SUSTAINABILITY REPORT CORPORATE SOCIAL RESPONSIBILITY 2013









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1. MESSAGE FROM THE GENERAL MANAGER

The year 2013 has shown clear signs of national (Spain) Public Sector decrease, traditional Adasa's base market. Macroeconomic conditions have conditioned this situation, initially circumstantial but in 2013 have been confirmed as structural. This environment has conditioned the company strategy to promote international activity, diversification and focus on product, three key aspects of the Strategic Plan.

In 2013, 28% of production corresponded to international operations. Although far from the strategic objective, some countries have shown a positive trend that is expected to confirm in coming periods. Thus, Adasa keeps business activities in the target countries where it has been conducted an intense commercial activity.

In 2013, Adasa continues leading the ITACA project as a consortium of 10 companies and 11 universities and research centres working together, focusing on research into technologies for treatment, reuse and control for sustainability in debugging of water . The project started in 2011 and is scheduled for completion in 2014. Moreover, in 2013 has remained OptimEDAR development, EU project CIP Eco -Innovation based on the efficient management of water treatment plants.

Adasa has also initiated two projects (SMARTIC - Water Monitoring System with Real-Time Intelligent Technology) and (WWQM -Waste Water Quality Monitoring) that aim to validate Adasa's equipments to optimize the purification of water reservoirs (aquaDam) and as a tool for the control of wastewater (aquaTest -MO).

Once again, Adasa maintains its leading position as a world-class partner for innovation activities in the water sector, particularly in the field of real time water parameters monitoring.

In 2014 Adasa remains committed to the values of the UN Global Compact, as well as putting the means available to achieve the goals emanating from the policy of the Company business sustainability: creating economic, environmental and social value in the short and medium term, and contribute to the progress and society welfare.

Regards,

Albert Molina Director



2. SCOPE

Adasa published the Sustainability Report in order to communicate the commitment and management strategy on social responsibility, the mechanisms for dialogue with stakeholders and social, environmental and economic indicators.



The environmental data contained in the report are externally verified in the audit of EMAS Regulation verification included in the Environmental Statement, also published annually and supplementing the information contained in the Sustainability Report.

3. RESPONSIBLE MANAGEMENT

On the way to excellence, ADASA has implemented and certified an Integrated Management System (quality, environment, health&safety and social responsibility), based on ISO 9001:08, UNE166002:06, ISO 14001:04, EMAS, OHSAS 18001:07 and SGE21: 08 standards.

In 2008 ADASA began implementing measures to reconcile work and family. The main goal was to improve working conditions and to optimize the capabilities and resources of our staff, keeping an optimum relationship with the environment.

For the near future, the main goal is to reach a higher maturity level to reflect the continuous improvement of responsible management and balanced for all the stakeholders of ADASA.



Adasa has been a signatory to the United Nations Global Compact since 2007. The **UN Global Compact** asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption.

www.unglobalcompact.org

4. SOCIAL RESPONSIBILITY POLICY

Adasa Engineering, specialises in sector-based solutions and technological solutions applied to water and the environment, and carries out its business in a changing and globalised environment in which the excellence of its technology, services and management are an essential requisite for competitiveness, development and progress. The knowledge and experience of Adasa allow us to provide solutions that fulfil the needs and expectations of our clients.

The General Management leads the organisation towards a model of EXCELLENCE, TOTAL QUALITY and Social Responsibility, based on the following strategic plans: process-based management, knowledge management, human capital and the organisation's capacity to innovate.

Adasa is **COMMITTED** to:

- ITS HUMAN RESOURCES

Creating and maintaining a climate that guarantees and promotes a favorable environment and organization. Providing the resources and carrying out the appropriate actions for implementing a policy of ongoing training and development. Facilitating and managing:

- Internal communications
- A positive work-life balance
- Fairness and justice in terms of remuneration for each person's contribution.
- Equal opportunities
- The opportunity to participate in certain decisions, taking into account the interests and concerns of the employees affected by the changes.

- CLIENTS

Establishing effective channels of communications that allow the company to identify their needs and foresee their demands.

Maintaining a spirit of ongoing improvement throughout the relationship, externalizing the added value to the client and promoting research, development and innovation in the services provided. Guaranteeing an excellent service in terms of quality. Adasa has implemented a quality management system certified by the UNE standard: EN: ISO 9001:08 and UNE 166002.

- THE COMPANY

Maintaining a social communication channel, based on the principle of transparency, whilst promoting a cooperative relationship with the authorities and an open dialogue with the stakeholders, to whom this policy is directed. In fulfilling our commitment to these communication channels, we have set up the website: www.adasasistemas.com

Fostering training, research and informative actions to improve the health, safety and integration of our employees whilst promoting a system of ongoing improvement in our environmental management.

- SUPPLIERS

Encouraging our suppliers to act in a socially responsible manner, establishing mutually beneficial, open, respectful and honest relationships.

Maintaining the appropriate data confidentiality and privacy by implementing quality, environmental and social criteria when evaluating suppliers.

- THE ENVIRONMENT

Any project must be based on the principle of protecting and improving the environment and the prevention of pollution in order to promote the global objective of sustainable development. The improvement and protection strategies include actions to combat climate change.

Adasa has implemented an environmental management system certified by the UNE: EN: ISO 14001:04 standard and the EMAS Regulations, which means that it has an active strategy of ongoing improvement for minimising its environmental impact and contributing to a sustainable environment by developing new environmental protection technologies.

Every year, the Organisation renews its commitment to transparency (EMAS) and publishes important environmental information in the Environmental Declaration. This presents the data on the consumption of resources, waste generation and the environmental impacts associated with its activities.

- HEALTH&SAFETY

Providing the resources necessary to guarantee the safety of our employees and effectively improve the working conditions of the different activities in the company.

Adasa has implemented and certified a management system for healt & safety in the workplace, according to the OHSAS 18001:07 standard, which means that it has ongoing improvement processes for eliminating risks and minimizing those that cannot be avoided to ensure optimal safety conditions in the workplace.



5. ACTIVITY

Adasa is a specialised engineering company delivering technological solutions for water, the environment and meteorology. Set up in 1988, it is currently a member of Comsa Emte Group Services and Technology Area.

Adasa supports an integrated, multidisciplinary approach to water resources management and leads its activities to achieve the environment protection. Adasa pursues technological excellence to be the driving for assisting public and private organisations in the development of their activities, the improvement of their service efficiency, ensuring resources optimization and reducing operational costs.

Adasa provides a wide range of engineering and consulting services, with special emphasis on sensors manufacturing, development of information systems, installation of automation and control systems, implementation of hydrological management systems, and design, implantation and maintenance of water quality monitoring solutions.

More than 25 years of R+D and innovation and 12 patents highlight Adasa commitment in innovative products for real time water quality monitoring, as well as advanced ICT solutions for water sector.



In response to the constant demand for new technologies and products, Adasa promotes research, development and innovation in order to guarantee the future wellbeing of society, conserve the environment and ensure sustainable development.

More than 25 years of R+D and innovation have lead Adasa to develop 50 worldwide projects and 12 patents, highlighting innovative products for real time water quality monitoring, as well as advanced ICT solutions for water sector, matching R+D and innovation activities with water needs.

Adasa has been recognized for its continuous cooperation with universities, technologic organizations, scientific institutions and research centers, with the aim of promoting scientific culture and spreading technological knowledge. Adasa pursues to achieve the balance of scientific know-how, its conversion in goods and services and its market introduction.

Many projects receive the support of international organizations, such as CDTI (Centre for Industrial Technological Development), the international programmes EUREKA, IBEROEKA, LIFE or the Framework Programmes of the European Union, accrediting the importance of fostering research, development and innovation strategies as the fundamental elements of a competitive society.





Worldwide successful experiences place Adasa at the forefront of the sector, providing an intense technical specialisation and a strong water & environment expertise.



5. ACTIVITY

COLLABORATION WITH UNIVERSITIES, RESEARCH CENTERS, SCIENTIFIC AND TECHNOLOGICAL INSTITUTIONS

Among the scientific institutions, research centers and universities with which Adasa works on national and international projects, we can highlight the following ones:

Universities

- University of Barcelona Group QÜESTRAM
- · University of Barcelona Autónoma. UAB
- University of Zaragoza Photonic Technologies Group (GTF)
- University of Extremadura Industrial Applications of Artificial Intelligence Group (AIIA) and Research Sensor Systems Group (GISS)
- UPV Institute for Molecular Recognition and Technological Development (IDM)
- Technical University of Catalonia Applied Hydrometeorology Research Centre (CRAHI)
- Technical University of Catalonia Advanced Control Systems (SAC)
- University of Girona Laboratory of Chemical and Environmental Engineering (LEQUIA)
- UPM
- University of Madrid. Complutense
- Swiss Center for Electronics and Micro technology
- Imperial College of Science, Technology and Medicine, London
- Federal Polytechnic School of Lausanne
- French Research Institute for Exploitation of the Sea
- · University of Geneva
- Institute Telecom Paris

Technology centers, foundations and other entities:

- National Research Centre Institute of Environmental Diagnosis and Water Research (CSIC-idaea)
- Catalan Institute for Water Research (ICRA)
- Technological Centre LEITAT
- National Microelectronics Centre (CNM)
- Institute for Research and Technology (IRTA)
- ICCE-UNESCO International Centre for Coastal Ecohydrology
- EMWIS SEMIDE-Euro-Mediterranean Information System

Promotion agencies, grants and subsidies for R & D + i:

- Centre for Industrial Technological Development (CDTI)
- ACCIÓ
- EU

PARTNERS

Adasa relishes the cooperation and support of renowned organizations worldwide, by which strategic alliances are established to ensure the implementation of the best solutions and the integration of technological tools with high added value.

These collaborative networks drive the development of new technological tools, and the exchange of experiences, knowledge and innovation to ensure the achievement of successful projects.

Listed below are some of the main partners with whom Adasa has established partnerships narrowed.

- Areal Topkapi
- Aspentech Infoplus
- Wonderware Arquestra
- Industrial Defender RTAP
- FSRI
- Creaf Miramon
- Intergraph
- DNP3

- Eurimage
- Microsoft
- Oracle
- Microstrategy
- Motorola
- · Cards Sun, Veritas, HP
- Sun Microsystem
- Red hat Network

ASSOCIATIONS

Adasa is part of the following professional associations, from which is encouraged the active participation and contribution to the achievement of sustainable water use and environmental commitment. The collaboration in these groups encourages the exchange of knowledge between the members, creating a nexus and a common forum among different professionals.

- Romanian Water Association (ARA) Romania
- American Association of Water and Irrigation Technologies (IBEROAQUA) Latin America
- International Water Association (IWA) Worldwide
- Spanish Technological Water Platform (PTEA) Spain
- Catalan Water Partnership (CWP) Spain
- Mexican Forecasters Organization, A.C. (OMMAC) Mexico
- OPC Foundation
- Open Geospatial Consortium (OGC)
- European Technological Water Platform (WssTP) Europe

Furthermore, Adasa is actively involved and linked to the following national and international associations:

- EWP European Water Partnership Europe
- European Committee for Standardization (CEN) Europe
- AICIA (Association for Research and Industrial Cooperation of Andalusia)
- Spanish Association of Linked Data (AELID)
- Consortium of Universities for the Advancement of the Hydrological Science, Inc. (CUAHSI)
- Standardized Model Working Group for Water Management (MEGA)
- Smart Water Network (SWAN) Europe

6. STAKEHOLDERS

Sustainability is a global concept that ADASA translates into action on the Stakeholders (Interest groups). The Map of Dialogue is a core document for ADASA to describe the relationship with each group. The main objective is to detect stakeholders continuously, taking into account the different circumstances (geographical, social, ...) and define the appropriate actions to keep a balance to allow development and positive impact for all groups involved





7. PROJECTS

Adasa reaffirms its commitment to European Commission's challenge of fostering European technologies in order to guarantee the improvement of environmental sustainability and water protection.

The following projects are some flag projects where Adasa is cooperating with:



OptimEDAR solution: a new control and management solution for small and medium WWTP-www.optimedar.eu

Based on an eco-innovative, on-line monitoring of the aeration process in the biological reactor, its main benefits are:

- 20 % reduction in the cost of the energy consumption of the biologic reactor.
- Enhanced water quality of effluents with at least 20% less nitrogen and phosphate.
- Reduction of 15% in the production of sewage sludge.



Wastewater Quality Monitoring: www.wwqm.eu

The main goal of WWQM Project is the dissemination and commercialization of aquaTest-MO product, which allows WWTPs to run affordable on-line monitoring scheme of the process, deriving in higher quality of treated water, meaning an increased productivity of the whole system and a faster water quality control loop.



WEAM4i (Water & Energy Advanced Management for Irrigation): www.weam4i.eu

WEAM4i aims to develop an irrigation management platform based on two innovative management concepts:

- A water & energy smart grid for irrigation: allowing interactive energy use decisions, by introducing demand-side management and matching the consumption to the available energy offer and water capability.
- An innovative, cloud based, integration approach: an ICT platform based on a Service Oriented Architecture, for hosting the decision support system applications.





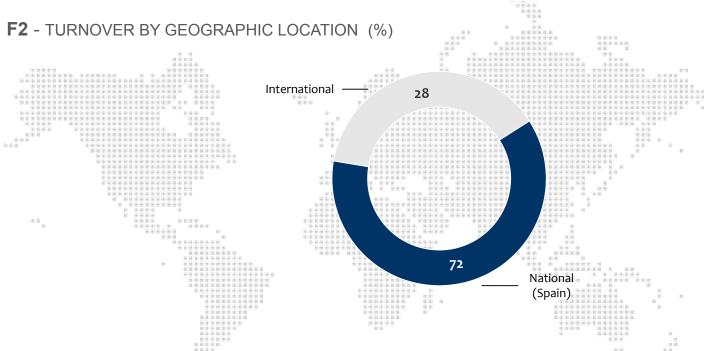


8. FINANCIAL INDICATORS

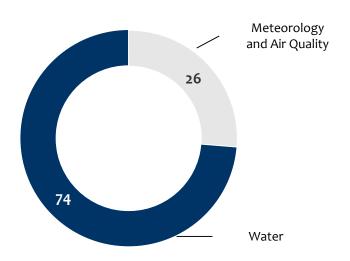
FINANCIAL

F1 - ANNUAL TURNOVER









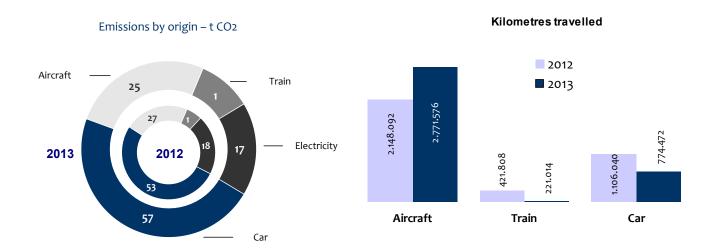
8. ENVIRONMENTAL INDICATORS

ENVIRONMENT

| | | 2012 | 2013 |
|------|---|---------|--------|
| E1 - | Electricity Consumption kWh/employee | 2268 | 17981 |
| E2 - | Water Consumption m³/employee | 8,10 | 7,31 |
| E3 - | Paper Consumption kg/employee | 8,60 | 6,40 |
| E4 - | Total Waste kg/employee | 139,202 | 48,471 |
| E5 - | Emissions tCO ² /employee | 2,90 | 3,161 |

¹ Modified respect to Environmental Statement 2013..

In order to calculate emissions it was taken into account all work travels (National and International) performed by plane, train and car.



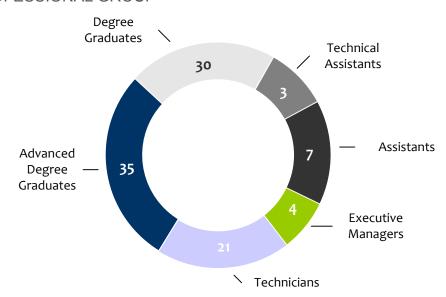
² Modified respect to Sustainability Report 2012...

8. SOCIAL INDICATORS

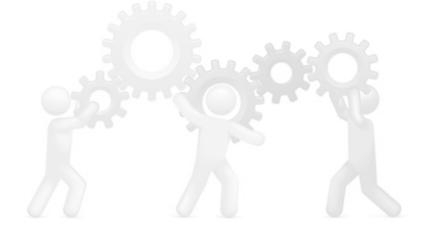
SOCIAL

| | | 2012 | 2013 |
|-------------|--------------------------------------|------|------|
| S1 - | Staff Number of employees | 235 | 196 |
| S2 - | Average employee age Years | 38 | 39 |
| S3 - | Average employee permanency Years | 5 | 5 |
| S4 - | Permanent Employment (%) | 64% | 94% |

\$5 - DISTRIBUTION BY PROFESSIONAL GROUP



| | Men | Women |
|---------------------------|-----|-------|
| Executive Managers | 7 | 1 |
| Advanced Degree Graduates | 49 | 20 |
| Degree Graduates | 53 | 6 |
| Technicians | 39 | 3 |
| Technical Assistants | 4 | 1 |
| Administrative Assistants | 2 | 11 |

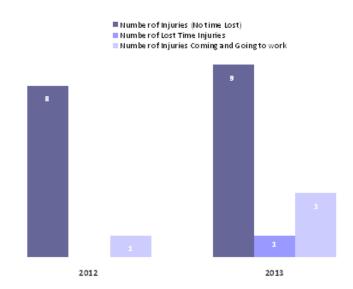


8. HEALTH&SAFETY INDICATORS

HEALTH **S**AFETY

| | | 2012 | 2013 |
|-------|--|-----------------|------|
| HS1 - | No lost time injury frequency rate (NLIFR) (No. Injuries *1 million hours worked / No.employees) | 20 ¹ | 28 |
| HS2 - | Lost time injury frequency rate (LTIFR) (No.Lost time injuries *1 million hours worked / No.employees) | 0 | 3 |
| HS3 - | Lost time per LTI % No. Lost hours per LTI / No. Hours worked | 0 | 0,07 |

¹ Modified respect to Sustainability Report 2012..



In 2013 there has been recorded only one lost Time Injury more than 2012.

8% of accidents in 2013 correspond to LTIs (lost Time Injuries), 69% correspond to No Lost Time Injuries and 23% happened coming and Going to work.

All accidents have been classified as minor injuries.

SPAIN

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