

SUSTAINABILITY REPORT

CORPORATE SOCIAL RESPONSIBILITY

2014



ADASA

WATER AND ENVIRONMENT
TECHNOLOGY



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1. MESSAGE FROM THE GENERAL MANAGER

Last years business environment has conditioned the company strategy to promote international activity, focus on product and carry out projects according to the core business of the Company. The year 2014 has confirmed national (Spain) contracts stabilisation and a slight increase of international activity.

In Spain we can highlight maintenance contract renewals related to water quality monitoring stations and meteorological parameters promoted by Confederación Hidrográfica del Duero, Ebro, ACUES, AEMET, SMC, Generalitat Cataluña and Gobierno Vasco.

It's also significant that the 34% of contracts reached corresponds to international activity and it shows a slightly increase respect to previous period. We can highlight projects in Romania, Australia, Morocco, Peru, Mexico, and the first project awarded by the United Nations, in Sao Tome and Principe for the supply and installation of hydrological and meteorological stations.

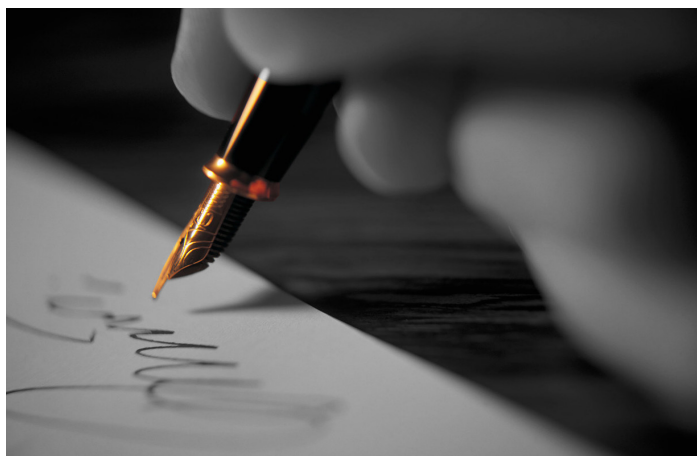
In 2014 Adasa has implemented the Automatic Operation System Energy Optimization, developing energy efficiency field to carry out the project promoted by Consorci d'Aigües de Tarragona (CAT). It is an intelligent automation system which will save 15% of energy cost. Adasa is the first company to implement it in Spain in order to obtain the lowest possible energy cost considering the rate, and scheduling and optimizing the entire pumping system. The project was implemented with a partner (Derceto), world leader in software market for energy optimization.

In 2014, Adasa has finished the ITACA project after 4 years leading a consortium of 10 companies and 11 universities and research centres. The project has focused on research into technologies for treatment, reuse and control for sustainability in debugging of water. Moreover, in 2014 has also finished OPTIMEDAR development, EU project CIP Eco -Innovation based on the efficient management of water treatment plants that can reach a 20% energy consumption reduction in biological aeration treatment.

Adasa has developed two projects (SMARTIC - Water Monitoring System with Real-Time Intelligent Technology) and (WWQM -Waste Water Quality Monitoring) focus on the purification of water reservoirs and wastewater monitoring.

Day to day, 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
General Manager



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**.

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 health & 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 recognised engineering company that provides technological solutions for the management of the integral water cycle and the environment. Set up in 1988, it is currently a member of Comsa Emte Group 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 force 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.

As experienced services integrators, Adasa covers a wide spectrum of related services, including consultancy, development, maintenance, and operations. Adasa joins water and environment expertise and highly specific technology capabilities, and understands the sector needs. It focuses its complete portfolio on water resources management (water quality monitoring and hydrology), smart operation of water utilities and operators, and irrigation and rural water. Adasa also fosters environment monitoring solutions in meteorology and air quality.

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.



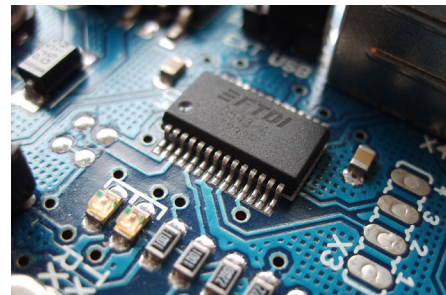
In response to the constant demand for new technologies and products, Adasa promotes research, development and innovation in order to guarantee the future wellbeing of society, conserve the environment and ensure sustainable development.

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 - Autònoma. 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.

Adasa cooperates with strategic partners and carry out projects in different fields like energy efficiency, hydrologic and hydraulic modelling, meteorology, communication and control systems, instrumentation, geographic information systems and software solutions.

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.

- International Water Association (IWA) – Worldwide
- European Technological Water Platform (WssTP) – Europe
- Spanish Technological Water Platform (PTEA) - Spain
- Catalan Water Partnership (CWP) – Spain
- Romanian Water Association (ARA) – Romania

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

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

- Great distribution strategy of water quality monitoring solutions through strategic partnerships in France, UK, Italy, Australia, India and Brazil.
- Design and implementation of a decision support system for irrigation operation and planning. Murrumbidgee Irrigation Ltd. New South Wales - Australia
- Implementation of a pioneer operational system for drinking water treatment plants and supply networks, targeted to achieve energy efficiency. Tarragona Water Consortium. Spain
- Renovation of the hydrometeorological network of Tisa & Crişuri river basins. Romania
- Strong market positioning in the integration and exploitation of hydrological networks. Maintenance renewals of the automatic hydrological information systems of Duero & Ebro river basins. Spain



Strategic alliances for water quality monitoring. France, United Kingdom, Italy, Australia, India and Brazil.



Decision Support System for Irrigation Operation and Planning. Australia.

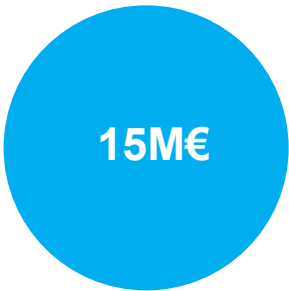


Energy efficiency for drinking water treatment plants and supply networks. Spain.

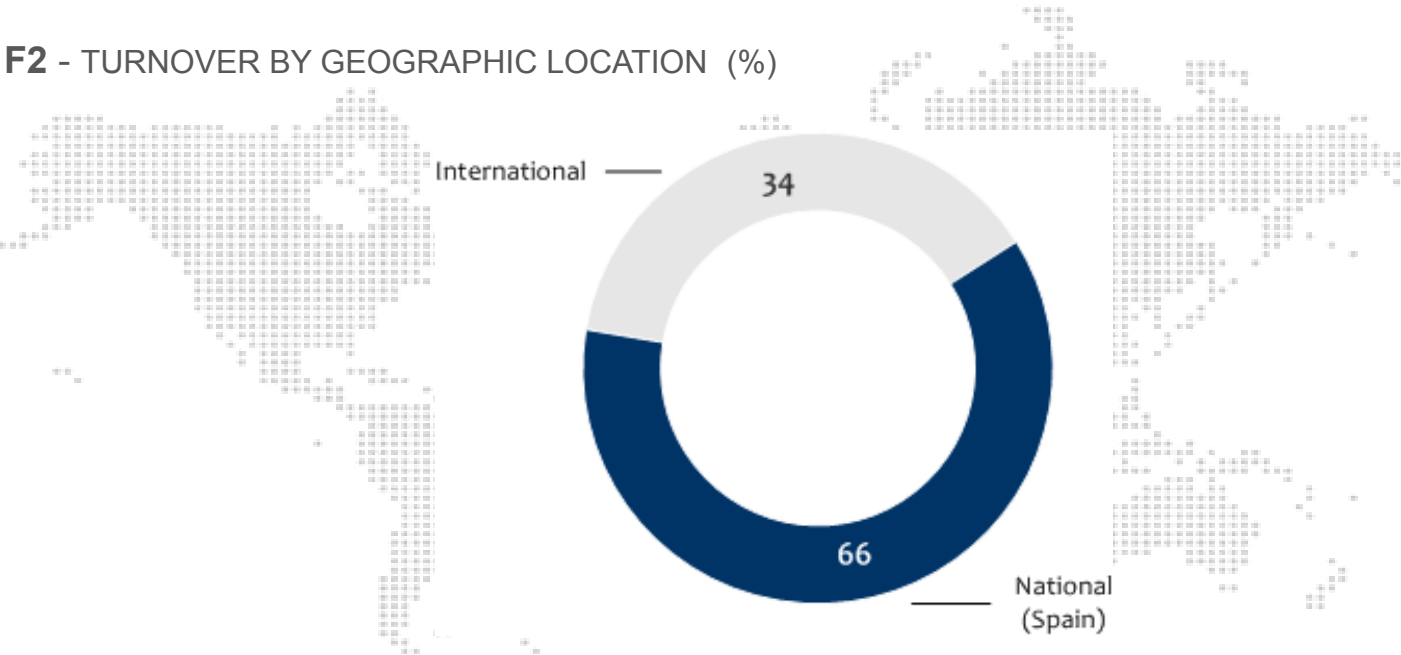
8. FINANCIAL INDICATORS

FINANCIAL

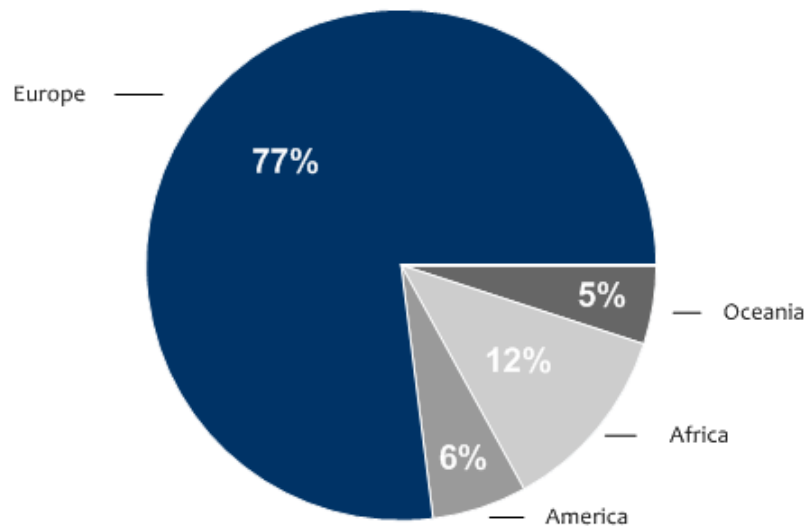
F1 - ANNUAL TURNOVER



F2 - TURNOVER BY GEOGRAPHIC LOCATION (%)



F3 - TURNOVER BY CONTINENT (%)



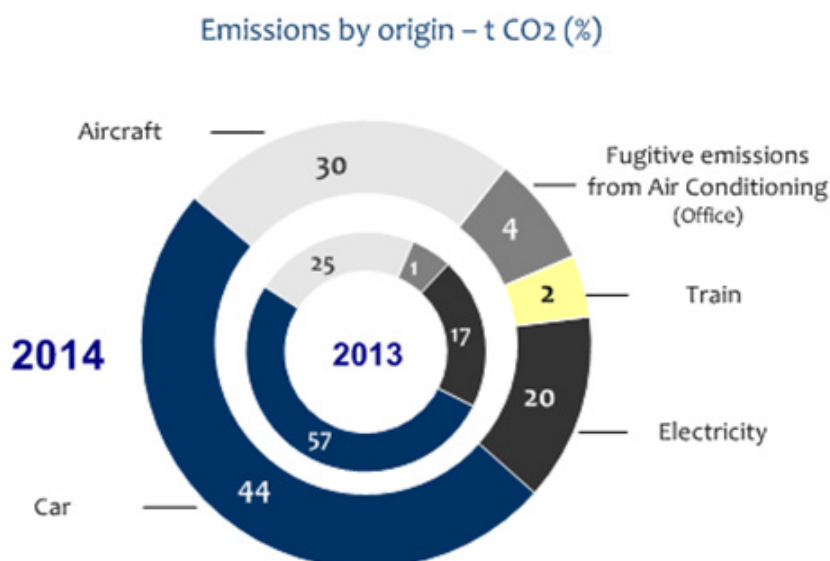
8. ENVIRONMENTAL INDICATORS

ENVIRONMENT

		2013	2014
E1 -	Electricity Consumption kWh/employee	1798	1992
E2 -	Water Consumption m ³ /employee	7,31	9,06
E3 -	Paper Consumption kg/employee	6,40	4,84
E4 -	Total Waste kg/employee	48,47	42,24
E5 -	Emissions tCO ₂ /employee	3,16	3,06

In order to calculate carbon emissions it was taken into account all work travels (National and International) performed by plane, train and car, electricity consumption and fugitive emissions from office air conditioning.

The inclusion of fugitive emissions of refrigerant gases is new for 2014, as a target for improvement in environmental management. The inclusion of refrigerant gases in total emissions calculation has established process indicators such as the value of recharging the equipment and the global warming potential (GWP) of each refrigerant. As a result it has improved the control of the facilities and provided data for analysis and comparison with the coming periods.

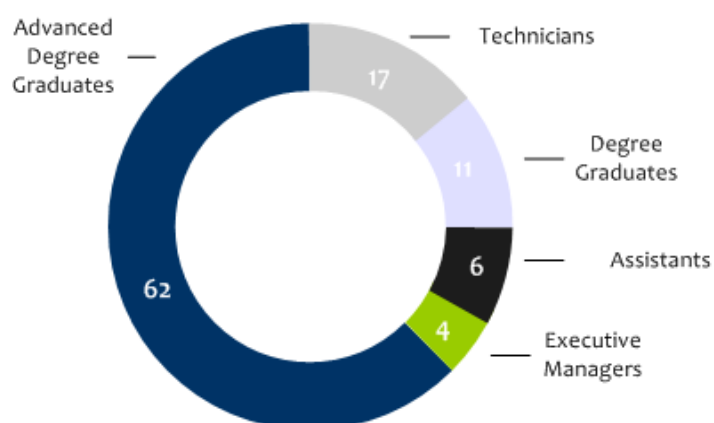


8. SOCIAL INDICATORS

SOCIAL

		2013	2014
S1 -	Staff Number of employees	196	139
S2 -	Average employee age Years	39	40
S3 -	Average employee permanency Years	5	7
S4 -	Permanent Employment Percentatge (%)	94%	95%

S5 - DISTRIBUTION BY PROFESSIONAL GROUP



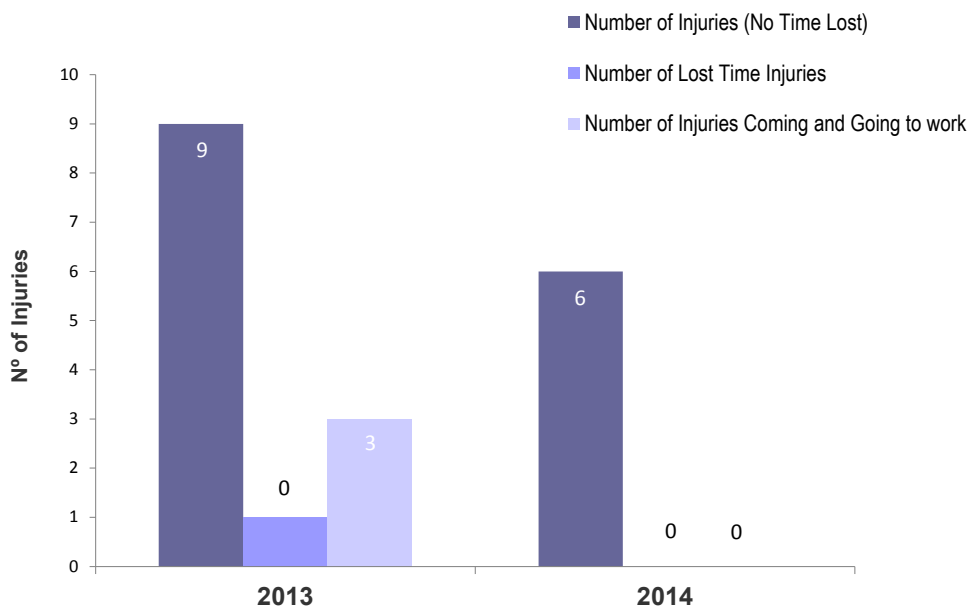
	Men	Women
Executive Managers	4	1
Advanced Degree Graduates	66	20
Degree Graduates	15	0
Technicians	24	0
Assistants	0	9



8. HEALTH&SAFETY INDICATORS

HEALTH SAFETY

		2013	2014
HS1 -	No lost time injury frequency rate (NLIFR) <i>(No. Injuries *1 million hours worked / No. employees)</i>	28	23
HS2 -	Lost time injury frequency rate (LTIFR) <i>(No. Lost time injuries *1 million hours worked / No. employees)</i>	3	0
HS3 -	Lost time per LTI <i>% No. Lost hours per LTI / No. Hours worked</i>	0,07	0



In 2014 has been decreased the Health and Safety Indicators because there has not been recorded Lost Time Injuries.

During this period, there have not been LTIs (Lost Time Injuries), or injuries happened coming and going to work. 100% of accidents in 2014 correspond to No Lost Time Injuries and decreased by 33% respect to previous period.

All accidents have been classified as minor injuries.

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