 3.34% of the group's workforce, with a total of 1,643 workers with some type of disability.

With regard to immigrants, in 2014 we employed 2,525 foreign workers, accounting for 5.14% of the total workforce.

Initiatives to facilitate integration

Not only is the Grupo EULEN concerned with facilitating job placement for the disabled, but it also strives to make their incorporation as pleasant as possible, with initiatives like offering sign language courses to all interested employees.

In the same vein, in order to help foreign workers feel perfectly integrated in our team and make the entire organization aware of the importance of cross-cultural understanding, we launched a new online course called "Diversity Management", in which employees learn about the different cultures represented in the group's workforce. We have also prepared a special "Orientation Handbook" for immigrants to make their integration and adaptation to the job and the organization easier. This handbook has been translated into several languages (French, Arabic, Romanian, and English) to make the transition as smooth as possible for non-Spanish-speaking workers.

In our efforts to facilitate access to the labor market for people at risk of social exclusion, the company has partnered with Fundacion Integra. We hired 138 people in at-risk groups through this foundation in 2014, bringing the total number of hires since we first began working with them in 2001 to 1,150.

In 2014 the Grupo EULEN also participated in the campaign "There's a Way Out" launched by the Ministry of Health, Social Policy, and Equality as part of the initiative "Businesses for a Society Free of Domestic Violence". We have been working with this institution since 2010, when we signed an agreement to facilitate job placement for women victims of domestic violence as a continuation of the compact made in 2007 with the then Ministry of Labor and Social Affairs, thereby honoring our commitment to help those who face greater challenges when seeking employment.

However, other groups have even more difficulty finding a job and gaining admittance to the working world. A case in point is job seekers over age 45, a major group at risk of social exclusion

which is nevertheless well represented at EULEN: we employ more than 21,407 workers in this age group, 43.54% of our workforce.

Other people have dedicated most of their lives to activities that offer few opportunities for employment after a certain point. One example is professional athletes, whose full-time dedication to their area of expertise endows them with a series of highly desirable attributes in any employee, such as the drive to succeed, teamwork, a sense of commitment and responsibility, etc. Yet the strenuous effort and demands on their time—long hours of practice, pre-game preparation, competitions, and constant travel—sometimes make it impossible for them to pursue an alternative career in the business world as long as they remain active in sports.

The Grupo EULEN has partnered with Spain's High Council for Sports to facilitate job placement for professional athletes in the context of the PROAD program.

Work-Life Balance

The Grupo EULEN's initiatives in this area aim to achieve a strategic goal: to help company employees strike a healthy balance between their responsibilities at work and at home.

Some of the measures we have introduced for core personnel are described below:

- **Flexible schedule:** Workers can adjust their daily working hours to reconcile their professional obligations with family time and leisure activities.
- **Condensed work week:** Friday work hours are condensed into a single morning shift.
- **Continuous shifts:** Between June 20 and September 10, core employees work continuous shifts (instead of morning and afternoon shifts with a longer lunch break, they start earlier, take a short lunch break and leave in the early afternoon).
- **Flexible vacation time:** Employees are entitled to 26 days of paid vacation, which can be divided into as many as four vacation periods throughout the year.
- **Sabbaticals:** Employees may request sabbatical leave to pursue other activities or interests (family, education, travel, etc.) for a minimum of 3 months and a maximum of 1 year.
- **Temporary reduction in working hours:** Employees may request a reduction in their working hours for a fixed period of time, which allows them to keep their jobs and have more free time for personal matters. A reduced

schedule must be equal to at least 1/8 and no more than half of the worker's standard hours, and it must be requested for a period of no less than 6 months and no more than 1 year.

- **Vacation buy plan:** Employees may purchase additional vacation time on top of the standard days to which they are entitled each year. Extra vacation packages may range from a minimum of 3 days to a maximum of 10 per calendar year.

1.4 COMPANY-EMPLOYEE RELATIONSHIP

The Grupo EULEN operates within an ethical framework, defined in its Code of Principles and Values applied to all stakeholders, that articulates our commitment to respecting human rights and the principles of the Global Compact—which we joined in 2003—as well as compliance with all applicable laws, and we have zero tolerance for child labor or any kind of forced or compulsory labor. **(HR6, HR7)**

Over 96% of the company's employees in Spain are covered by collective bargaining agreements, and the rest are protected by the Statute of Workers' Rights. **(LA4)**

The minimum notice period for significant operational changes is that specified in the Statute of Workers' Rights, with the exception of improvements that may be included in specific collective bargaining agreements. **(LA5)**

In addition, 100% of the EULEN workforce in Spain is represented on health and safety committees that help monitor and advise on OHS programs, as the workers' designated representatives sit on these committees. **(LA6)**

Indirect employees are those not directly assigned to a service contract—in other words, core personnel (2.45% of the Spain workforce on December 31, 2014). For direct employees (97.54% of the Spain workforce on December 31, 2014), the minimum wage/salary for each professional category is at least the amount negotiated in the pertinent collective bargaining agreement.

Employer-employee communication

The Grupo EULEN believes that in order to increase the efficacy of its human team, the true driving force of our business, employees need to feel at ease and integrated in the organization. This can only be achieved if workers are well-informed, understand the inner workings of the company (mission, philosophy, values, strategy, etc.), feel like they are a



allows users to customize shortcuts, information, and apps according to their needs. Among its best new features are a worldwide directory of group employees and offices and the possibility of creating "communities" where employees can share information.

1.5 HUMAN CAPITAL MANAGEMENT

Human resources are the most important asset of any organization, and the Grupo EULEN is determined to do everything it can to help our people realize their full potential.

EMPLOYEE TRAINING (LA11)

The company regards employee training as a vital investment in its own future success: well-trained workers are more capable of providing specialized services and adjusting to the specific needs of our clients. In fact, this is enshrined in the Grupo EULEN's Code of Principles and Values, which identifies "training and development for our employees, and active measures to facilitate work-life balance and respect the equality of all workers as the pillars of our human resources policy."

The company has created a center for this very purpose: the EULEN Training Institute (Instituto EULEN de Formación/ IEF), a branch of our Human Resources Area, which designs and provides in-house training for group employees, with classrooms and facilities at virtually every regional office in Spain. The flagship center and headquarters of the EULEN Training Institute are located in Madrid, with over 10,700 square feet of space divided among six classrooms, two multimedia areas, a teachers' lounge, and a library.

Training initiatives are set out in the Annual Training Plan, and the courses are later organized into learning units and given by province and service area.

The Grupo EULEN's considerable investment in this field (4,016,454 euros in 2014) testifies to the importance that it attaches to training. This investment has enabled us to achieve the following results:

- Courses given 1,443
- Total trainees 35,903
- Total training hours 323,379
- Hours per trainee 16.16

In addition, 100% of our core personnel receive annual skills and performance reviews. (LA12)

part of it, and are therefore motivated to do their best to help the company succeed.

Conveying corporate messages, sharing information on events within the company, and encouraging and establishing an open line of communication between employees, management, and the company's different departments are some of the Grupo EULEN's objectives in this area.

The channels we use are our in-house magazine, internal newsletters, the Corporate Employee Portal, and internal marketing campaigns

- **Nosotros**, EULEN's quarterly in-house magazine, features articles, interviews, reports, and other contents aimed at our core personnel (over 1,700 workers) and retired employees. The magazine is distributed in digital format by email and mailed to the homes of those who prefer to receive it in hard copy.
- Like the magazine, our internal newsletters, **EntreNosotros**, contain articles, interviews, reports, etc., but unlike the other publication they target the company's direct employees, those who work at our clients' facilities or homes (over 25,000 people). The newsletter is released every four months and mailed to the employees' home addresses along with their paycheck.
- The new **Corporate Employee Portal** was launched in 2012 for workers in Spain, and today it is available in all other countries where the company operates. The contents of this interactive resource, classified by product and business area, are constantly being refreshed and updated. Thanks to its new interactive design, the portal

Some of the star programs of our employee training and development paths are:

University graduates program

The Grupo EULEN launched a program to provide training for young university graduates in 1994 and has maintained it to this day.

Groups of young graduates learn about every product and area of the company's business with the help of in-house trainers, and later work as interns in different departments and provinces.

Since the program began, we have selected 9 batches of graduates and trained 236 students, many of whom now occupy management positions in the company.

These programs are carried out with our own personnel or through partners like the Citius grant program and Fundación Universidad y Empresa.

Entry-level training

This training program is based on the belief that no one should be put to work without first being properly trained.

New employees are given entry-level training before they officially start their jobs in an attempt to help them adjust to the Grupo EULEN and their immediate work environment, so that workers will feel secure and welcome in the organization. New hires are taught by the company's own training experts, and since 2012 we also offer a fun, informative online orientation course featuring children to help them become better acquainted with the company.

Service staff receives a welcome pack that includes an Orientation Handbook, with a letter from the chairman and information of interest about both the company and the job they will be performing. Versions of the handbook are available in Spanish, the co-official languages of Spain, English, French, Romanian, and Arabic.

@prende online training platform



The Grupo EULEN has an online training platform called @prende.

Students can use this internet platform to access different learning resources, such as courses or videos, from any computer, giving them the freedom to choose when and where they want to learn. This initiative, a product of the Grupo EULEN's progressive incorporation of new technologies, aims to offer employees a wider range of opportunities to receive training.

Today, students have access to more than 200 courses, videos, action plans, and various learning aids that offer specific training in services, skills, IT tools, etc. In total, over 400 training resources are available on the platform.

In fact, this method is proving to be an excellent and highly efficient training tool, as it allows us to present information about the company in a standardized format and reach a greater number of students.

New training options

In recent years, the growth of our workforce, time zone differences, and changes in activity have forced us to search for increasingly varied and specified training options that address the diversity and broad scope of the Grupo EULEN's services.

Therefore, in addition to traditional learning environments, we have introduced new training options in order to reach a greater number of people.

SOME OF THESE OPTIONS ARE:

- **Online training:** This service, offered via the online training platform @prende, is the company's fastest-growing learning resource.
- **Distance training:** Employees in geographically remote locations are trained with the help of printed learning resources and a tutor.
- **Trailer classrooms:** Trucks are transformed into well-equipped mobile classrooms to offer technical training workshops anywhere in Spain.
- **Virtual distance training:** students in different geographical locations connect via the internet, allowing teachers and students to see and hear each other in real time and share programs and multimedia contents in a virtual replica of a traditional classroom environment. At this time we have a "Webex Classroom".
- **Virtual classes:** offered online as occasional complements to traditional on-site training programs.
- **Recorded classes:** Our training courses have been compiled, classified, and recorded by technical experts and are currently available to students.

Service Management Program



This program is the successor to the EULEN Supervision Program, launched in 2010, which benefited over 150 students in Spain over the course of six editions and whose format was extrapolated to other countries.

This initiative inspired us to create the Service Management Program, adapted to the company's new areas of activity, which began in 2013 and will continue to grow in coming years.

This program is modeled on the business school format, offering over 200 hours of theoretical and practical instruction divided into 12 learning units and delivered by in-house and outside teachers. The program's contents were designed by more than 70 people with inside knowledge of our different business areas.



Language School

The Grupo EULEN has a language school which offers classes in English, Portuguese, Arabic, and the regional languages of Spain.

English is offered in a variety of formats: conventional classroom, e-learning, group and one-on-one classes, and even immersion courses.

International programs

We are stepping up our international training and educational activity all across the Grupo EULEN's global territory.

DIRIGE Executive Development Program

In 2014 the company launched a program in partnership with the ESADE Business School to provide training for its management-level employees.

EMPLOYEE PERKS

The Grupo EULEN wants its employees to enjoy life to the fullest, which is why it participates in different programs that enhance the wellbeing of our personnel. One of our best initiatives in this area is the creation of the EULEN Club, in which we have

partnered with a number of companies and organizations to offer Grupo EULEN employees major discounts and special offers on various products and services, such as:

- **Car rentals:** Employees can rent cars and vans from vehicle leasing and rental companies at a discount.
- **Wellness centers and spas:** Workers are encouraged to rest and relax with discounts at hotel chains and spas.
- **Education:** Special agreements with business schools, universities, and learning institutions that offer MBAs, master's and other postgraduate degrees and independent courses.
- **Home:** Discounts on home appliances, furniture, and domestic service.
- **Motor vehicles:** Different car dealerships selling a variety of makes and models as well as industry stores.
- **Leisure:** The Grupo EULEN believes it is essential that its workers be able to enjoy their free time and have access to leisure and entertainment at affordable prices. For this reason, we have arranged for our employees to receive significant discounts at amusement parks, game stores, musicals, theaters, concerts, and other activities.
- **Fashion, accessories, and outlet stores:** Clothing stores and online retailers that offer products by leading brands at special prices.
- **Real estate:** Different real estate agencies offer special facilities and discounts to workers interested in buying a home.
- **Health and beauty:** Major discounts for employees on private health insurance policies and vision care, beauty treatments, and other products or services at private clinics.
- **Insurance and banking:** Major banks and insurance companies have partnered with the group to offer loans, mortgages, homeowner's, life, and car insurance, and other products.
- **Travel:** Agreements with travel agencies, hotels, and cruise lines offer Grupo EULEN employees the best prices for their vacation getaways.

1.6 BENEFITS FOR EMPLOYEES (LA3)

The Grupo EULEN's concern for its employees is evident in the

different initiatives launched to offer them certain services, free of charge, which they might not be able to enjoy if they did not work for the company.

MEDICAL-SOCIAL ASSISTANCE HOTLINE

The Grupo EULEN has devised a pioneering corporate responsibility initiative known as the Medical-Social Assistance Hotline. The company has partnered with asmedit® to offer all employees a telephone hotline which they can call to receive free **medical, psychological, nutritional, social, and legal advice**, directly from qualified professionals.



There is no limit on the number or duration of calls to this telephone, which offers group employees the following services:

■ MEDICAL advice and information, 24 hours a day, year-round:

- * Questions on any health-related topic: symptoms, drug dosages and interactions, explanation of test results, vaccines, diet and nutrition, and any general health concerns (the hotline staff does not offer diagnoses or prescribe treatments).
- * Information on all public and private health care resources anywhere in Spain: hospitals, specialized centers, on-duty pharmacies, etc.
- * Children's health: conception, pregnancy, nursing, and pediatric advice for children up to age 12.

■ PSYCHOLOGICAL advice and information, 9 am to 7 pm, Monday through Friday:

- * Primary assistance in moments of personal crisis, distress, anxiety, etc.
- * Psychological support in special circumstances
- * Help with grieving, separation/divorce, postpartum depression, etc.
- * General psychological counseling and orientation: behavioral, learning, and social disorders, etc.
- * Childhood, adolescence, sexology.
 - Addictions (drug abuse, alcoholism, etc.)
 - Eating disorders (anorexia and bulimia)
 - Senior citizens, domestic violence, couples counseling

■ NUTRITIONAL advice and information, 9 am to 7 pm, Monday through Friday:

- * An expert on dietary nutrition handles all calls.
- * Orientation on balanced diets and eating habits, advice on diets to combat specific problems such as high cholesterol, high blood pressure, etc.
- * Nutritional problems: poor appetite, iron deficiency, dental cavities, etc.
- * Eating disorders
- * Monitoring childhood obesity
- * Food allergies, etc

■ SOCIAL advice and information, 24 hours a day, year-round:

- * Senior citizens: home care, assisted living facilities, associations
- * Women: training and education, domestic violence, family planning, adoptions
- * Addictions and substance abuse
- * Assistance for persons with physical, mental, or sensory impairments (special assistance available by fax or online)
- * Child and youth issues
- * Information on all existing social resources in Spain and how to use them: special centers, public services, etc.
- * LEGAL advice and information, 9 am to 7 pm, Monday through Friday:
 - Family law: orientation and advice on all the legal ramifications of death, separation, divorce, child custody and guardianship, etc.
 - Information on filing and handling legal documents: last wills and testaments, court orders, etc.
 - Legal problems with communal property, homeowners' associations, rentals, property sales and purchases
 - Driver's license points system
 - Domestic violence

LIFE INSURANCE

In early 2007, the Grupo EULEN took out a corporate policy to provide all indirect employees with life insurance coverage. This policy covers the risks of death and total and permanent work disability, regardless of the cause. It is also compatible with any other life insurance employees may take out on their own initiative. All core personnel are automatically included in the policy, and new hires are added at the moment they are registered as company employees.

The insured amount, regardless of professional category, is the sum of the following: one year's fixed salary, plus another year for a non-earning spouse, plus another half year for every child under age 25.

With this initiative, the Grupo EULEN has stepped up its efforts to promote the welfare of its employees and meet the needs that may arise in the course of both their professional and private lives

OTHER INITIATIVES

New additions to the Grupo EULEN's core personnel receive an Orientation Handbook that explains the company's history, organizational structure, mission, values, sales, workforce, facilities, etc. The handbook allows new hires to get a general idea of the scale of the company and learn interesting facts about us.

The company also facilitates the transition process for new operative or direct employees, who receive a Welcome Pack when they join the Grupo EULEN that includes a letter of welcome, an overview of the group, and information on its mutual insurance policy.

In addition, we offer an Express Money Transfer service that allows EULEN's foreign employees to send funds to 14 different overseas destinations under advantageous terms.

1.7 OCCUPATIONAL HEALTH AND SAFETY

(LA7, LA8)

Protecting workers from occupational hazards requires a constant effort to improve the safety of working conditions and to create a safety-conscious corporate culture by promoting education and training in this area at every level of our organization.

Occupational health and safety (OHS) is an integral part of the management system of all Grupo EULEN companies, and a very important part at that, given the potentially serious consequences of work-related accidents and diseases and their significant social, financial, and operational repercussions.

For all these reasons, the Grupo EULEN is seriously and firmly determined to enforce the Occupational Health and Safety Policy in all of its activities and companies, a policy that is constantly being updated and improved.

In order to have a true culture of prevention, occupational health and safety must be managed at every stage in the production chain (not just at the moment of risk assessment), and that management must be fully integrated with the entire corporate hierarchy and taken into account when negotiating the terms of service contracts with customers.

The OHS policy's aim is to achieve the highest possible level of safety and health on the job to safeguard workers' personal integrity and health. The Grupo EULEN's motto is "Do it safely or just don't do it", and the pillars of our policy are as follows: OHS risk assessment, preventive action planning, corporate coordination, and worker participation.



ACCIDENT RATES (LA7)

Any work-related accident (i.e. injuries and occupational diseases) declared by workplace accident mutual insurance societies are recorded and reported to the pertinent government authority.

In accordance with Spanish law, which defines lost days as the total number of calendar days during which a worker is incapacitated for a period greater than one full day, the Grupo EULEN's injury rates for 2014 and 2013 are as follows:

RATES	2013	2014
Injury rate	42.87	47
Occupational disease rate	0.13	0.74
Injury severity rate	0.57	0.66
Occupational disease severity rate	0.005	0.015
Absentee rate	0.46	0.54
Fatalities	0	1

Calculation of injury/disease rate (# of incidents with lost days/# of workers)*1000

Calculation of severity rate (# of lost days/total workers*work hours)*1000

Calculation of absentee rate (days missed/total working days*# of workers)*100

The indices of Grupo EULEN in 2014, by sex, are:

RATES	2014	
	MEN	WOMEN
Injury rate	17.84	29.18
Occupational disease rate	0.06	0.68
Injury severity rate	0.25	0.41
Occupational disease severity rate	0	0.015
Absentee rate	0.20	0.34
Fatalities	1	0

Calculation of injury/disease rate (# of incidents with lost days/# of workers)*1000

Calculation of severity rate (# of lost days/total workers*work hours)*1000

Calculation of absentee rate (days missed/total working days*# of workers)*100

With regard to contractors, the persons in charge of the contract must request and compile this data.

In compliance with Spanish law, accident statistics are recorded and reported via a digital platform called Delt@ (Electronic Reporting of Work-related Accidents).

In addition, all EULEN workers in Spain are represented on health and safety committees, as the workers' designated representatives sit on these committees. (LA6)

EMPLOYEE AWARENESS CAMPAIGNS (LA8)

The Grupo EULEN regularly conducts different in-house campaigns to raise awareness among employees and prevent future accidents (proper use of ladders, use of PPE, road safety guidelines, etc.). The messages of these campaigns are usually delivered in documents enclosed with paychecks, articles in our newsletters and magazine, and/or on the Corporate Employee Portal, as reminders of the precautions that should be taken in different situations.

In 2014 the Grupo EULEN continued its customary road safety campaigns, with a special focus on high-risk periods such as holidays, long weekends, and times of bad weather or storms.

In 2014 we continued our "Watch your posture, at work and at home" campaign, publishing ergonomic tips in our employee newsletters.

Car pooling has several significant advantages:

- It cuts down on highway and inner city traffic, especially at peak commute times.
- Commuting with co-workers reduces the risk of falling asleep at the wheel and can even make drivers more responsible, as passengers may draw their attention to unsafe practices and help them improve. It also offers the possibility of taking turns at the wheel and alternating drivers.
- It reduces commuting costs for everyone in the car pool.
- It allows commuters to use the High Occupancy Vehicle (HOV) lanes.
- By reducing the number of vehicles on the road, it benefits the environment.

In order to facilitate communication between employees, the Grupo EULEN has created a virtual bulletin board where workers can make car-pooling arrangements. With this service, drivers can post pick-up and drop-off points, times, routes, etc., and others can look for available spots in co-workers' vehicles.

OCCUPATIONAL RISK PREVENTION SYSTEM

Preventing occupational risks is a vital enterprise-wide endeavor, and as such it must permeate all activities and decisions on every level.

Therefore, we require all business units within the corporate organization to cooperate fully and unreservedly with our Risk Prevention Unit in the performance of its duties.

The group's management has defined and documented the responsibilities, duties, and competencies of each area to

achieve our general objectives in terms of risk prevention. These are explained in our internal regulations, and compliance is mandatory for everyone who is a part of the group's companies.

In addition to defining duties and responsibilities, another necessary measure for ensuring that prevention is taken seriously within the company is to facilitate open communication between all parties concerned. These communications are governed by standards, procedures, forms, and instructions published in our internal regulations, which are available to all workers on the Employee Portal and explain how each person is expected to act in different circumstances. Everyone in the organization is notified of any changes or additions to our internal regulations by emails sent from the Audit Department.

Certain topics related to occupational health and safety are addressed in provincial, national, or industry-specific agreements. Moreover, the quarterly meetings of the provincial Health and Safety Committees discuss topics deemed to be of interest according to each area's needs. These committees include workers' representatives as well as trade union delegates and the company's risk prevention experts. **(LA9)**

Hercules program

The screenshot shows the 'Hercules' web application interface for 'Prevenión de Riesgos Laborales'. The top navigation bar includes 'Administración', 'Evaluaciones', 'Puestos', 'Fichas', 'Riesgos', 'Documentación', and 'Herramientas'. The main content area is titled 'Evaluaciones - Nuevo' and features a form for creating a new evaluation. The form includes fields for 'Evaluación' (ID), 'Tipo' (radio buttons for 'Cliente', 'Oferta', 'Centro'), 'Cliente', and tabs for 'General', 'Puestos', 'Planif. Actiz. Preventiva', 'Control Periódico', and 'Histórico'. The 'General' tab is active, showing dropdown menus for 'Provincia', 'Empresa', 'Producto', and 'Línea Venta'. Below these are text input fields for 'Lugar de prestación de servicio' and 'Actividad Contratada'. Further down are dropdowns for 'Técnico', 'Resp. de Contrato', and 'Resp. de Control Periódico'. At the bottom, there are input fields for 'Resp. PRL (Cliente)' with sub-fields for 'Nombre', 'Email', and 'Telefono', and a button for 'Acompañantes'. An 'Observaciones' field is at the very bottom.

To help achieve this goal, the Grupo EULEN's Corporate Risk Prevention Unit has designed a computer program called Hercules which ensures that risk prevention is built into every area of the organization and guarantees compliance with risk prevention requirements for the more than 49,000 employees who go about their daily tasks at countless client facilities throughout Spain. This computer program encourages the active participation of all parties concerned with risk prevention, getting the group's human team involved and facilitating the verification, control, and management of risk prevention measures in every contract.

In 2014, the Hercules program was migrated to a new environment and the computer management system was customized to better cater to the needs of the Grupo EULEN.

The decision to switch environments was essentially motivated by the need for a more user-friendly design on the occupational risk management program Hercules in order to address the company's unique requirements. We will take advantage of this migration to make scheduled improvements, such as classifying risk assessment forms more clearly by operation and subject to make them easier to identify.

Another aspect we intend to improve in the immediate future is the integration of documents submitted in the process of coordinating risk prevention activities. To this end, the Technology and Information Area has chosen a supplier to carry out the environment migration and make all necessary improvements. Several changes were made over the course of 2014 (Phase I) and uploaded to the system in several provinces, which in 2015 will be implemented in the rest of Spain.

During 2015 the program's performance will be monitored and evaluated, and the modifications will be developed in Phase II.

Certifications

The Grupo EULEN's OHS management system has undergone an external audit according to OHSAS 18001:2007 to verify that its OHS procedures and practices, as set out in the group's internal regulations, comply with the requirements of the OHSAS standard and have been properly implemented.

We have already obtained OHSAS 18001:2007 certification for our cleaning, maintenance, security, environmental and ancillary services.

EULEN has an occupational health and safety management system and documented procedures in place to govern our management practices in this area. In some cases, these procedures are even stricter than those required under the Spanish laws currently in force



A person in winter gear is climbing a snowy mountain slope. The sky is a clear, deep blue. The person is seen from behind, wearing a dark jacket and pants, and is using a rope or climbing aid. The snow is bright white, and the overall scene is one of a high-altitude, clear day.

2

Customers

Customer Satisfaction
Quality of Service

2 Customers >

In 2014 the Grupo EULEN provided services for 6,918 clients representing a wide variety of industries in both the public and private sectors. Customer relations are a top priority for the company, and we are constantly changing to meet their evolving needs. The Grupo EULEN aspires to be a strategic ally that helps its clients grow and improve, letting them forget about the secondary aspects of their activity and focus on their core business.

2.1 CUSTOMER SATISFACTION

(PR5)

As we constantly strive for excellence in business management, the level of customer satisfaction is a determining factor in the Grupo EULEN's business decisions.

In 2014 the Grupo EULEN conducted a worldwide customer satisfaction survey in all seven of the countries where we are certified to standard ISO 9001:2008 (Spain, Portugal, Mexico, Peru, Chile, Colombia, and the Dominican Republic).

RESULTS OF THE 2014 WORLDWIDE CUSTOMER SATISFACTION SURVEY

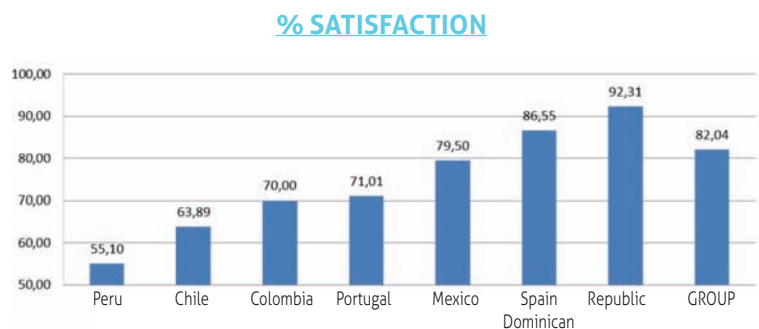
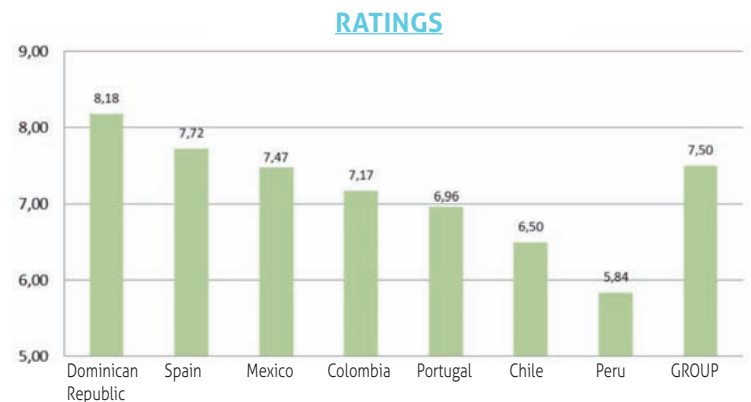
Based on the survey conducted between December 2014 and February 2015, in Spain the group achieved a customer satisfaction rating of 7.50 in comparison with the 7.57 score obtained in 2013, and 82% of clients surveyed were satisfied or very satisfied with the services provided by the Grupo EULEN.

The company also has a system for handling complaints, positive feedback, and customer concerns on its corporate website www.eulen.com.

The Grupo EULEN's records show no evidence of having received any fines or notices in 2014 as a result of non-compliance with regulations or voluntary codes concerning health and safety impacts of products and services during their life cycle. (PR2)

Similarly, the Grupo EULEN's records show no evidence of having received any fines in 2014 for non-compliance with applicable laws concerning the provision and use of the organization's products and services. (PR9)

The customer satisfaction ratings obtained in each country are shown on the following charts:



2.2 QUALITY OF SERVICE

As noted earlier, the mission of the Grupo EULEN is to provide the general corporate services our civil society requires with increasing intensity and variety, based on the premises of creating value, social and ethical commitment, and respect for the environment.

Our commitment to sustainable development and quality in service is founded on five principles:

- Corporate responsibility
- Financial performance
- Respect for the environment
- Development of worker skills
- Team spirit / sense of belonging

In addition, the company's quality management system has been certified to the international standard **ISO 9001** and its environmental management system to standard **ISO 14001**. Since May 2014, we can also boast **ISO 9001 Global** certification in seven different countries (Spain, Portugal, Mexico, Colombia, Peru, Chile, and the Dominican Republic) and **ISO 14001 Global** certification in five countries (Spain, Portugal, Mexico, Peru, and the Dominican Republic).

In today's business world, excellence in service gives companies an important competitive edge. As a leading provider of general corporate services, the Grupo EULEN had made excellence a top priority because its entire business depends upon the quality of its services.

Thanks to this emphasis, the superlative quality of the services we provide to our clients is now a hallmark of the EULEN name. Part of the secret to the Grupo EULEN's success is that it strives to make employees at every level and in every area of the organization keenly aware of the importance of quality. Every worker needs to understand that the success of the company's relationship with a client depends on his/her attitude and response to that client's demands.

For this reason, the Grupo EULEN has implemented a quality management system that conforms to standard ISO 9001: 2008, which prioritizes customer satisfaction as the primary

objective of its range of services. In addition to aspects directly related to the provision of services, this system also encompasses the company's relations with its six principal stakeholders—customers, employees, civil society, shareholders, suppliers, and partners—whose confidence and trust the group aims to earn, thereby ensuring continuous improvement in the context of our management systems.

In this respect, the Grupo EULEN uses two main tools to monitor its performance:

- Service performance indicators
- Indicators of clients' perception of quality





3

R&D+i

3 R&D+i in the Grupo EULEN >

The Grupo EULEN has a division dedicated specifically to innovation, the R&D+i (Research, Development, and Innovation) Department. Its mission is to make innovation an integral part of the business as a means of improving performance and competitiveness in the organization and its production processes.

The R&D+i Department is also responsible for communicating the organization's R&D+i activities, with the aim of sharing and publicizing information about the innovation process—initiatives, mission, objectives, and results. To this end, the department maintains its own internally accessible data system with records of all innovation projects.

The Grupo EULEN systematically explores and develops innovations in service as a scientific discipline, a practice which allows us to devise new approaches to services that benefit our clients and society as a whole.

Studies in the field of service science and efforts to establish **service engineering as a true technical discipline** have made it possible to advance toward a new concept of better, more productive services.

Several converging paths define our approach to developing this aspect of our business:

- **Product lines:** a source of potential growth.
- **Sales channels:** working to strengthen our sales force in key locations with high customer concentration as well as in outlying areas, and coming up with new sales models.
- **Markets:** large companies, SMEs, micro-businesses, and individuals are all potential consumers of services.

The key to future success lies in constantly adding new activities and markets and in developing better, highly efficient services.

For this reason, the Grupo EULEN's R&D+i Department regards its innovation project as a driving force of change, giving us the ability to respond faster and more efficiently to the demand for new ideas, new solutions, and new, unconventional ways of working that will make the Grupo EULEN more competitive and

flexible while helping us penetrate new markets, and, in short, be more innovative.

Today, the Grupo EULEN **defines its innovation project as the sum of coordinated, interrelated activities that aim to:**

- Develop new services
- Introduce new sales channels or methods
- Establish new business models
- Penetrate new markets Incorporate new technology in our services
- Introduce new organizational methods
- Forge alliances with other service providers

The R&D+i Department has an effective and efficient project management method that seeks to reduce performance time, improve cost control, and minimize project risks.

In 2014, the Grupo EULEN was involved in a total of 74 innovation projects, 10 of which have already been completed.

In order to offer expert assistance in the application of new service models with technological components, the R&D+i Department regularly attends tech industry conferences, lectures, events, and meetings to source and acquire innovative elements, thereby ensuring that the technology used in our production processes is tailored to the latest trends in the demand for services.



4

Society

Vulnerable Groups in Local Communities
Sponsorship and Patronage

4 Society >

(S01)

As our chairman and founder David Alvarez has pointed out, the Grupo EULEN's commitment to society is essentially about giving back to the communities that have given us so much. As an expression of this commitment, the company makes every effort to create employment opportunities for members of vulnerable groups and offer them training to increase their employability.

One of the ways in which the Grupo EULEN honors its obligations to society is by participating in the **United Nations Global Compact**, which it joined in 2003, and committing to enact its ten principles in the areas of human rights, labor standards, the environment, and anti-corruption. We also submit an annual progress report describing the improvements made each year.



In addition, we support several NGOs such as **Doctors Without Borders**, for whom EULEN Security provides free security and surveillance services at locations where they organize campaigns and activities in different Spanish cities.



4.1 VULNERABLE GROUPS IN LOCAL COMMUNITIES

This report describes the Grupo EULEN's active, voluntary contributions to social, economic, and environmental welfare with the goal of improving the competitive situation of candidates referred to us by certain foundations and companies.

In this respect, the company's social initiatives focus on providing resources for socio-economic development projects to benefit vulnerable groups, primarily in the fields of social services, health, education, professional training, and employment.

Our social actions are geared toward supporting the following groups:

- People with physical and mental disabilities
- Immigrants
- Groups at risk of social exclusion
- Groups with difficulty accessing the job market
- Young university graduates

Agreements for the integration of people with physical or mental disabilities

Job placement for workers with a disability rating above 33% is a strategic goal of the Grupo EULEN's hiring policy, and people with an accredited disability are given priority when filling vacancies.

Year after year, the company makes a conscious effort in this area, and the number of disabled employees on our workforce has consistently exceeded the 2% quota established by law, even before it became mandatory. In December 2014, the company employed 1,643 people with some type of disability, representing 3.34% of all employees.

AGREEMENTS AND PARTNERSHIPS

We have entered into different agreements and partnerships to collaborate with associations by performing a series of actions that aim to promote the full integration of disabled citizens in society and the labor market. Under the terms of these agreements, both parties commit to cooperate and actively seek to improve the situation and possibilities of the disabled community.

ALBACETE

AFAEPS (Association of Friends and Family of Persons with Mental Illnesses)

Regional Ministry of Training and Employment of Castile-La Mancha
FSC Inserta

Municipal Social Services and Employment Office of Albacete
City Council

Albacete Association of Persons with Alzheimer's Disease

BILBAO

FEKOOR (Coordinating Federation of Persons with Physical Disabilities of Bizkaia)

CORDOBA

FAAS (Andalusian Federation of Associations for the Deaf)

Cordoba Chamber of Commerce

Spanish Federation of Organizations for People with Intellectual

Disabilities (FEAPS-Andalusia)

GIJON

Inserta Employment Plan of Gijon City Council

GRAN CANARIA

ADEPSI (Association of Adults with Mental Disabilities)

MURCIA

AIDEMAR (Association for Disabled Integration in the Mar Menor Region)

FAMDIF (Federation of Murcian Associations of Persons with Physical and Organic Disabilities)

Fundacion Rais

Sil de Cartagena

SEVILLA

Fundacion Universia

Videssus ONGD

FSC Inserta

VALENCIA

COCEMFE (Confederacion Coordinadora Estatal de Minusvalidos Fisicos de España)

FSC Inserta

Fundacion Caritas

Fundacion Prevent

IVAS (Instituto Valenciano de Accion Social)

COCEMFE (National Coordinating Confederation of Persons with Physical Disabilities of Spain)

FSC Inserta

Fundacion Caritas

Fundacion Prevent

IVAS (Valencian Social Outreach Institute)

Agreements for the integration of foreign nationals

Job placement initiatives for foreign workers are primarily channeled through the company's own internal processes, although we have also signed agreements with different organizations.

Agreements for the integration of groups at risk of social exclusion

The Grupo EULEN is strongly committed to providing job opportunities for groups at risk of social exclusion, and to this end it partners with foundations and associations and offers people from these groups a chance to join its workforce.

The company has sponsored **Fundacion Integra** since it was founded in 2001, and over the years it has hired a total of 1,150 people at risk of social exclusion sent by this foundation, including 138 new hires in 2014. In fact, the Grupo EULEN is the company that has employed the most people at risk of social exclusion through Fundacion Integra to date.

Additionally, the Grupo EULEN partnered with the **Spanish Red Cross** to help distribute tickets for the charitable "Gold Lottery" held on July 17, 2014, throughout Andalusia and the Canary Islands.

In **Albacete**, EULEN was acknowledged by Fundacion Secretariado Gitano for its contribution to the training aspect of the "Gypsies with Education, Gypsies with a Future" program. In connection with this program, the company hired one person to provide information services at the SEC.

Meanwhile, EULEN Healthcare spearheaded several initiatives aimed at another important sector of Spanish society: **senior citizens**. In this area, it is working with several organizations to create a forum for the acknowledgment and positive perception of home care services. EULEN is also one of the promoters and secretary of the LideA (Active Senior Leadership) Forum, which in 2014 organized two regional symposia on Social Leadership for Seniors.



3rd Social Leadership for Seniors Symposium, held in Logroño.

Finally, this year the company signed a collaboration agreement with the SENDA Group for developing public communication campaigns to promote social leadership and a positive perception of seniors and their organizations. This agreement

also includes the annual presentation of a leadership award to senior citizens' organizations, which in 2014 went to the Spanish Confederation of Senior Education Centers (CEATE).



IV Conference of social leadership, celebrated in Valencia.

In **Cordoba**, we were recognized as a corporate supporter of the Spanish Red Cross and received the "Distinction for Companies that Actively Promote Employment" as a result of our partnership with the Cordoba Chamber of Commerce in 2014. In Huelva, the Grupo EULEN was acknowledged as a "company that actively contributes to the social and labor integration" of persons at risk of social exclusion in connection with the "Southern Environment" project of the "Fight against Discrimination 2007-2013" multi-regional operational program, funded by the European Social Fund, which aims to raise public awareness, especially among business owners, and prevent discrimination in Andalusia.



Signatories of the agreement between EULEN Healthcare and the Senda Group.

Meanwhile, in Murcia the city council granted the "Murcia in Equality" distinction to the Grupo EULEN, in recognition of its efforts to combat domestic violence and support its victims. One of our most notable initiatives in this area was the organization of the 1st Awareness Day for Group Managers, which focused on the need to integrate women victims of domestic violence.



Europa Press. "Murcia in Equality" Award presented to the Grupo EULEN.

BALEARIC ISLANDS

Spanish Red Cross

BARCELONA

Pallejà Town Council
Spanish Red Cross
FEMAREC
Fundacion Intermedia
Fundacion Ires
Fundacion Surt
Fundacio Salut i Comunitat

BILBAO

Local Development Council, for hiring at BBG
Obra Social "la Caixa"
Askabide, for the integration of former sex workers Caritas

CORDOBA

ADSAM (Association for the Social Defense of Adolescents and Minors)
ALCER (National Federation of Associations for Fighting Kidney Diseases)
Cabra Town Council Women's Services Center
Bata Center for Cooperation Initiatives (CIC)
Benchmark Orientation Center for the "Andalusia Orienta" Network
Spanish Red Cross
FSC Inserta

Fundacion Proyecto Don Bosco
 Fundacion Secretariado Gitano
 Municipal Institute of Economic Development and Employment of Cordoba (IMDEEC)
 Mujeres en Zona de Conflictio

GRAN CANARIA

Las Palmas de Gran Canaria City Council
 Villa de Ingenio Town Council
 CEAR (Spanish Refugee Aid Commission)

MURCIA

Murcia City Council
 Cavi de Cartagena
 Fundacion Rais
 Radio ECCA

SEVILLE

"Andalucia Orienta" - Association of Social Studies for the Equality of Women (AESIM)
 Atenea Grupo Cid
 Diocesan Caritas
 Fundacion Atenea
 Fundacion Secretariado Gitano
 Seville City Council Workshop-Schools and Job Workshops Program
 Redes Project
 Mairena del Aljarafe Municipal Labor Mediation Service

VALENCIA

Asociacion Alanna
 Spanish Red Cross
 Fundacion Intra
 Fundacion Novaterra
 Fundacion Secretariado Gitano
 Pactem Nord

In **Bilbao**, in 2014 we signed agreements with the Red Cross for internships in cleaning services and storage management, with Behargintza of the Zamudio Town Council for hiring municipal workers, and with various training organizations on the left bank of the Nervion River for cleaning service internships with Portugalete Town Council that resulted in contracts for two people (office clerk and crew supervisor) with a cleaning service.

Agreements for the integration of groups with difficulty accessing the job market

The Grupo EULEN and 21 other well-known companies signed

an agreement with Spain's **High Council for Sports** to facilitate job placement for former professional athletes. Under the terms of this agreement, the company has joined the council's Professional Athletes Assistance Program (PROAD) and signed a charter to promote further education and job opportunities for professional sportsmen and women.

Agreements for the integration of young university graduates and unemployed youth

The Grupo EULEN has teamed up with different universities across Spain to provide internships and grants for young people..

ASTURIAS

Faculty of Psychology, University of Oviedo
 Doctor Fleming Secondary Vocational School in Oviedo
 University of Oviedo (specialization course in Human Resources Management)
 Business Association of Transportation and Parking Facilities of Asturias (ASETRA)
 Institute of Social Studies and Training (IFES)
 Fundacion Metal Asturias
 Integrated Professional Training Centers (CIFP), Gijon, Langreo, and Llanera
 Las Palmeras Occupational Training Center, Gijon
 Principality of Asturias Legal School

ALMERIA

Sol de Portocarrero Secondary School
 University of Almeria

BALEARIC ISLANDS

Spanish Red Cross
 IBANAT (Balearic Nature Institute)
 Lluçmajor Secondary School
 UGT (General Workers' Union)

BARCELONA

Barcelona City Council
 Bona Voluntat en Accio
 CIRE (Center for Reinsertion Initiatives)
 Creu Roja (Red Cross)
 FEMAREC
 FSC Inserta
 Fundacion Intermedia
 Fundacion MAPFRE
 INGEUS - Occupational Guidance Service of the Diocesan Caritas of Barcelona
 Lloc de la Dona

CADIZ

Meridianos Association of Disabled Persons for Social Integration (ADIS)
Torre Almirante Secondary School
San Juan Bosco Salesian Private School
University of Cadiz

CEUTA

FOREM (Miguel Escalera Training and Employment Foundation)

CORDOBA

APROSUB (Association for Persons with Intellectual Disabilities of Cordoba)
Ramon y Cajal Private School
San Francisco de Sales-El Buen Amigo Private School of Cordoba
FEAPS-Andalusia (Spanish Federation of Organizations for People with Intellectual Disabilities)
University of Cordoba
University of Salamanca

GRANADA

Institute of Social Studies and Training (IFES)
Cartuja Secondary School
Virgen de las Nieves Secondary School
University of Granada
University of Jaen

GRAN CANARIA

San Cristobal Integral Continuing Education Center (CIFP)
Mesa y Lopez CIFP
OSCUS CIFP
Las Palmas de Gran Canaria University Foundation
University of Las Palmas de Gran Canaria

HUELVA

Spanish Red Cross
EAE-ISFU
Andalusian Federation of Associations for the Deaf (FAAS)
Secondary Studies Institute
PRAEM scholarship program
University of Huelva

MALAGA

Humanitas Pro-Integration Association
Santa Maria de los Angeles Salesian Private School
Jardines de Puerta Oscura Secondary School
La Rosaleda Secondary School
Jesus Marin Polytechnic Secondary School
Municipal Training and Employment Institute (IMFE)
University of Malaga

SEVILLE

AESIM (Association of Social Studies for the Equality of Women)
Meridianos Association of Disabled Persons for Social Integration (ADIS)
Alcala de Guadaira City Council
Sagrada Familia Professional Schools
Altair Salesian Private School
Bata Center for Cooperation Initiatives (CIC)
Ciudad San Juan de Dios
Spanish Red Cross ("Fight against Discrimination" multi-regional operational program)
Euromoving (Lifelong Learning Program)
FEAPS-Andalusia (Spanish Federation of Organizations for People with Intellectual Disabilities)
Andalusian Federation of Associations for the Deaf (FAAS)
Federation of EU Immigrants in Andalusia (FORUM)
Fundacion Publica de Estudios Universitarios Francisco Maldonado de Osuna
Gereba Secondary School
Gustavo Adolfo Becquer Secondary School
Martin Rivero Secondary School
Ostippo Secondary School
Poligono Sur Secondary School
Andalusian Employment Office, Provincial Council of Seville
International University of Andalusia
University of Seville
Pablo de Olavide University

TENERIFE

University of La Laguna
Fundacion Empresa Universidad de La Laguna

VALENCIA

Albuixech Town Council
Alfajar Town Council
Alzira Town Council
Benetusser Town Council
Buñol Town Council
Carcaixent Town Council
Carlet Town Council
Gandia Town Council
Liria Town Council
Mislata Town Council
Paterna Town Council
Ribaroja Town Council
Silla Town Council
Xativa Town Council
Centro de Formacion Folgado S.L.U.
Inteca Training Center, Catarroja
San Pau Rehabilitation and Social Insertion Center and Day Center
Velluters Rehabilitation and Social Insertion Center and Day Center

FEAD Training Center
 Spanish Committee for the Exchange of Students for Technical Experience (IAESTE Spain)
 European Management and Business School (EUDEE)
 ESIC (University School of Commercial Engineers)
 Fundacion Adecco
 Fundacion Adsis
 Fundacion Empresa Universidad de Alicante (FUNDEUN)
 Fundacion Novafeina
 Fundacion Pacto Empleo Comunidad Valenciana
 Fundacion Secretariado Gitano
 Fundacion Universia
 Arnau de Vilanova Hospital, Valencia
 Clinical University Hospital of Valencia
 Gonzalo Anaya Secondary School
 Manuel Sanchis Guarner Secondary School
 Advanced Health and Education Institute (IASE)
 Keyexecutive
 La Caixa
 Catholic University of Valencia
 Cardenal Herrera University
 University of Barcelona
 University of Valencia
 Jaume I University, Castellon
 Miguel Hernandez University, Elche
 Polytechnic University of Valencia

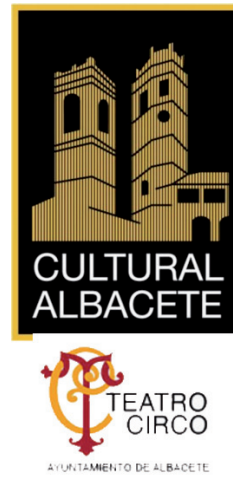
In **Salamanca**, EULEN Flexiplan has partnered with the University of Salamanca on a study to document changes in attitudes, cognitive schema and systems, and social representation among workers involved in programs to improve employability. As a result of this partnership, several papers have been published in specialized journals and presented at conferences in Spain and abroad.

Additionally, in 2014 the Grupo EULEN signed a collaboration agreement with Fundacion Comillas in Cantabria to award two scholarships for the official degree program in Hispanic Studies offered by CIESE-Comillas during the 2014/15 school year.

Supporting the arts

The Grupo EULEN is committed to promoting culture and the arts by working with different associations and organizations throughout Spain.

The company supported Teatro Circo in Albacete, as a member of the Cultural Albacete group, by becoming the sole sponsor of two of its performances in 2014.



The Grupo EULEN also collaborates with the **Municipal Knife Museum** of Albacete by helping them produce their annual reports. This museum organizes permanent exhibitions of pieces and collections of exquisitely crafted blades from its own holdings or loaned by other institutions, offering the public a fascinating overview of the birth and evolution of the cutler's art.

As in past years, the company assisted the CEEI and Albacete City Council with the organization of the 3rd Municipal Entrepreneurs Forum of Albacete. This collaboration agreement was renewed in 2014 because EULEN shares an interest in actions designed to stimulate the local economy and job market and encourage entrepreneurial initiative.

Meanwhile, in Andalusia we supported the **4th Enrique Garcia Memorial** Chess Competition organized by Club Amigo and the San Hermenegildo School, the entire proceeds of which were donated to ANDEX (Association of Parents of Children with Cancer in Andalusia). On this occasion, the Grupo EULEN's cleaning division donated the trophies and medals presented to the winners in each category of the competition.

The company also lent its support to the **Alma Federation** (Andalusian Association of Persons with Spinal Cord Injuries) by providing a vehicle to transport federation users and helping out with the publication of their magazine; we organized a charity dinner for the **Order of St. John of God**, raising funds for the



upkeep of the new school and residence for disabled children; and we supported and sponsored technical conferences organized to celebrate the 10th anniversary of the San Juan de Dios Hospital.

Other initiatives supported by the Grupo EULEN in Andalusia this year include the Annual Gala of the Association of Parents of Autistic Children, held at the Seville Yacht Club (where EULEN Security provided a private security service), the Melilla Sailing Week (which we sponsored by providing hostesses and security personnel), and the 1st Race to Beat Breast Cancer in Melilla organized by the Spanish Association against Cancer (also sponsored by EULEN).

4.2 SPONSORSHIP AND PATRONAGE (EC1)

The Grupo EULEN actively supports a wide variety of activities related to research, education, and the arts.

All such initiatives are channeled through the EULEN-David Alvarez Foundation or the companies that make up the Grupo EULEN, or are handled personally by our chairman and founder.

FUNDACION INSTITUTO BIBLICO Y ORIENTAL

The Institute for Biblical and Oriental Studies (Instituto Biblico y Oriental / IBO) was founded in Leon in 2003 when the Grupo EULEN and Caja España decided to sponsor a young priest from the Leonese mountains who had received a priceless legacy from Professor Van Dijk, as one of his most distinguished students, and brought it to the city of Leon. This legacy comprises over 12,000 scholarly tomes and journals on oriental subjects and nearly 1,000 archaeological artifacts, making it the first collection in Spain dedicated to Assyriology and one of the most important in the world.

The museum where part of this legacy is now held was officially inaugurated by Her Majesty Queen Sofia of Spain on March 11, 2009. The doors of the museum and library, located on the premises of the Royal Collegiate Church of San Isidoro in Leon, have remained open to visitors ever since.

The Institute for Biblical and Oriental Studies aims to foster and disseminate scholarly knowledge about the Bible as the root of our Western Christian civilization and culture. It also explores aspects of the human condition that resonate with us on a more personal level and examines the history of our civilization in order to gain a deeper appreciation and respect

for the legacy we have received and face the future with the benefit of foresight.

The institute's bibliographic resources are made available to scholars, and it offers courses, which have enjoyed remarkable success, to those interested in studying the Bible, archeology, history, and eastern languages from Biblical times. Consequently, the institute is open to anyone with a thirst for knowledge, regardless of age or educational background.



Activities of the Institute for Biblical and Oriental Studies

The activities in which the foundation participates through the institute are:

Library: offering visitors access to 14,000 volumes on subjects related to the Biblical Middle East and Old and New Testament studies. Highlights of the library include sources on cuneiform script, a series of journals, and a Bible collection.

Excavations: the institute's head archeologist, Florentino Diez Fernandez, has conducted excavations at the Church of the Holy Sepulcher in Jerusalem, and his finds were published as the first volume in the institute's collection. This same archeologist has led other digs on the descent to the Kidron Valley and at the Church of St. Peter in Gallicantu, both in Jerusalem, and he has plans to begin new excavations in Iraq.



Trips to the East: the institute has planned trips to eastern countries to gain a deeper understanding of their culture and traditions.

Courses: the institute offers courses in Ancient Sumerian, Akkadian, Egyptian hieroglyphics, Biblical Hebrew, Biblical Latin, and Ugaritic, as well as others on the history, archeology, and religions of the Middle East in Biblical times.

History chairs: dedicated to studying the early Christianization and Romanization of the Picos de Europa mountain region.

Lectures: the institute organizes lectures on religious themes such as Jesus Christ, God, the Old Testament, and family relationships, among others. It also hosts debates and offers debating courses. In addition to lectures, the institute holds academic events to present the results of archeological excavations, launch books, offer updates on Biblical and oriental research projects, etc.

Seminars: the institute organizes seminars on the history and archeology of the Biblical Middle East, religion in the contemporary era, humanity's relationship with religion, and other topics.

Museum activities: the museum is home to a significant collection of objects related to the Bible and the Ancient Middle East. Its treasures include a collection of cuneiform texts, Coptic codices, Egyptian statues and artifacts from the 19th to the 1st century BC, examples of Paleo-Christian art, a massive Neapolitan-Spanish crèche from the 19th century, and Mesopotamian statues and terracotta figures, to name but a few.

Today visitors can enjoy guided tours and explore a temporary exhibition about the religious itinerary of Alexander the Great, the first ever dedicated to this particular aspect of his career.

Kids' Classroom: an activity designed for younger visitors (children between ages 7 and 11), where they learn about cuneiform script, Egyptian hieroglyphics, and other fascinating things.

FUNDACION COLEGIO INTERNACIONAL PEÑACORADA



This foundation is personally sponsored by our chairman, David Alvarez. The Peñacorada International School is an important institution in the province of Leon, as it aspires to shape the hearts and minds of the future leaders of Leon and Spain.

The school's state-of-the-art educational facilities accommodate students of every age from preschool to the baccalaureate level. The Peñacorada educational project is based on scientific methods and cutting-edge pedagogical techniques that lay a solid foundation for future learning while also encouraging the development of individual creativity and free thinking. This project is based on the idea that every student requires a personalized education in order to fully develop their skills and abilities, form their own opinion of the world, and acquire the maturity and knowledge they will need to make decisions freely and responsibly.

Foreign Languages

The school offers a comprehensive educational program that incorporates English in the learning experience from the preschool stage. In the third grade students also begin learning German from native teachers. Students have the option of certifying their English proficiency at the school, as it is authorized to offer Trinity College London GESE examinations at 12 different levels and exams to obtain the First Certificate in English from the University of Cambridge. These prestigious international exams also give students additional motivation to master a foreign language.

Music School

The Peñacorada International School is authorized as an official music school and has also been recognized as an exam center by the Trinity Guildhall of Music, London. In 2007, the Regional Government of Castile-Leon notified Fundacion Peñacorada that the center had been authorized to open and operate as an official music school, which already had more than 100 students at the time even though their course of study was not officially recognized by the Regional Ministry of Education. Today it teaches the subjects on the ministry's official curriculum required to earn an Official Academic Certificate in

Music, offering the four courses at the first elementary level for piano, violin, cello, flute, and percussion.

Christian Calling

In keeping with its foundational charter, at the Peñacorada International School all activities are carried out in accordance with the basic precepts of Catholic doctrine and with the utmost respect for freedom of conscience. The school encourages students to cultivate human, social, and civic virtues, a spirit of camaraderie, cooperation, and service, and a sense of social responsibility.

International Baccalaureate

The school aspires to educate the professionals, entrepreneurs, and social, economic, political, and cultural leaders of tomorrow. The entire educational program at Peñacorada, from preschool to the international baccalaureate, is designed to prepare these future leaders.

Peñacorada has set itself the following goals: to be a top-notch school that educates and trains the business leaders of tomorrow; to prepare new generations of business owners and inspire them to take part in Spain's social and economic life; to equip future business leaders to adequately defend and advocate the different positions and proposals of the private sector; and to work with powerful institutions and business leaders who are committed to the progress of our country and the development of the global economy with a strong sense of social justice.

In September 2008, Peñacorada became the only private or charter school in Castile-Leon to offer this type of program. The degree offered by the International Baccalaureate (IB) foundation is recognized by the most prestigious universities around the world, with which it works closely to promote the merits of the IB diploma. The International Baccalaureate also helps students by offering them access to a database with contact information and admission requirements for universities all around the world.

FUNDACION INTEGRA



The Grupo EULEN became a trustee of Fundación Integra in 2001, when it made a commitment to interview all job candidates

referred by the foundation and, whenever possible, hire those with the right qualifications to fill any existing vacancies, giving them priority over other candidates. We have worked with Fundación Integra consistently since it was first established, and this program is currently implemented in Madrid, Valencia, Barcelona, Seville, Vigo, and the Balearic Islands.

As a result of this partnership, the group has hired a significant number of people at risk of social exclusion to work at its different locations. The exact figures since 2001 are provided below:

	2014	Total from 2001
Barcelona	23	156
Balearic Island	3	20
Madrid	33	378
Vigo	0	35
Seville	8	106
Valencia	71	264
	138	959

Referred and hired candidates belong to vulnerable groups at risk of social exclusion, such as job seekers over age 45, women victims of domestic violence, people with difficult family situations, and others.

The majority were hired to fill vacancies in the areas of cleaning services, home care, geriatrics, call centers, concierge services, landscaping, and administrative services. Women remain the primary beneficiaries of this collaboration agreement, accounting for 75% of all candidates who found employment.

In 2014 the Grupo EULEN reached a new milestone in its efforts to facilitate job placement for persons at risk of social exclusion, as this year we celebrated our 1150th hire through Fundación Integra. The hard work of the company's HR team was publicly acknowledged at Fundación Integra's annual awards ceremony, where it honors the companies that have made significant contributions throughout the year. The award for the Grupo EULEN was collected by Alfonso Gordon, Corporate Director of the HR Area, who thanked the foundation for this acknowledgment and encouraged the other corporate partners to keep up the good work.

In addition to job market integration and hiring, the Grupo

EULEN works with Fundacion Integra to provide training for candidates to improve their employability.

Corporate Volunteers

In 2014 we continued to develop our corporate volunteer program, whereby group employees offer training to members of vulnerable groups who are striving to reenter the job market after being out of work for a time.



This year we offered a total of 38 workshops at the Madrid facilities of Fundacion Integra, training people from different socially marginalized groups (former substance abusers, at-risk youth, female victims of prostitution or human trafficking, victims of domestic violence, etc.). Most of them had been unemployed for quite some time, and as a result they needed to brush up on their social skills and knowledge of the working world.

The Grupo EULEN volunteers offer workshops on resume writing, job interviews, first day on the job, financial education, and legal education.

In late 2014 this program was extended to other cities like Seville, Valencia, and Barcelona. So far, two workshops on financial and legal education have been given in both Valencia and Barcelona, and another six have been offered in Seville.

FUNDACION ATAPUERCA

Fundacion Atapuerca was created to provide continuity and organizational and financial support for the ongoing research at archeological sites in the Sierra de Atapuerca mountains.

This research has recently attracted a great deal of attention due to a series of highly significant discoveries that have alerted the

international scientific community to the immense importance of this singular archeological complex, now considered a seminal site for studying the presence and evolution of humans on the European continent.

The Grupo EULEN joined Fundacion Atapuerca as a founding corporate partner in June 2007, with the aim of helping the foundation fulfill its purpose and realize its future plans.

As a current board member, the EULEN-David Alvarez Foundation has made a commitment to help the foundation fulfill its stated purposes.



ASSOCIATION OF FRIENDS OF THE UNIVERSITY OF NAVARRE

One of the Grupo EULEN's oldest partnerships, dating back to the 1990s, is with the Association of Friends of the University of Navarre. The stated purpose of this institution is "to promote and aid, by all lawful means within its power, the pursuit of the teaching, medical, and research activities conducted by the University of Navarre, an educational institution recognized by the Spanish government".

To achieve this goal, the association—acting on its own or in concert with other organizations that have similar goals—organizes any kind of event that serves to fund or benefit the activities of the university, to obtain the necessary resources for meeting the physical and intellectual needs of its faculty and students, and to support auxiliary or assistance-oriented activities conducted by either the university or its individual and/or corporate collaborators.

Through its annual collaboration, EULEN supports the scientific medical research being done at the University of Navarre Medical School and the University of Navarre Clinic.

GUGGENHEIM FOUNDATION

In 2003 the Grupo EULEN was made a Trustee of the Guggenheim Foundation, and in 2008 the EULEN Foundation took its place on the Board of Trustees. In addition, the president and founder of the Grupo EULEN, David Alvarez Diez, has been an Honor Member of the Guggenheim Museum Bilbao since 1997.

The goal of the Guggenheim Foundation is to promote the involvement of relevant companies and organizations in the activities of the Guggenheim Museum Bilbao. For its part, EULEN supports the museum as a participant in its corporate membership program since 2003.

EMPRENDEDORES 2020 – EDUCA 2020

The Grupo EULEN has joined the Emprendedores 2020 [Entrepreneurs 2020] plan, a project spearheaded by Fernando Jauregui and driven by a group of journalists, lawyers, economists, business owners, professors, urban planners, and sociologists who share an interest in the future of Spain. The idea behind this project is to search throughout Spain and Latin America for entrepreneurs willing to share their experiences, problems, accomplishments, and failures, and then organize encounters with these enterprising individuals at different locations across Spain.

In 2014, the project took on a new challenge in its ongoing efforts to spread the culture of entrepreneurship through Spain: Educa 2020 [Educate 2020], a contest that rewards the best business project devised by a young university student. In this competition, entries are judged based on their presentation, innovative quality, potential to create new jobs and improve society, and environmental sustainability.



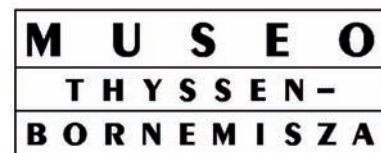
EDUCA 2020.

The Grupo EULEN supports the Educa 2020 initiative launched by Emprendedores 2020 by sponsoring its activities and promoting an entrepreneurial spirit among students at universities, primary and secondary schools, business schools, etc. EULEN also has a visible presence at every Educa 2020 event, which feature a video with testimonials and the book *¿Puedo montar mi propia empresa? Ellos lo consiguieron, doscientas historias de éxito de los nuevos empresarios españoles [Can I Start My Own Company? They Did: 200 Success Stories of New Spanish Entrepreneurs]*.

A large number of these events, attended by 150 students on average, have been held at universities, schools, and town/city halls across Spain.

THYSSEN-BORNEMISZA MUSEUM

The Grupo EULEN is a staunch supporter of the arts, and in 2014 it decided to join the Thyssen-Bornemisza Museum Friends Program as a Corporate Friend. In this capacity the company is able to make a significant contribution to the preservation and dissemination of the Thyssen-Bornemisza Collection, while also facilitating the various activities that the museum schedules throughout the year.



FUNDACION SERES

The Grupo EULEN has been a partner of Fundacion Seres since it was created in 2010. This foundation aims to encourage companies to make a commitment to improve society through responsible actions aligned with their corporate strategy that benefit everyone.

SERES is made up of 100 companies that strive to promote and improve corporate social responsibility by introducing business initiatives which are strategic, and therefore sustainable in the long term, and facilitate the social integration of vulnerable groups. The foundation believes that the corporate world has the power to significantly improve society and welcomes the participation of all companies, regardless of their location or size.



5 Environment

Commitment to Sustainable Development
Principal environmental performance indicators

5 Environment >

At the Grupo EULEN, we strive to differentiate our services from those of the competition by offering a unique combination of values: a stellar service policy, commitment to improving productivity, financial performance, and employee satisfaction, respect for stakeholders' rights, and concern for the environment.

Our environmental and quality management systems should reinforce and enhance each other and be ingrained in our enterprise-wide operations management system, which means that all affected business processes must be adapted to these systems.

5.1 COMMITMENT TO SUSTAINABLE DEVELOPMENT (4.12)

The Grupo EULEN has been certified to standard ISO 14001 since the year 2000. Since May 2013, the company also has ISO 14001 Global certification, and in 2014 its scope was expanded to include the Dominican Republic and Colombia, bringing the number of countries in which we are globally certified to a total of six (Spain, Portugal, Peru, Mexico, the Dominican Republic, and Colombia).

Over the years we have developed procedures that allow us to keep track of the environmental aspects of all our activities in order to minimize their environmental impact.

This system enables the Grupo EULEN to conduct systematic, fully documented, periodic, objective assessments of the organization's efficacy.

INTEGRATED MANAGEMENT POLICY (ENVIRONMENTAL, QUALITY, AND OCCUPATIONAL HEALTH & SAFETY MANAGEMENT) (4.12)

In September 2014, the company's chairman approved and signed a revised version of our Integrated Management Policy, which establishes the guidelines that govern the Grupo EULEN's worldwide activities with regard to its environmental, quality, and occupational health and safety management systems (ISO 14001, ISO 9001, and OHSAS 18001).

ENVIRONMENTAL TRAINING AND AWARENESS (4.12)

During 2014 the company continued the campaign initiated in 2008 to raise environmental awareness and extended it to all six countries where the group is certified to standard ISO 14001 (Spain, Portugal, Mexico, Peru, the Dominican Republic, and Colombia). Adopting the slogan Be Aware, It's Not Too Late

to Change, this campaign aims to cut back on the use of natural resources such as water, electricity, and paper and ensure the proper disposal of municipal solid waste.

The Grupo EULEN's intention is to encourage its employees (core personnel and operative employees working at our clients' facilities) to develop less pollutant, more sustainable, healthier habits on the job and in their everyday lives.



COMPREHENSIVE MANAGEMENT POLICY (Management of the Environment, Quality and Health and Safety in the Workplace)

The Grupo Eulen group of companies, which provides general services to businesses, is committed to applying a policy that will allow it to ensure its clients enjoy the highest possible degree of satisfaction. Its work is based on value creation, a commitment to ethical criteria, respect for the environment and protection of its workers in the face of risks that compromise health and safety at work.

Our Comprehensive Management System policy not only consists of issues directly connected to providing services, but also the relations that join us with our clients, employees, shareholders, suppliers, collaborators and social surroundings, with the aim of providing all stakeholders with security and confidence in our Group, in the context of a constant desire to perfect our Management Systems, which must act as a benchmark for establishing and reviewing the company's goals.

A true culture of prevention demands that the management of quality, prevention, respect for the environment in all shapes or forms and the health and safety of employees at all stages of the production chain (and not only during risk assessments) be integrated at all company levels and considered and valued when negotiating with clients the conditions under which a service will be provided.

Our goal is to ensure our services are defined and identified, in comparison with competitors, by our effective commitment to complying with the applicable regulations in all sections of our comprehensive management policy, along with all internal company rules that provide for regular independent audits in order to implement and guarantee effective compliance of said regulations. This is all applied in both the company's external and internal relations and in all actions carried out by our employees, who have signed their commitment to applying all of these principles with the consequent responsibility of carrying them out.

Furthermore, Grupo Eulen complies with and guarantees compliance with all legal regulations regarding personal data protection, an especially sensitive and relevant issue in the areas of social and healthcare services as carried out by the company.

Finally, I would like to encourage everyone who is part of this group of companies and all those who have a relationship with said companies to take an active part in our commitment to quality, the environment, pollution control, energy saving and health and safety in the workplace. To ensure this commitment achieves general dissemination, it is available to everyone via our website: www.eulen.com

Madrid, 11 September 2014

David Álvarez Díez
Founding President
Joint and Several Director

ENVIRONMENTAL INITIATIVES (EN26)

INITIATIVES IN THE 2009-2014 PERIOD	NEW INITIATIVES IN 2014
Initiatives to mitigate environmental impact	
<ul style="list-style-type: none"> • We use FSC or PEFC certified paper. • We purchase paper with the EU Ecolabel, which certifies the use of manufacturing methods that reduce air pollution. • We acquire office furniture from suppliers with ISO 14001:2004 certification, guaranteeing the application of sustainability principles to the design, manufacturing, distribution, and sales processes. • We deliver paychecks, memos, and training material in electronic format. • We have upgraded to cleaner, more efficient cleaning equipment (Taski machines). 	<ul style="list-style-type: none"> • We have expanded the environmental awareness program to our facilities in the Dominican Republic and Colombia.
Initiative for better waste and disposal management	
<ul style="list-style-type: none"> • We have signed agreements with integrated waste management (IWM) systems to handle hazardous waste: WEEE (ECORAEES), batteries/accumulators (ECOPILAS), and fluorescent lights/bulbs/lamps (AMBILAMP). • We have signed agreements with some of the group's chemical product suppliers to dispose of empty hazardous materials containers. • We use concentrated, eco-friendly chemical products to reduce the amount of waste we generate and minimize the presence of such products in water discharges. • We use Pur-Eco chemical products with the European (EU) Ecolabel "Flower" and the Nordic Swan label (an environmental guarantee valid only in Scandinavian countries, not the EU), which have allowed us to reduce the amount of packing waste. • Grupo EULEN offices use all-in-one printers that comply with the environmental standards imposed by Energy Star®, the European directive on the restriction of hazardous substances (RoHS), the directive on waste from electric and electronic equipment (WEEE), Blue Angel certification, and the EU Ecolabel. 	<ul style="list-style-type: none"> • We have extended our agreements with the group's chemical product suppliers to dispose of empty hazardous materials containers.
Initiatives for efficient water use	
<ul style="list-style-type: none"> • We have maintained the environmental awareness campaign to promote the rational use of natural resources. 	
Initiatives for efficient energy management and improving energy efficiency	
<ul style="list-style-type: none"> • We maintained our energy management certification to standard ISO 50001 for our Bilbao office. • All personal desktop and laptop computers and monitors have the Energy Star®1 label. 	<ul style="list-style-type: none"> • We have installed systems to monitor the use of electricity at our offices in Madrid, Barcelona, and the Grupo EULEN headquarters. • Massive change existing fixtures for lights of lower consumption in the EULEN Bilbao Delegation.
Initiatives to reduce greenhouse gas (GHG) emissions	
	<ul style="list-style-type: none"> • We have increased the scope of our carbon footprint calculations. In 2014 we began measuring all emissions generated during taxi and bus rides. • We have cut back on the use of company vehicles.

5.2 PRINCIPAL ENVIRONMENTAL PERFORMANCE INDICATORS

RAW AND OTHER MATERIAL

Paper: use and measures to mitigate impact (EN1)

2012	2013	2014
58,920 Kg.	49,150 Kg.	54,091 kg.

From 2009 to 2014, taking 2009 as the base year, the company has managed to reduce paper use by 28.93%.

NATURAL RESOURCES

Water: use and measures to mitigate impact

2012	2013	2014
15,583 m ³	14,764 m ³	13,168 m ³

Includes data on the office facilities of all Grupo EULEN companies except EULEN Flexiplan.

Water withdrawal (by source) (EN8, EN9)

TYPE OF USE	2012	2013	2014
Municipal water supply	10,799 m ³	9,583 m ³	8,181 m ³
Ground water	4,784 m ³	5,181 m ³	4,988 m ³

Includes data on the office facilities of all Grupo EULEN companies except EULEN Flexiplan.

Thanks to the expanded scope of our environmental awareness campaign to promote a rational use of natural resources, between 2009 and 2014, taking 2009 as the base year, the Grupo EULEN has managed to reduce water use by 18.88%.

ENERGY (EN3, EN4)

⁽¹⁾ **Electricity:** use and measures to mitigate impact (EN4)

2012	2013	2014
4,197,721 kWh	3,924,319 kWh	3,665,360 kWh

(1) Emissions factors used: Fuels: National Inventory (April 2014); Electricity: Grupo EULEN electrical bills; Vehicle consumption: National Inventory (April 2014); Business travel: DEFRA 2014; Paper consumption: DEFRA 2014.

The percentage of electricity used from renewable sources is the same as that established for the national energy mix.

From 2009 to 2014, taking 2009 as the base year, the Grupo EULEN has managed to reduce electricity use by 9.19%. (EN5)

BEST PRACTICES (EN7, EN26)

Installation of a remote electrical power management and monitoring system.

In order to control our buildings' power use and make our facilities as energy-efficient as possible, it is vital to have a system for monitoring energy use.

With this system, we can:

- Easily monitor and compare energy use between buildings, based on their structural differences, weather conditions, etc.
- Receive automatic warnings at the centralized Energy Efficiency Station of excessive power use and possible causes
- Save on power bills by monitoring and controlling use and locating unexpected variances in consumption trends
- Easily document our energy efficiency and savings
- Comply with all legal requirements governing energy use

At the EULEN, S.A. offices shown below, we have installed electrical network analyzers to divide each building's overall energy use into sections. We are also able to differentiate energy consumption by use—general, HVAC, lighting, and miscellaneous—in buildings where the main control panel and system distribution allow it.

MONITORED FACILITY	MONITORING SYSTEM
EULEN Barcelona office	Installation with network analyzers by floor: HVAC, common areas, and platform
EULEN Villaverde office	Installation with network analyzers by floor: HVAC and common areas
HQ office	Electrical installation. Network point

Full-scale replacement of light fixtures at the EULEN Bilbao office

To improve the energy efficiency of EULEN's facilities in Bilbao, all existing light fixtures were replaced by energy-saving lamps. The switch began in April 2014 and concluded in September of that same year.

The energy savings we have achieved as a result are:

- at least a 15% reduction in power consumption
- noticeably improved quality and intensity of indoor lighting
- light fixtures that last twice as long

Fuel (EN3)

TYPE OF USE (LITERS)	2012	2013	2014
Gasoleo ⁽²⁾	55,786	45,916	46,124
Gas natural ⁽²⁾	36,017,000 ⁽²⁾	37,967,605	40,667,000
⁽¹⁾ Combustible vehiculos	4,286,883	3,964,193	3,811,363

⁽¹⁾ Type of vehicle fuel: diesel.

⁽²⁾ Type of boiler fuel: natural gas and fuel oil.

Energy sources (EN3)

TYPE OF USE (GJ)	2012	2013	2014
Fuel oil	2,042	1,681	1,688
Diesel fuel for vehicles	156,900	145,120	139,496
Natural gas	1,395	1,470	1,575
Electricity	15,097	14,128	13,195

⁽¹⁾ Type of vehicle fuel: diesel.

⁽²⁾ Type of boiler fuel: natural gas and fuel oil.

The Grupo EULEN does not directly consume energy from renewable sources.

Emissions and measures to reduce greenhouse gas (GHG) emissions (GEI) (EN16, EN17)

The Grupo EULEN has its own method for calculating both direct and indirect emissions based on the GHG Greenhouse Gas Protocol and standard ISO 14064.

We use a worksheet-based tool to record the data for different sources and calculate emissions based on standardized emissions factors. In most cases, we obtain our data from the bills sent by suppliers (i.e. companies that provide us with natural gas, electricity, fuel oil, paper, etc.). Estimates of emissions generated by business travel are based on information supplied by our travel agency.

The emissions generated by EULEN in 2014 are shown below:

GRUPO EULEN EMISSIONS (mt CO ₂) (Dir+Ind)	2012	2013	2014
Direct emissions	11,630	10,687	10,017
01 Boilers	219	186	191
02 Company vehicles	11,411	10,501	9,827
Indirect emissions	1,909	1,730	2,077
03 Electricity	1,133	1,060	990
04 Paper use	56	47	52
05 Business travel	719	623	1,036 ⁽¹⁾
TOTAL	13,539	12,417	12,095

⁽¹⁾ Emissions factors used: Fuels: National Inventory (April 2014); Electricity: national average of the Grupo EULEN's power bills (January 2015); Vehicle consumption: National Inventory (April 2014); Business travel: DEFRA 2014

Greenhouse gas reductions achieved in metric tons of CO₂ equivalent:

- Between 2009 and 2014, taking 2009 as the base year, both direct and indirect emissions generated by fuel consumption in boilers and vehicles, electricity use, paper use, and business travel were reduced by 26.30%.

WASTE

Discharges and measures to reduce impact

In this respect, we must point out that all EULEN facilities in Spain are located in urban areas, and therefore all wastewater (equivalent to urban sewage) is discharged into the municipal sewage system. (EN21)

BEST PRACTICES (EN26)

Green equipment

The company Diversey manages the machinery owned by EULEN, and its technical service provides total coverage in Spain and Portugal.

The Taski machines supplied to EULEN have the following characteristics:

- They are designed to use less energy.
- They use less water than conventional machinery thanks to CSD (Chemical Solution Dosing) technology, which measures out the exact amount of chemical products required for each task.
- They operate at low noise levels.
- The vacuum cleaners improve air quality in closed environments.
- They operate on gel batteries that minimize toxic vapors.
- They are ergonomically designed to minimize operator fatigue.



Waste and measures to reduce impact (EN22, EN24)

TYPE OF WASTE	2013	2014
Hazardous waste (mt)	24	32
Non-hazardous waste (mt)	543	332

No significant spills were registered during the year 2014. **(EN23)**

EULEN does not have information on the final destination of the waste it generates. **(EN22)**

As a result of the initiatives implemented between 2009 and 2014, taking 2009 as the base year, the company has managed to reduce the amount of waste containers generated by 63.27%.

Noise and measures to reduce impact

Initiatives have been undertaken during 2014 to mitigate the impacts relating to noise pollution are: **(EN26)**

- Emphasize the use of machinery in cleaning service delivery designed to work at low noise levels.

ENVIRONMENTAL PROTECTION EXPENDITURES AND INVESTMENTS (EN30)	2013	2014
Total environmental expenditures	101,364	107,972
Waste collection and treatment by authorized handlers	30,956	26,243
Installation of systems to monitor the use of electricity at our offices in Madrid, Barcelona, and the Grupo EULEN headquarters	5,700	10,714
Expenditures on audits and/or environmental certifications	61,778	67,470
Consulting services on environmental legislation	2,930	3,545
Total environmental investments	702,118	702,899
2014 purchase of Taski cleaning machinery	702,118	694,396
Replacement of light fixtures at the Bilbao office	0	8,503
TOTAL	803,482	810,871

In 2014 the company did not receive any relevant complaints or fines related to environmental laws and regulations. **(EN28)**



6

Suppliers

Evaluation indicators for Quality, Environment and Prevention of Labor Risks (PLR) providers 2014

6 Suppliers >

(PR3)

All suppliers, contractors, and subcontractors who provide services and/or products to our company must sign and accept the Grupo EULEN's Code of Environmental and Energy Practices for Suppliers and Subcontractors, in compliance with our internal purchasing procedure (P-86/0002).

By signing this document, suppliers agree to undertake the following environmental obligations:

- To purchase products that generate as little waste as possible, with eco labels or environmental quality certification, use slow-release herbicides and pesticides, and acquire machinery for outdoor use labeled with a CE mark and an indication of the guaranteed sound power level.
- To purchase products with the highest possible degree of energy efficiency, with labels indicating their energy rating.
- To request specifications, operating instructions, and guidelines on how to act in situations of environmental risk for purchased products (chemical cleaning products, paints, etc.)
- Never to exceed the legally established limits for emissions and discharges.
- To purchase machinery for outdoor use that complies with the laws and regulations governing acceptable machine-generated noise levels in the area.

REQUIRED PRODUCT AND SERVICE INFORMATION

In 2014, 88.43% of all new suppliers and/or subcontractors registered by the Quality and Environment Department accepted and signed the Grupo EULEN's "Environmental Regulations".

Chemical product suppliers are required to provide the Grupo EULEN's Purchasing Department with the product's technical specifications, instructions for proper use, and a description of its safety conditions and features (material safety data sheet updated to reflect the laws in force and usage data sheet), and all chemical products they supply must be labeled and packaged in accordance with pertinent legal requirements.

The supplier must deliver this documentation in printed form along with the equipment or machinery as well as in digital format, so that we can upload it to the Corporate Employee Portal and make it available to all users within the company.

Updated versions of the MSDS and usage data sheets will also be made available to all users via the Corporate Employee Portal, and the general deputy directors, regional delegates, area managers, technical directors, and the Risk Prevention Unit at HQ will be notified of any changes made to these documents. In addition, the persons responsible for the contract and its performance must ensure that the updated MSDS and usage data sheets are always available to product users in the places where said products are stored and used.

Abandoning, dumping, or eliminating waste in an uncontrolled manner is strictly prohibited. The pertinent regional authorities must immediately be notified of any disappearance, loss, or leakage of hazardous waste.

The Grupo EULEN has a series of internal procedures in place regarding acceptable storage and treatment conditions for waste (both hazardous and non-hazardous).

Finally, in 2014 there is no record of any fines, penalties, or warnings issued for non-compliance with regulations and voluntary codes concerning product and service information and labeling. (PR4)

CUSTOMER PRIVACY

With regard to privacy issues regulated by the Organic Law on Personal Data Protection, in 2014 the company did not receive any requests or notifications from the Spanish Data Protection Agency or any significant fines in connection with breaches of privacy, theft, or loss of personal data. (PR8)

Certifications

and Independent Accreditations



Grupo EULEN has different certifications for its management systems—quality and environmental, information security, occupational health and safety, and corporate social responsibility—all of which are subject to annual audits performed by independent accreditation bodies.

ISO 9001:2008

We are serious about quality, which is why the Grupo EULEN's quality management system has been certified to standard UNE-EN ISO 9001 since 1997.

ISO 14001:2004

Our company is committed to the environment and the pursuit of sustainability, and all of its facilities and services have been certified to standard UNE-EN ISO 14001 since the year 2000.

EFQM

EULEN Social and Healthcare Services has been Recognized for Excellence (5-star level) according to the EFQM (European Foundation for Quality Management) model.

ISO/ IEC 27001:2013

The Grupo EULEN implemented a corporate information security management system based on standard ISO / IEC 27001 and obtained certification in May 2009.

AENOR RP-CSG-029 INTERNAL REGULATION (APROSER)

The conformity of EULEN Security's professional management system of private security services to this regulation has been certified by the Spanish accreditation body AENOR since June 2012.

EN-UNE 16082:2012

The airport security services provided by EULEN Security have been certified to this standard.

UNE 179002

EULEN Social and Healthcare Services have been certified to this standard for its activities in the area of healthcare transportation management.

ISO 22301:2013

The business continuity management system of EULEN Security is certified to this standard.

UNE 158101; 158201; 158301; 158401

EULEN Social and Healthcare Services has been certified to these standards for the management of residential living centers, management of day and overnight centers, management of telecare services, and management of home care services, respectively.

ISO 50001:2009

The electrical, lighting, and HVAC systems at the Grupo EULEN's Bilbao office have been certified for energy efficiency since 2012.

UNE 1176:2009

Since 2010 the company has been certified to perform installation, inspection, and maintenance work on playgrounds and their components as part of its environmental activities.

ISO/IEC 27001:2013

EULEN Security obtained certification to this standard for the services provided by its Integrated Control Center in December 2014.

OSHAS 18001

The Grupo EULEN's OHS management system has undergone an external audit according to OHSAS 18001:2007 to verify that its OHS procedures and practices, as set out in the group's internal regulations, comply with the requirements of the OHSAS standard and have been properly implemented.

We have already obtained OHSAS 18001:2007 certification for our cleaning, maintenance, security, environmental, and ancillary services.

QUALITY ASSURANCE

EULEN Ancillary Services has received this certification of quality assurance for the unloading and reception of goods, stocking and de-stocking product lines, preparing orders, and shipping and loading.

GRI G3.1 (B+)

The company, from its commitment to economic, environmental and social performance, has the external assurance of the Corporate Responsibility Report, by KPMG, as required by the international standard Global Reporting Initiative (GRI) B + application level.

< Awards and distinctions

(2.10)

Both EULEN and its chairman have received many awards and distinctions for the company's dedication and service to society and to ensure the welfare of its employees. The highlights of 2014 in this respect are:



YPO (Young Presidents' Organization) award to David Alvarez for his contribution to improving the image of Spain in Latin America.

*Young Presidents' Organization
Madrid - April 1, 2014*



Ponce de Leon Excellence Business Award, in recognition of the "effort and success" of EULEN's internationalization process.

*Spain-U.S. Chamber of Commerce.
Miami - July 8, 2014*



Prominent Spanish Businessperson Award to David Alvarez, in recognition of a lifetime of personal and professional achievements and his contribution to improving relations between Chile and Spain.

*Official Spanish Chamber of Commerce in Chile
Santiago de Chile - November 6, 2014*



Security Training Trophy to the EULEN Training Institute for its long and positive track record in training, promoting shared education and emphasizing the need for training in the security field.

*Seguritecnia Magazine
Madrid - December 10, 2014*

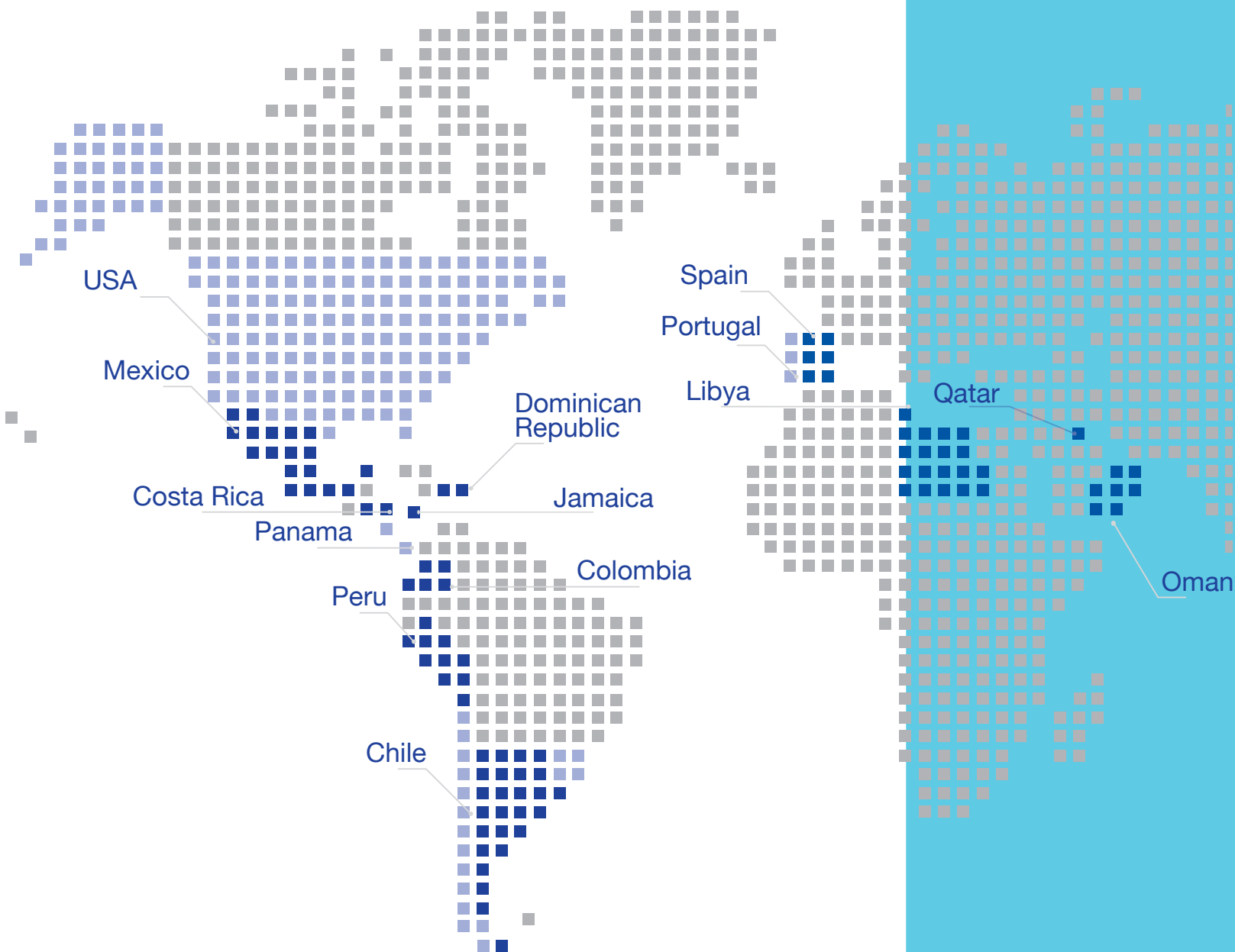


Award to Businesses that Promote Sustainability.

*PwC (PriceWaterhouseCoopers)
Madrid - June 25, 2014*

In 2014, EULEN Social and Healthcare Services also presented five awards for excellence to employees and services as part of the EFQM European excellence model, under which it has been recognized for excellence at the 5-star (+500 points) level

Beyond Our borders >



Map of Grupo EULEN local offices

International area >

The Grupo EULEN's corporate social responsibility also extends to different groups in the rest of the countries where it has a presence, working for the benefit of society.

Indeed, our corporate social responsibility initiatives at the international level are steadily increasing in frequency, scope, and impact, and several are highly original.

In recent years, all of the EULEN companies in North and South America have embraced and supported different social causes in a variety of ways, from systematically hiring members of vulnerable groups to organizing fundraising efforts for disaster relief.

COLOMBIA

Social responsibility has become a priority for the Grupo EULEN in Colombia, a country that faces a number of serious issues where employment has proven to be an effective tool for improving the quality of life of society's most vulnerable members. Finding a job helps people get back on their feet, not just financially but also emotionally and socially.

In today's job market, candidates hoping to fill available positions are often expected to meet demanding requirements in terms of their age, educational background, work experience, personal appearance, and basic, transversal, and technical skills, making it even more difficult for certain population segments to join the workforce. This is one of the reasons why EULEN Colombia, honoring its commitment to social responsibility, strives to provide decent, fair employment for members of vulnerable groups, whose circumstances put them at a disadvantage in normal staff selection and recruitment processes:

- Women who are heads of household and whose age makes it difficult for them to compete for the kinds of positions generally available on the job market.
- Women who did not finish primary school or only have basic reading and writing skills (functionally illiterate).
- People who have been unemployed for a long time, have limited and unaccredited work experience, or have only worked informally.

In 2014, the Grupo EULEN in Colombia forged business alliances with different government organizations, with a view to helping improve the quality of life and stability of vulnerable groups in the labor market.

For example, it has signed an agreement with Colombia's Victims Unit to assist in providing full reparation for persons affected by the armed conflict, using a process that evaluates the various potential benefits for both the victims and the organization. Serving the victims of armed conflict is the fundamental purpose and mission of the Victims Unit, and to this end it provides multiple channels that give victims access to the institutional assistance offered by the unit and the National System of Comprehensive Care and Reparation for Victims (SNARIV). This unit is therefore able to mobilize people whenever necessary to guarantee comprehensive assistance, care, and reparation throughout the country, adopting a participative, distinctive, inclusive, respectful approach in its efforts to reinstate the rights of victims and work toward peace and reconciliation



One of the primary goals of the Victims' Unit is to spearhead government-sponsored and civic initiatives to assist and make full reparation to the victims, helping build a more inclusive,

peaceful society. In pursuit of this goal, the Victims' Unit and EULEN Colombia have joined forces to reach out to people who have suffered the consequences of armed conflict, and whose vulnerable position makes it harder for them to find steady work in certain fields. For its part, EULEN Colombia has adopted a selection and hiring process that focuses on finding personnel who meet the requirements for each job without demanding non-essential qualifications that would exclude much of the general population.

IPES

Instituto para la Economía Social

Another of the Grupo EULEN's strategic alliances to support vulnerable groups is with the Institute for Social Economy (IPES), which defines, designs, and implements programs—in consonance with the development plans and policies laid out by the district authorities—that offer alternatives for sectors of the informal economy, such as human resources training, access to credit, penetration in the goods and services market, and relocation of commercial activities or services.

Informal activity is closely related to the widespread job shortage and low wages in the modern sector of the economy, resulting in unemployment and underemployment, job insecurity, and, in general, difficulty finding a decent job. This is one of the reasons why EULEN Colombia decided to sign an agreement to support the more vulnerable members of Colombian society, with the main goal of providing employment opportunities that will improve the quality of life of the company's personnel and their families.

Additionally, EULEN Colombia has joined the United Nations Global Compact, a voluntary initiative where companies undertake to align their strategies and operations with ten principles in four basic areas—human rights, labor standards, the environment, and anti-corruption—with the goal of contributing to a global market that is more stable, fair, and inclusive.

By signing the Global Compact, the company, starting at the management level, made a commitment to implement actions that ensure the alignment of its corporate culture and daily operations with these ten principles. Thanks to its integrated management system, the company has actively pursued total compliance with the laws and regulations governing every aspect of the Global Compact initiative. We have already taken measure to help prevent pollution and

adopted environmentally-friendly operating processes. We have also partnered with different institutions to make our staff selection processes more inclusive and accessible to vulnerable groups, such as single mothers, victims of armed conflict, and victims of domestic violence.

In 2015 the company will perform an assessment to draw up an action plan for guaranteeing adherence to the ten principles of the Global Compact, improving our business administration, and boosting employee morale, productivity, and operational efficacy.

COSTA RICA

In compliance with the group's environmental policy and national laws regarding environmental protection, in 2013 the Grupo EULEN in Costa Rica introduced its waste management plan. Continuing with this initiative, in 2014 recycling stations were installed at the EULEN offices and employees participated in a training program to learn about proper waste sorting.

EULEN Costa Rica implemented an occupational health plan in 2013 and subsequently formed its Occupational Health Committee, duly registered with the Costa Rican labor authorities. In 2014 this committee developed OHS plans and activities for the organization and verified compliance with its regulations and procedures.

CHILE

The Grupo EULEN conducted various social outreach programs with employees and different sectors of Chilean society in 2014. Some of the year's highlights are described below:

Literacy program

The first version of this program was launched in 2013 and continued in 2014. This initiative reflects the company's constant concern for the advancement of its employees, in this case for those who do not know how to read or write.



To address this need, the company created a functional literacy program to help workers develop reading and writing skills that are vital for their social and career growth. The classes were given by directors and supervisors, who actively participated in this program each week over an 8-month period.

Participating employees were so highly motivated that the Grupo EULEN decided to augment this basic program with more sophisticated pedagogical resources. Consequently, after presenting the program to San Sebastian University, an agreement was signed that had two major benefits: it professionalizes the content delivery method and offers workers a more complete learning experience, and it gives students the opportunity of doing a professional internship and completing a final project on "Adult Literacy Programs" to earn an academic degree.

In 2014, for the second year running, the Grupo EULEN Chile conducted the literacy program for its employees, this time in association with San Sebastian University. This year the classes were taught by five Pedagogy students from the university, who created a special reading and writing competency plan for this group of workers. At the end of the program, its goal had been achieved and the results were highly satisfactory: the classes facilitated closer contact with employees, equipped them with the tools they need to compete on an equal-opportunity basis, and opened the door to new merit-based career advancement possibilities.

Dual Vocational Training

The final phases of the theoretical and pre-internship segment of our Dual Vocational Training program, which offers a real, progressive introduction to the working world, concluded in May 2014. This program was offered to 14 people from Fundacion Rostros Nuevos, an organization that caters to persons with mental disabilities and is part of the Hogar de Cristo charitable foundation..

The program focused on training auxiliary cleaning staff in four stages: theory, pre-internship, internship, and job placement. In the first two stages, all of the students participated actively and enthusiastically and were accompanied by professional mentors assigned in the field.

Before moving on to the third stage, the internship, participants were evaluated to determine the level of their practical skills. Nine passed this evaluation, and seven made it to the final hiring stage and signed an employment contract with EULEN Chile, having completed the entire process satisfactorily.

This initiative represented an important learning and growth experience for the company, as the program's success led to

the hire and integration of its participants. The process was facilitated by the company's employees, who mentored the students.

This project proves that EULEN's social responsibility is not all fine words and noble ideas; the company consistently devises and takes on new challenges that lead to specific actions with an inclusive approach, like this Dual Vocational Training program.



Diversity Management

In 2014, one of the company's CSR priorities was continuing the efforts to raise awareness among its office staff and make EULEN an active member of Chilean society. To this end, in line with the basic premises of the + Diversity program developed by Accion RSE—one of whose directors is Andres Möller, General Manager of EULEN Chile—to promote business practices that foster inclusion and diversity in the workplace in Chile, we organized Diversity Management Days to help employees develop a more open-minded view of diversity and encourage the creation of a non-discriminatory working environment.



During these sessions, held throughout the month of September, office workers from different departments gathered to debate topics such as disability, immigration, youth offenders, and sexual diversity.

A total of 40 employees from different office areas in the Grupo EULEN attended these events. The goal of this activity was to improve specific communication skills that would open the participants' eyes to the benefits of diversity and convince them of its valuable contribution to consolidating human resources and strengthening the organization as a whole.

The sessions were enhanced by the presence of important guest speakers from different institutions related to diversity and inclusion, such as Juan Andres Lerdo de Tejada from SENADIS (National Disability Service), Gaston Gonzalez from Ciudadano Global (an institution that works with immigrants and refugees), Rolando Jimenez from MOVILH (Homosexual Integration and Liberation Movement), and Juan Pablo Venegas from Fundacion Proyecto B (an institution that promotes job placement for the reintegration of youth offenders).

Participation in the annual CSR and Sustainable Development Conference

In August 2014, Accion RSE organized the 14th CSR and Sustainable Development Conference under the title "I Am Chile, I Am Diversity".

This event, which focused on the need for dialogue and acceptance of others, featured four discussion panels comprising scholars, experts, and representatives of society and the business community, with the aim of making a substantial change in the way companies deal with diversity.

With regard to the Grupo EULEN's participation in this conference, Andres Möller explained that "we have known for some time that society needs a more inclusive perspective; by embracing our differences as factors of enrichment and focusing on what we have in common as human beings through concrete actions rather than just words, we can build a better country. This is why we couldn't be prouder to participate in the Accion RSE conference, and we hope many more companies will come on board."

Training for Disabled Workers

November 2014 marked the conclusion of the course on "Communication and Assertiveness" for disabled persons currently working at the facilities of certain EULEN customers.

The course was attended by a total of 24 workers, who have been involved in various training and job integration programs since 2009. This activity helped them develop and express their

strong motivation, enthusiasm, and eagerness to interact and share their experiences in our company, and it also provided an opportunity to establish ties of support and communication among them. A highlight of the course was the participation of three women students from our literacy program in one of the practical workshops, whose involvement served to narrow communication gaps even further, all thanks to the diversity of the interactions that took place in the classroom.



Direct Hires

Under this system, disabled persons are hired to fill certain job positions at the Grupo EULEN Chile without having completed a training course designed by the EULEN Training Institute in Chile.

However, these direct hires have completed courses and/or activities to prepare for the working world at other institutions, giving them the experience required to perform the job in question. This allows the company to establish direct relationships based on mutual ties and responsibilities. As a joint effort, it also optimizes resources and allows both the institutions and the Grupo EULEN Chile to provide support and constant supervision.

In 2014 we strengthened our ties with Fundacion Tacal, Red Incluye, and Proyecto B, successfully creating nine new jobs under the direct hires system.

Exemplary company with a successful inclusion policy

Employees who showed an outstanding commitment to excellence and companies that apply best practices in the area of inclusion were honored by the Chilean Security Association (ACHS) with the Award for Social Contribution to the Productive Placement of Disabled Persons.

The awards ceremony was attended by Maria Fernanda Villegas,

Chilean Minister for Social Development, Evelyn Magdaleno, regional director of the National Disability Service, executives from the ACHS and the Workers' Hospital, representatives of the companies, and workers. It was presented by CNN journalist Monica Rincon, who also moderated the panel on inclusion in which Andres Möller, General Manager of the Grupo EULEN Chile, was invited to participate as a representative of companies with successful inclusion policies.

"Inclusion in the working world is not charity, because charity ends sooner or later... it must be part of a company's core policy. At EULEN inclusion is an integral part of our human resources policy based on the company's three main pillars—respect for individuals, giving back to society, and customer relations," Andres Möller explained.

During this discussion panel, the company was able to convey the benefits derived from inclusion programs and direct hire projects, not only for the people who are hired but also for the entire company. In fact, the results are generally excellent in terms of the performance and motivation of these "included" workers, even considering the difficulties and challenges involved.

Andres Möller concluded by inviting other companies to embrace inclusion, become part of this virtuous circle, and create more employment opportunities for persons with disabilities.

UNITED STATES

In 2014 EULEN America partnered with the University of Miami to support the Miller School of Medicine's Pediatric Mobile Clinic. Over the past year, employees at Miami International Airport generously donated funds to this cause, which were matched by the company to benefit the clinic.



The mission of the Pediatric Mobile Clinic is to provide comprehensive medical and mental healthcare and social services in low-income communities. The clinic provides excellent, comprehensive medical care, health education, psychological services, and nutritional assessments free of charge.

The communities served by the clinic are those with the highest percentage of children living in poverty and/or without medical insurance. Due to financial and social conditions and transportation barriers, many families cannot access care in traditional office settings, which is why the clinic provides direct primary medical care for nearly 3,000 children a year who are without health insurance and access to medical providers.

The Pediatric Clinic's multicultural, multilingual staff has been able to help tens of thousands of children, 13% with complex medical needs and 20% with disabilities or developmental concerns. As a traveling health clinic, its purpose is to effectively provide access to the highest quality health care for underserved children in South Florida from birth to age 21.

The PMC partners with the Miami-Dade County Health Department, the Florida Department of Health, the Miami-Dade County Public Schools, the Department of Children and Families, the Human Services Coalition, and numerous local churches and social service agencies.



MEXICO

In 2014, EULEN Mexico signed an agreement to promote special job placement with the National Institute for Adult Education (INEA) and the Civilian Security Office of the State of Queretaro. The purpose of this agreement is to offer jobs on the company's security staff to people who did not finish primary or secondary school, as well as the chance to complete their studies through the institute's adult education programs. Participants in the program are assigned hours and shifts compatible with their class schedule, allowing them to work while they fulfill the basic mandatory education requirements in Mexico.

EULEN also signed an agreement with the Civilian Security Office of the State of Queretaro to provide training for security guards: the "Regulatory Workshop for Private Security

Personnel" and the "Workshop on the Prevention of Anti-Social Behavior for the Private Security Sector". Both workshops are given to new hires as part of the initial orientation and training process.



In addition, the Grupo EULEN offers employment opportunities in the Bajío region for members of different vulnerable groups at risk of social exclusion. One such group is senior citizens, several of whom have been hired to perform surveillance duties with EULEN's security services in the Queretaro region. With the cooperation of clients like Tremec, a leading manufacturer of automobile transmissions, we have made a special effort to hire experienced security personnel, giving preference to older candidates in order to promote the integration of seniors in the workforce. Another vulnerable group is mothers who are also heads of household. Knowing that these women are frequently at risk of social exclusion, the Grupo EULEN has actively promoted job placement initiatives for female heads of household and/or pregnant women and, in the latter case, it provides job assignments that do not endanger the health of the mother or fetus. In the case of female employees who are also heads of household, the company assigns shifts and locations close to their place of residence that are compatible with their responsibilities at home.

Moreover, as part of a program to help employees purchase their own homes, in 2014 the company has made monthly donations to a fund for the Revolutionary Confederation of Workers and Farmers of the State of Veracruz (CROC), which matched the amounts donated. This created an aid fund for workers who

want to purchase a home but do not have enough points to be awarded subsidized housing by INFOANVIT (the Mexican Institute of the National Workers' Housing Fund). With the help of this fund, employees were able to improve their rating and acquire a home. A total of 23 workers have benefited from the program since it was launched approximately two years ago, obtaining housing in the cities of Veracruz and Xalapa.



Finally, in the area of awards, the Grupo EULEN Mexico rewards the efforts of employees by naming a "Collaborator of the Year", a distinction given to an office staff member who has shown outstanding performance in sales, service attitude, proactive spirit, etc.

The borough of Cuajimalpa granted EULEN an award for its corporate social responsibility, recognizing, for the first time, the business community's social contribution to citizen welfare. Adrian Rubalcava Suarez, Borough Chief, presented the "Presea Dragon" award to EULEN Mexico for its efforts to support the most vulnerable groups and sectors of society.

PANAMA

The Grupo EULEN in Panama was involved in two initiatives last year. The first was an agreement to hire women with limited resources who live in Panama City's historic quarter and had received training from Fundacion Calicanto, a non-profit organization dedicated to protecting the architectural and human heritage of the old Historic District in Panama City. Founded in 1997, it spearheaded the campaign to include the Historic District of Panama City on the UNESCO World Heritage List.

EULEN Panama also participates in corporate social responsibility events through the Panamanian Chamber of Private Security (CAPASEP), an institution that supports the development of the security industry and the technical and

professional advancement of its members by organizing and taking part in courses, lectures, gatherings, debates, seminars, conferences, and other events related to security.

In addition, the company organizes fairs to support the community and promote employment with the Lions Club Association of Panama, traveling to underprivileged communities to do social work and help people find jobs; and it gives to and collaborates with other institutions such as the Christian Association of Panama (ACRIPADE), which it is helping build a new school, the National Association against Cancer for the women's cancer research institute, and the Parish of Santa Maria de los Milagros and Archdiocese of Panama, with which it works to benefit society. EULEN Panama also organizes campaigns to provide low-income interns with eyeglasses to improve their vision and the quality of their work.

Finally, we have an agreement with Fundacion Morgan, a foundation for battered women that sends us resumes of potential job candidates, and we support youth sports in underprivileged neighborhoods by donating to the Calidonia Soccer League.

PERU

Every day, the company seeks new opportunities to have a positive impact on the communities where it operates. Inspired by the spirit of our founder, David Alvarez, and under the leadership of our General Manager, Luis Enrique Velasquez, EULEN Peru maintains the philosophy of sharing success by offering support and growth opportunities to its employees and local residents. To this end, in 2014 the company has launched different initiatives to benefit these groups.

Job placement for guardians or parents of exploited children and teens

Segun estadísticas de país, uno de los problemas sociales. According to national statistics, one of Peru's most pressing social problems is child labor and the thousands of children and teens who are forced to beg on the streets. Consequently, the organization has signed a collaboration agreement with the Ministry for Women and Vulnerable Groups via the Yachay National Program to help eradicate this problem. The goal is to reinstate the fundamental rights of children and adolescents by giving their parents an opportunity to work in the various services that EULEN Peru offers its clients.

For 90% of these parents, this was their first official employment contract in Peru, giving them full access to all the workers' benefits provided under Peruvian law. Finding a job also allowed them to include their entire family in the Social Security system. A total of 80 families benefited from

this agreement, and more than 200 children were taken off the street and have now resumed their education at state schools.



Reading program for school-age children and teens

National statistics paint a grim picture of the level of reading comprehension among Peruvian children and adolescents, a fact that has inspired EULEN to forge alliances that will help remedy this situation. In 2014 the company, in association with the city of Lima, organized activities to encourage children and teens to make a habit of reading at home. These events gathered hundreds of families in different public parks across Lima, where educators, communicators, and social workers gave performances based on works of literature by different Latin American and Spanish authors. Many children benefited from this initiative in 2014, and half of them came from the families of EULEN employees, giving us a chance to reinforce our workers' sense of pride in their organization.

Inclusion program for domestic violence victims

This program was designed specifically for female EULEN employees who have suffered some kind of violence. The activities aim to make our workers (both men and women) aware of the seriousness of resorting to violence in any area of their lives. The program also attempts to detect and assist with cases of gender violence: victims receive counseling on the legal and psychological steps they need to take, and the situation is constantly monitored until the perpetrator is separated from the victim and therapy begins.

Basic education program for employees

Our company records revealed that 38% of employees were unable to attend or complete primary or secondary school. In light of this situation, in mid-2014 the Grupo EULEN Peru initiated a series of conversations with the Ministry of

Education via the Directorate of Alternative Basic Education Programs (DIPEBA)—the agency responsible for providing education to those who were unable to start or complete basic schooling—with a view to identifying opportunities for these individuals. In the end, we were able to sign an inter-institutional agreement with the Miguel Grau Basic Adult Education Center to open the EULEN Peru Peripheral Center (in Peru all teaching activities conducted outside an educational center are referred to as "peripheral").

The impact of this achievement is tremendously positive, not only because it meets the specific goal of offering education to employees and thereby improving their potential for growth within the company as well as in their personal and social lives, but also because it is the first agreement that the Peruvian Ministry of Education has ever signed with a private organization in this geographical area. Furthermore, participating workers will receive an official degree from the ministry in less time than the standard academic year (4 months instead of 9). The teachers' salaries and the cost of books and materials are covered by the state, and other costs will be paid by EULEN, meaning that employees and their families do not have to shoulder any additional financial burdens.

In its second stage, this program may be extended to workers' spouses, creating an additional incentive to promote employee retention.

PORTUGAL

In 2014 EULEN Portugal repeated as a silver sponsor of the charitable Jumbo Race (known in Spain as the Alcampo Race), which raises funds for Fundação Pão de Açúcar, an initiative of the Auchan (Alcampo) Group. This foundation, the only one of its kind in the distribution industry, aims to improve the quality of life of those closest to us—co-workers, family members, etc.—by making its resources available to local communities. It has a network of volunteers throughout the country who donate their free time for the greater good of society.





Annex 1: GRI index content



Application Level
Grupo EULEN

Application Level B		Assured by		KPMG Aesores S.L.		Assured by		KPMG Aesores S.L.	
G3.1 Content Index - GRI Application Level B									
STANDARD DISCLOSURES PART I: Profile Disclosures									
1. Strategy and Analysis									
Profile Disclosure	Disclosure	Level of Reporting	Location of disclosure	Reason for omission	Explanation for the reason for omission	UN Global Compact's principle	Assured by	KPMG Aesores S.L.	
1.1	Statement from the most senior decision-maker of the organization.	Fully	10-11						
1.2	Description of key impacts, risks, and opportunities	Fully	14-17						
2. Organizational Profile									
Profile Disclosure	Disclosure	Level of Reporting	Location of disclosure	Reason for omission	Explanation for the reason for omission	UN Global Compact's principle	Assured by	KPMG Aesores S.L.	
2.1	Name of the organization.	Fully	6						
2.2	Primary brands, products, and/or services.	Fully	6						
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	Fully	7						
2.4	Location of organization's headquarters.	Fully	6						
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	Fully	6, 9						
2.6	Nature of ownership and legal form.	Fully	6						
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	Fully	6						
2.8	Scale of the reporting organization.	Partially	6, 7	Does not exist	It has not been gathered information related to the number of operations and services provided				
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	Fully	6						
2.10	Awards received in the reporting period.	Fully	63						
3. Report Parameters									
Profile Disclosure	Disclosure	Level of Reporting	Location of disclosure	Reason for omission	Explanation for the reason for omission	UN Global Compact's principle	Assured by	KPMG Aesores S.L.	
3.1	R reporting period (e.g., fiscal/calendar year) for information provided.	Fully	8						
3.2	Date of most recent previous report (if any).	Fully	8						
3.3	R reporting cycle (annual, biennial, etc.)	Fully	8						
3.4	Contact point for questions regarding the report or its contents.	Fully	Inside Back Cover						

					Does not exist	Currently, the EULEN Group does not have a formal process for the identification and prioritization of relevant issues. While the company has applied criteria of materiality and relevance to its stakeholders based on the contribution of the organization to the aspects that are part of sustainable development and regarding the impacts produced by the company in the economic, social and environmental dimensions.			
3.5	Process for defining report content.	Partially	8						
3.6	Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	Fully	8						
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	Fully	8						
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	Fully	8						
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	Fully	8						
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	Fully	8						
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	Fully	8						
3.12	Table identifying the location of the Standard Disclosures in the report.	Fully	70, (Annex 1: GRI Content Index)						
3.13	Policy and current practice with regard to seeking external assurance for the report.	Fully	80, (Annex 2: External assurance report)						
4. Governance, Commitments, and Engagement									
Profile Disclosure	Disclosure	Level of Reporting	Location of disclosure	Reason for omission	Explanation for the reason for omission	UN Global Compact's principle	Assured by KPMG		
4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	Fully	20						
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	Fully	20						

Market presence		26		UN Global Compact's principle		Assured by KPMG	
Indicator	Disclosure	Level of Reporting	Location of disclosure	UN Global Compact's principle		Assured by KPMG	
ECS	Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	Fully	This Corporate Responsibility Report only provides information on the company's remuneration policy in Spain, although we plan to expand this section to include other significant locations where the EULEN Group operates. In addition, minimum wages are those stipulated in collective bargaining agreements, and consequently there is no difference between men and women.	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights		●	
Environmental							
Materials							
EN1	Materials used by weight or volume.	Fully	57	Principle 8: undertake initiatives to promote greater environmental responsibility		●	
Energy							
EN3	Direct energy consumption by primary energy source.	Fully	58	Principle 8: undertake initiatives to promote greater environmental responsibility		●	
EN4	Indirect energy consumption by primary source.	Fully	57	Principle 8: undertake initiatives to promote greater environmental responsibility		●	
EN5	Energy saved due to conservation and efficiency improvements.	Fully	57	Principle 8: undertake initiatives to promote greater environmental responsibility Principle 9: encourage the development and diffusion of environmentally friendly technologies		●	
EN6	Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	Fully	56-59	Principle 8: undertake initiatives to promote greater environmental responsibility Principle 9: encourage the development and diffusion of environmentally friendly technologies		●	
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Fully	57	Principle 8: undertake initiatives to promote greater environmental responsibility Principle 9: encourage the development and diffusion of environmentally friendly technologies		●	
Water							
EN8	Total water withdrawal by source.	Fully	57	Principle 8: undertake initiatives to promote greater environmental responsibility		●	
EN9	Water sources significantly affected by withdrawal of water.	Fully	57	Principle 8: undertake initiatives to promote greater environmental responsibility		●	
Emissions, effluents and waste							
EN16	Total direct and indirect greenhouse gas emissions by weight.	Fully	58	Principle 8: undertake initiatives to promote greater environmental responsibility		●	
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Fully	56, 58	Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: undertake initiatives to promote greater environmental responsibility Principle 9: encourage the development and diffusion of environmentally friendly technologies		●	
EN21	Total water discharge by quality and destination.	Partially	59	Principle 8: undertake initiatives to promote greater environmental responsibility		●	

EN22	Total weight of waste by type and disposal method.	Partially	59	Principle 8: undertake initiatives to promote greater environmental responsibility	●
EN23	Total number and volume of significant spills.	Partially	59	Principle 8: undertake initiatives to promote greater environmental responsibility	
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Partially	59	Principle 8: undertake initiatives to promote greater environmental responsibility	
Products and services					
EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	Fully	56-59	Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: undertake initiatives to promote greater environmental responsibility Principle 9: encourage the development and diffusion of environmentally friendly technologies	●
Compliance					
EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	Fully	59	Principle 8: undertake initiatives to promote greater environmental responsibility	●
Transport					
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.	Partially	57	Principle 8: undertake initiatives to promote greater environmental responsibility	
Overall					
EN30	Total environmental protection expenditures and investments by type.	Fully	59	Principle 7: Businesses should support a precautionary approach to environmental challenges Principle 8: undertake initiatives to promote greater environmental responsibility Principle 9: encourage the development and diffusion of environmentally friendly technologies	●
Social: Labor Practices and Decent Work					
Indicator	Disclosure	Level of Reporting	Location of disclosure	UN Global Compact's principle	
Employment					
LA1	Total workforce by employment type, employment contract, and region, broken down by gender.	Fully	25 Only region reporting: Spain		
LA2	Total number and rate of new employee hires and employee turnover by age group, gender, and region.	Fully	25 Only region reporting: Spain	Principle 6: the elimination of discrimination in respect of employment and occupation.	
LA3	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	Fully	30-32		
Labor management relations					
LA4	Percentage of employees covered by collective bargaining agreements.	Fully	27 Company-employee relationship	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights Principle 2: make sure that they are not complicit in human rights abuses.	
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements.	Fully	27 Company-employee relationship	Principle 2: make sure that they are not complicit in human rights abuses.	
				Assured by KPMG	

Occupational health and safety					
Indicator	Disclosure	Level of Reporting	Location of disclosure	UN Global Compact's principle	Assured by KPMG
LA6	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.	Fully	27, 31	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender.	Partially	32	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	•
LA8	Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	Fully	32, 33	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	
LA9	Health and safety topics covered in formal agreements with trade unions.	Fully	34	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	
Diversity and equal opportunity					
LA13	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.	Fully	25-26	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights Principle 6: the elimination of discrimination in respect of employment and occupation	•
Social: Human Rights					
Indicator	Disclosure	Level of Reporting	Location of disclosure	UN Global Compact's principle	Assured by KPMG
Non-discrimination					
HR4	Total number of incidents of discrimination and actions taken.	Fully	After the analysis of the information that we arrange across the channels of information of normal management of the company, in 2012 there have been no incidents, breaches or sanctions in themselves or cumulatively significant, concerning discrimination or forced labor.		
Child labor					
HR6	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	Partially	Z7		
Forced and compulsory labor					
HR7	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	Partially	Z7		
Indigenous rights					
HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Fully	None because activities of the company are not subject to these risks.		
Assessment					
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	Fully	None because activities of the company are not subject to these risks.		
Remediation					
HR11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms.	Fully	None because activities of the company are not subject to these risks.		

Social: Society					
Indicator	Disclosure	Level of Reporting	Location of disclosure	UN Global Compact's principle	Assured by KPMG
Local communities					
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	Partially	43-46		
Anti-competitive behavior					
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.	Fully	Through channels of information of EULEN's management, during 2013 there is no evidence of receiving legal suits brought for unfair against the competition, antitrust or monopolistic practices.		
Compliance					
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Fully	Through channels of information of EULEN's management, during 2013 there is no evidence of receiving legal suits brought for unfair against the competition, antitrust or monopolistic practices.		
Social: Product Responsibility					
Indicator	Disclosure	Level of Reporting	Location of disclosure	UN Global Compact's principle	Assured by KPMG
Customer health and safety					
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	Fully	37		
Product and service labeling					
PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Partially	58, 61	Principle 8: undertake initiatives to promote greater environmental responsibility	
PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	Fully	61	Principle 8: undertake initiatives to promote greater environmental responsibility	•
PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Fully	61		
Marketing communications					
PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	Fully	There are not realized practices of this type.		
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Fully	Through channels of information of EULEN's management, during 2014, has not identified any breach of the rules or voluntary codes concerning marketing communications, including advertising, promotion and sponsorship.		
Customer privacy					
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	Fully	61	Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	•
Compliance					
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Fully	37		

Annex 2: External Assurance Report



KPMG Asesores S.L.
 Edificio Torre Europa
 Paseo de la Castellana, 95
 28046 Madrid

Independent Assurance Report to the Management of EULEN, S.A.

(Free translation from the original in Spanish.
 In case of discrepancy, the Spanish language version prevails.)

We performed a limited assurance review on the non-financial information contained in the Corporate Responsibility Report 2014 of EULEN Group (hereinafter EULEN) for the year ended 31 December 2014 (hereinafter “the Report”). The information reviewed corresponds to the section Performance Indicators (economic, environmental and social) referred in the chapter entitled “GRI Index Content” and identified in the “Assured by KPMG” column with the symbol “●”.

EULEN management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 3.1 (G3.1) of the Global Reporting Initiative as described in the section entitled “Introduction to the report”. This section details the self-declared application level, which has been confirmed by Global Reporting Initiative. Management is also responsible for the information and assertions contained within the Report; for determining its objectives in respect of the selection and presentation of sustainable development performance; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a limited assurance engagement and, based on the work performed, to issue this report. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, “Assurance Engagements other than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement. It concerns a review performed according to KPMG assurance engagement independence rules, as well as the requirements from the International Ethics Standards Board for Accountants Code of Ethics on integrity, objectivity, confidentiality, professional behaviours and qualifications.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore also the level of assurance provided. This report should by no means be considered as an audit report.

Our limited assurance engagement work has been performed through interviews with management and staff responsible for preparing the information included in the Report, and applying the analytical and other evidence gathering procedures, as follows:

- Analysing the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Verifying the consistency of what is described regarding the company’s sustainability strategy and policies.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of EULEN.

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- Corroborating that the financial information reflected in the Report was taken from the annual accounts of EULEN, which were audited by independent third parties.

Our multidisciplinary team included specialists in social, environmental and economic business performance.

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that:

- the data included in the Corporate Responsibility Report 2014 of EULEN for the year ended 31 December 2014 have not been reliably obtained,
- the information has not been fairly presented, or that significant discrepancies or omissions exist,
- the Report is not prepared, in all material respects, in accordance with the Sustainability Reporting Guidelines (G3.1) of the Global Reporting Initiative as described in chapter "Introduction to the report" of the Report.

Under separate cover, we will provide EULEN management with an internal report outlining our complete findings and areas for improvement.

KPMG Asesores, S.L.

(Signed)

José Luis Blasco Vázquez

9 July 2015



R E P O R T 2 0 1 4
C O R P O R A T E R E S P O N S I B I L I T Y



*This report is printed on FSC
(Forest Stewardship Council) certified paper*

**More information on the 2014 CR Report
Calle Gobelás, 25-27. Edificio EULEN
28023 Madrid, Spain
Marketing Department
+34 916 310 800
marketing@eulen.com**



Especialistas a su servicio

902 355 366

www.eulen.com



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