



Annual REPORT 2015

Projects
of future



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Letter from the Chairman



Dear shareholders, clients and employees,

2015 has been a good year for our company: For the first time since the beginning of the economic crisis, our turnover was more than 7% higher than that of the previous year. We have achieved agility, flexibility and our potential for growth has strengthened, resulting in a positive impact on the results of the financial year which closed with a pre-tax profit of 13 million euros, over 50% more than in 2014. It has been during this period when the result of corporate activities carried out in recent years has been most evident.

Our organisation has become stronger and more agile thanks to the strengthening of knowledge and better resource management. Ineco has always been a leader in transport engineering experience and technical knowledge, but we now know how to better identify our strengths, manage them better and apply them to new markets and projects. Key decisions were made over the course of 2015. Internally we continued to make an effort to adapt and modernise corporate tools, and the necessary processes for the correct management of projects and services were developed. One could say that 2015 was the year that concludes the great effort made in that chapter.

Externally, an important aspect was the reorganisation of business expansion, increasing local presence, redefinition of strategic areas and incorporation of new products. The creation of teams that bring together experience and talent at destinations of interest –with more agile and entrepreneurial ways of working– has started to yield results. In 2015 Ineco managed live projects in 41 countries and over 15 international offices in places such as the United Kingdom, Turkey, Mexico and Cape Verde. The coordination and support from the central offices in Spain, with all of the support from new technologies that this involves, has been a decisive aspect in the smooth operation of these projects.

The strategic and commercial vision has led us to open offices in Lima, Kuwait, New Delhi and Muscat, while at the same time strengthening those in Abu Dhabi, London, Mexico and Jeddah. All of this entails a better relationship with our clients, allowing them to gain a thorough understanding of our skills and allowing us to offer them the most appropriate solutions. The effort has been worthwhile: expanding on aeronautical and urban transport studies in Oman, new works on the HS2 high speed rail in the United Kingdom, the waste management plan in Quito and the project management of Fujairah airport in the United Arab Emirates are an example of this effort.

The Asian market remains the third in invoicing after Europe and Spain, with work on the high speed Makkah-Madinah line at the forefront; however, there are also new activities such as the feasibility studies for the high speed line in India and the contract with port authority in Taiwan. We must put a special emphasis on the projects we are carrying out in Latin America in the airports of Chiclayo and Lima, in Peru; and in the airport of Cartagena de Indias and the Medellín Metro, in Colombia, in addition to the work being carried out in Quito.

In Europe, the company continues to play a recognised role in the deployment of the ERTMS for the consolidation of the European high speed rail network and in the works for HS2, the high speed rail in the United Kingdom. In terms of its presence in Africa, Ineco's strength continues to be represented by aeronautical activity, in particular the continued work on Cape Verde as well as new studies in Angola and Mozambique.

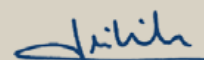
The company continues to bet on development of Spanish transport infrastructure, maintaining the trust of our shareholders. Ineco has continued participating both in the good performance of aeronautical activity, and in the expansion and maintenance of the entire railroad network and in road works; here we must mention the collaboration with the Ministry of Public Works in the search for solutions to the climate condition issue on highway A-8. Personalised attention, technical ability, training and a continuous adaptation to necessities are seen as an opportunity and an example of how to offer a first-class consultancy and thus contribute to the success of our shareholders.

For 2015 we must also highlight Ineco's notable collaboration with the Ministry of Public Works and the entire sector in the implementation of BIM methodology (Building Information Modelling) in Spain. For years the company has been putting human and technical resources into projects with this technology and it leads the committee which is committed to this technological tool for project management. The coordination in Spain is complemented by a European-wide initiative, meaning that Ineco's commitment to training in BIM takes on a far wider dimension. We will continue to follow along this route.

We renew for another year our adhesion to the Ten Principles of the Global Compact we subscribed seven years ago with the firm commitment of supporting the protection of the environment, human rights and labour standards, to follow good business practices and to fight corruption.

Finally, we would like to mention that the key role of engineering as Brand Spain materialised at the end of 2015 with the inauguration of an 'ad-hoc' space at the company's central headquarters in Madrid: a new corporate showroom where – as a centre for engineering interpretation – large projects by both Ineco and the sector are exhibited in a visual, practical and attractive presentation.

Milestones that we could not have achieved without the confidence of our shareholders and clients, to whom I extend my gratitude for their support, and without the commitment of all magnificent professionals that form part of Ineco.



Jesús Silva Fernández
Chairman

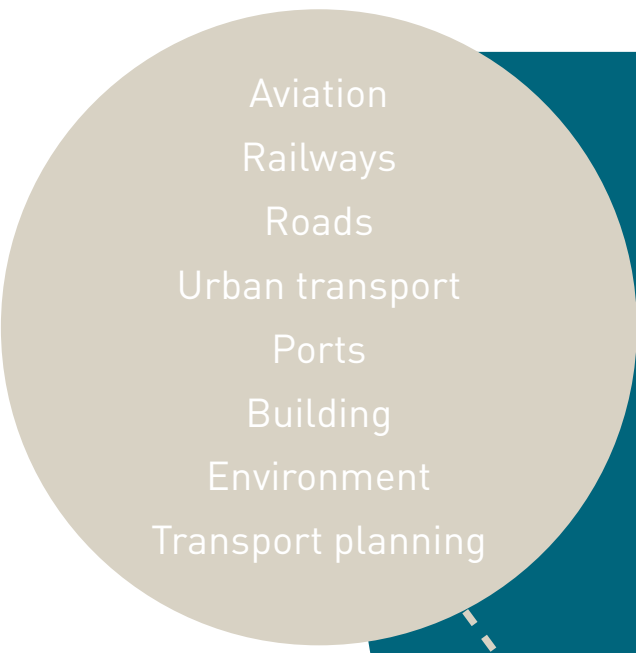


About Ineco

“Ineco has nearly 2,500 professionals from different specialist fields that comprise a committed pool of well-trained and highly qualified human capital. Our goal is for every project to satisfy the technical and financial expectations of the client.”

Ana Rojo, Engineering Operations and Services Managing Director





Who we are

Ineco is an Spanish engineering and consultancy leader in transport infrastructures. Linked to Ministry of Public Works, the company offers comprehensive and innovative solutions, through national projects and international, in all modes of transport.

Ineco is a global leader in transport engineering and consultancy. With a presence in more than 50 countries, it has an expert team of more than 2,500 professionals and has, for more than 45 years, contributed to the development of projects in all areas of transport: planning, airports, air navigation, railways, urban transport and ports. Its activities extend to the environmental sector, architecture and construction.

Ineco offers comprehensive solutions in all phases of a project, from preliminary feasibility studies to commissioning, including making improvements to management, operation and maintenance processes.

Its high level of technical expertise allows it to bring the most advanced and innovative developments, both for the public and the private sector, anywhere in the world.

Why we are different

Global and multimodal

We are present in over 50 countries across five continents. We bring a comprehensive approach to the projects that we carry out in all modes of transport.

Commitment to our clients

This commitment is manifested in the excellence and quality of our work, its long-term success and our dedication to innovation.

Multidisciplinary and specialized team

Ineco's value lies in its people, with around 2,500 expert professionals ready to address any engineering challenge.

Wide experience

Over 45 years working to develop efficient and sustainable transport systems aimed at improving people's mobility.

Flexibility and competitiveness

We adapt to our clients' needs and successfully address the challenges posed by different geographic, climatic, social and cultural situations.

High technological capacity

Research and innovation are a major part of our *raison d'être*: to reach the highest levels of quality in our work.

Profitability and efficiency

We guarantee maximum efficiency in our methodologies and propose the most profitable alternatives possible.

Support in decision making

We evaluate all the possibilities in order to identify the best solution.

Strong commitment to society

Our work has a direct impact on the progress of societies.

Our management team

Ana Rojo

Engineering Operations and
Services Managing Director

Ignacio Fernández-Cuenca

Corporate Managing Director



Jesús Silva

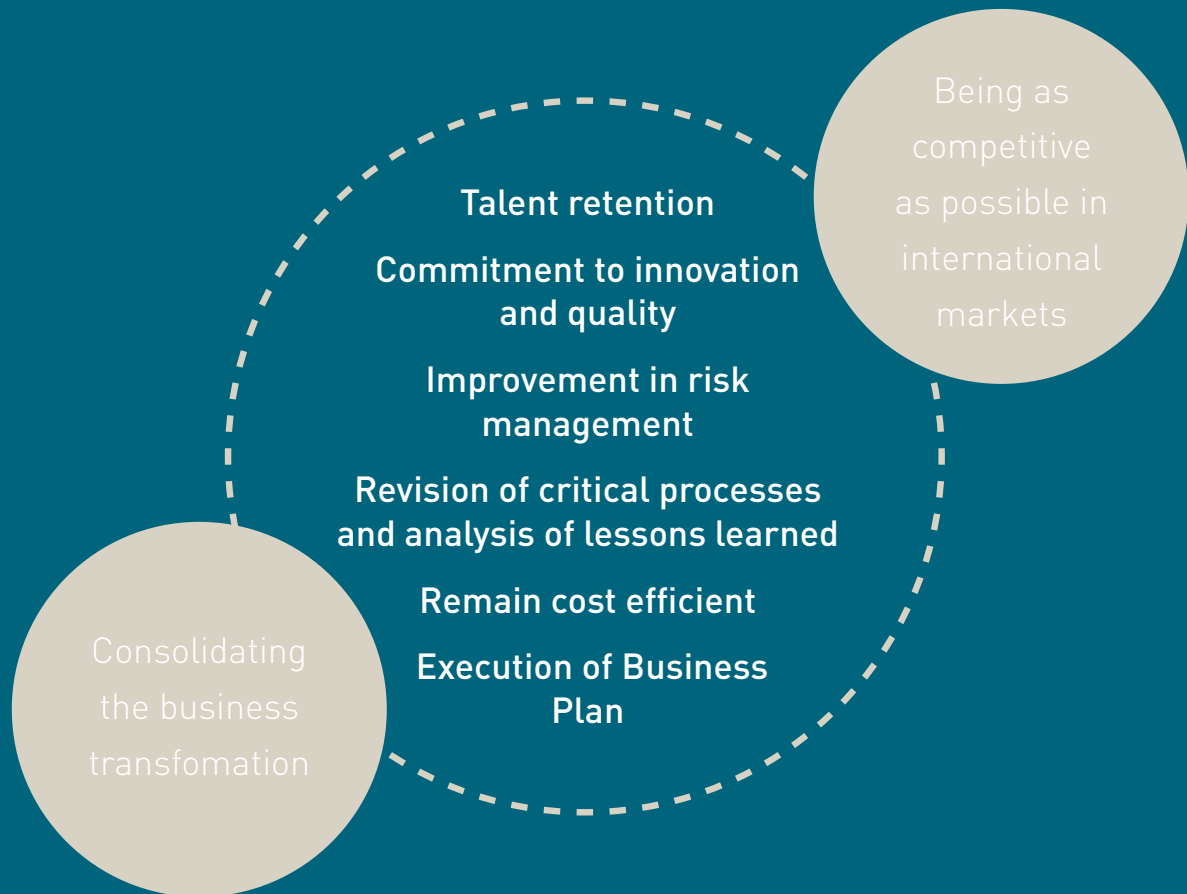
Chairman

José Manuel Tejera

Infrastructures and Transport Managing
Director

June 2016

Our strategic model



In recent years Ineco has developed a growth strategy enabling it to diversify and structure its portfolio of products, develop new lines of business and incorporate key projects which support its global position as a model in the engineering and consultancy of infrastructures specialized in transport.

Our company's strategic model should adapt to a constantly evolving environment in which international markets continue to have a particularly significant impact on the engineering sector.

Accordingly, Ineco has continued, throughout 2015, to make progress in its internationalization strategy in the company's Business Plan framework: a clear focus on opening up into the foreign market, which has prompted it to orientate its activity towards those regions with better business forecasts and to establish stable foundations in such regions. A focus which also applies to those products or services with a greater capacity to generate value, and which has led Ineco to develop new lines of business and to strengthen key products for current and future demands.

The nature of the organisation enables Ineco to continue to be closely tied to the national infrastructures sector,

supporting its clients and shareholders in business development in Spain, as well as acting as a spearhead for the internationalization of the sector. A commitment to internationalization which the company could not achieve without the talent of its professionals, and which stands as the key component in Ineco's strategy. Innovation, quality and process management are the tools which enable the organisation to ensure sustainable growth.

For 2016, the company is focusing its efforts on boosting its sales and marketing capacity and thus increasing the business profitability and efficiency. All of this being supported by an improvement in its procedures, a commitment to a digital transformation and to the company's talent management and the need to be innovative in order to offer its clients cutting-edge solutions, with the highest quality criteria.



Mission

To contribute to the sustainable development of transport infrastructures and to the generation of value and wealth in the countries in which we operate, with an offer of competitive, experienced and flexible consultancy and engineering solutions and services, focused on results for clients and shareholders.

Values

TEAM
EXPERT
DYNAMIC
EFFICIENT
GLOBAL
PROFITABLE
COMMITTED
INNOVATIVE
SUSTAINABLE

Vision

To be the first firm in the world specialised in the presentation of services and transport consultancy and engineering, being recognised for our excellence production within the main global engineering companies.

In 2015, Ineco earned 195.39 million euros. This figure highlights the increase in revenue for services rendered in both the public and private sector.

Our figures

Turnover
195.39 M€

Operating
profit
8.13 M€

Staff
2,416
employees

December 2015

Revenue by geographical region in 2015

Regions	Annual revenue
Europe	146,495,774.14 €
Spain	137,784,928.79 €
Asia	30,556,153.63 €
America	12,039,659.74 €
Africa	6,200,327.19 €
Oceania	98,855.52 €
Grand total	195,390,770.22 €

Revenue by service rendered

Service	2015	2014
Public sector	161,163,015 €	154,937,908 €
Private sector	34,227,755 €	27,522,879 €
Grand total	195,390,770 €	182,460,787 €

Distribution of 2015 portfolio by sector

Activity	Domestic	International
Railways	72.2%	66.6%
Aviation	6.0%	12.3%
Intermodal	21.8%	21.2%

Revenue by sector

Activity	2015	2014
Railways	114,463,099 €	111,394,238 €
Aviation	54,520,732 €	46,291,409 €
Intermodal	26,406,939 €	24,775,140 €
Grand total	195,390,770 €	182,460,787 €



Ineco around the world

Africa

- | | |
|------------|------------|
| Algeria | Mali |
| Angola | Mauritania |
| Cape Verde | Morocco |
| Egypt | Namibia |
| Ethiopia | Uganda |
| Kenya | |

America

- | | |
|------------|-----------|
| Argentina | Jamaica |
| Bolivia | Mexico |
| Brazil | Nicaragua |
| Chile | Panama |
| Colombia | Peru |
| Costa Rica | Salvador |
| Ecuador | Venezuela |

Europe

- | | |
|---------------------|----------------|
| Bulgaria | Norway |
| Croatia | Poland |
| Denmark | Portugal |
| Estonia | Serbia |
| European Commission | Spain |
| France | Turkey |
| Greece | Ukraine |
| Italy | United Kingdom |
| Lithuania | |

Middle East

- | | |
|--------|----------------------|
| Iraq | Qatar |
| Jordan | Saudi Arabia |
| Kuwait | United Arab Emirates |
| Oman | |

Asia And Oceania

- | | |
|------------|-------------|
| China | New Zealand |
| India | Philippines |
| Kazakhstan | Samoa |
| Malaysia | Singapore |
| Nepal | Taiwan |



Present in **more than 50 countries**, Ineco continues to reinforce its internationalisation strategy. The company is currently developing infrastructure projects in five continents, with a permanent presence in:

- Ecuador
- Chile
- Colombia
- Panama
- Peru
- United Kingdom
- Turkey
- Cape Verde
- India
- Singapore
- Kuwait
- Saudi Arabia
- United Arab Emirates
- Oman

Furthermore, Ineco has two subsidiaries: Ineco do Brasil (Brazil) and Inecomex (Mexico); and has holdings in Tenemetro (10%), CEAVMM (1.5%) and in AIE Crida (16.67%). According to the existing contracts, the company has formed various types of association with other companies in countries where it carries out its activity.





Activity

“Ineco ended 2015 with new projects of particular importance, such as the high speed feasibility studies in India, the Bus Transport Strategic Plan for Oman, or the project management of the Fujairah airport expansion in the United Arab Emirates. These examples endorse our process of internationalisation and Ineco’s positioning at a global level”

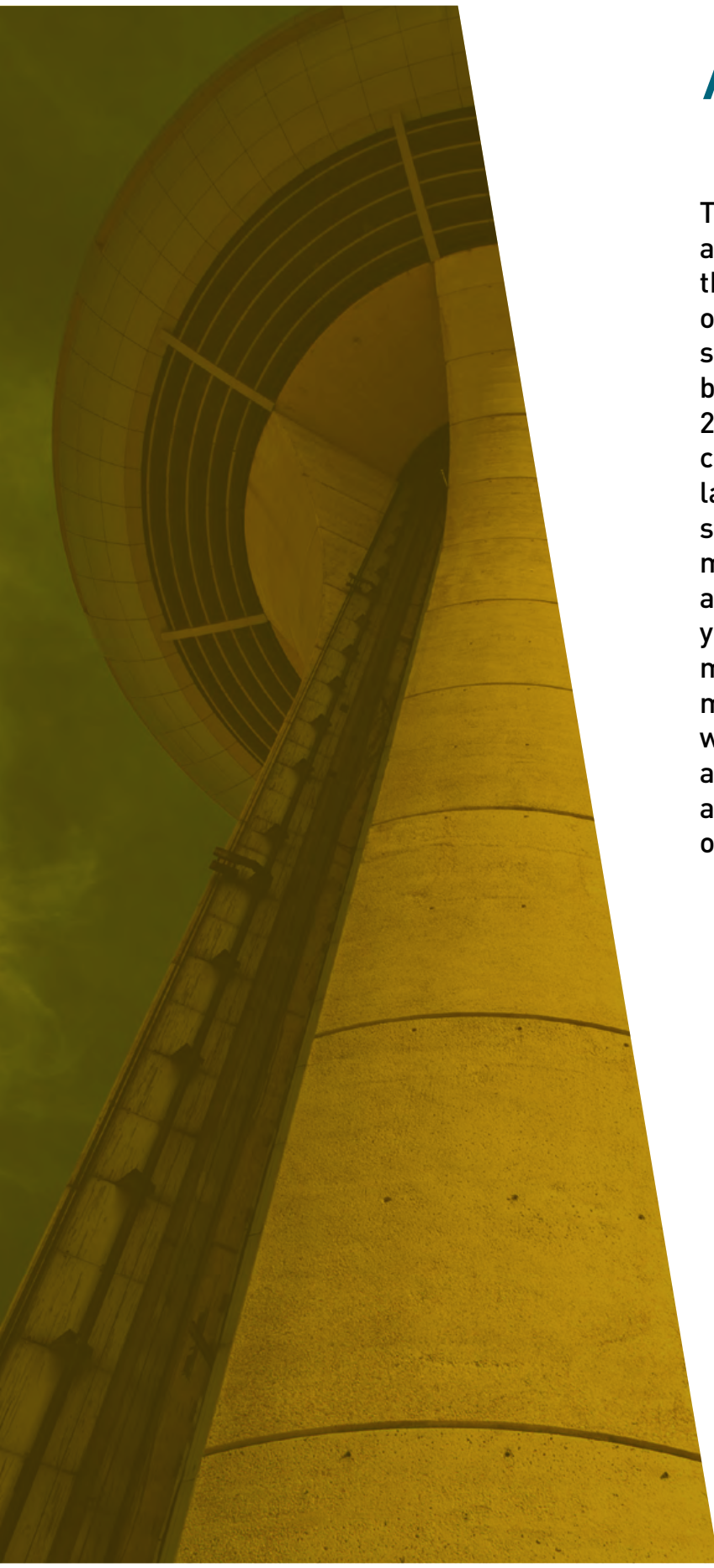
José Manuel Tejera, Infrastructures and Transport managing director







Aviation



The company balance sheet for aeronautical activity in 2015 confirms the consolidation of the positive trend of the past three years: the company saw annual average income increase by 8.3 million euros compared to 2014. With worldwide air traffic in continuous growth, the sector needs larger, more modern airports, greater safety in air navigation and a better managed airspace, in order to meet a demand that continues to increase year on year. Ineco has worked on more than two hundred projects at more than 60 airports around the world, both for airport enlargements and in improving air navigation safety and efficiency, with an increasing focus on the use of satellites.

Horizons for growth

In 2015, worldwide air transport once again showed an undeniable robustness, reflected in the 3.5 billion passengers transported by regular airlines: a 6.4% increase compared to the previous year, according to the data from the ICAO, the International Civil Aviation Organization. The Spanish market was no exception to this: the 46 airports and 2 heliports of the Aena national network surpassed 200 million passengers, a figure similar to pre-crisis period. Madrid and Barcelona's airports were the leaders, making up 41.7% of the total number of passengers between them.

This is the context in which Ineco has continued working both in Spain, for its shareholders ENAIRE and Aena and institutional clients, the Spain's Directorate General of Civil Aviation (DGAC) and the Spanish Aviation Safety and Security Agency (AESA), and abroad, in some twenty countries around the world. Of the progress made, examples worth highlighting are the consolidation of the company's presence in great potential markets, such as the Asian, Latin American and African markets. The company has surpassed its initial hiring objectives in the Spanish airport market. In general, 2015 saw a confirmation of the trend towards growth in the company's aeronautical activities, first observed in 2013; total invoicing for the year in the sector was 54.5 million euros, compared to 42.6 million in 2014 (annual average).

In 2015, **airport** projects already underway were continued; examples of these are the operational readiness and transfer (ORAT) of the new terminal at Abu Dhabi airport, awarded to Ineco and Aena International in 2014, or the project management of the enlargement of Kuwait airport, which began in 2011. In the Americas, the company's projects in Peru should be noted: the supervision until 2021 of the enlargement works at Jorge Chávez international airport in Lima and the contract to produce preliminary studies and the draft project for the enlargement of Chiclayo airport, where over the course of 2015, Ineco produced and successfully presented a design for the new terminal. In Colombia, Ineco continued to provide services at Rafael Núñez airport in

Cartagena de Indias and Alfonso Bonilla airport in Cali, which are both undergoing enlargement works to handle increasing traffic. In Brazil, 2015 saw the completion of the block of preliminary designs for group 1 of the project to modernise regional airports, and at Sangster airport in Montego Bay (Jamaica), Ineco drew up plans for the pavement rehabilitation of the runway.

In Africa, seven important projects were carried out in Cape Verde, including the inspection of remodelling and enlargement works for the passenger terminals at Boa Vista and Sal airports, and the drafting of Master Plans for the São Nicolau and Fogo aerodromes. In January 2015, Ineco presented the National Airports Plan for Uganda, which was drawn up the previous year; in Angola, safety studies were carried out for the airport at the country's capital Luanda, where the company has already worked in 2012.

Of the new international contracts, noteworthy examples include the project management of the enlargement works at Fujairah airport in Abu Dhabi and the two contracts to design the runway restoration and supervise construction at Faleolo in Samoa. In Europe, two studies were carried out (into future development and railway access) for London Luton airport, of which Aena is the majority shareholder.

At the national level, 2015 was a year of recovery for one of Ineco's main shareholder clients, Aena. This turning point was marked by the success of its initial public offering and the rise in traffic through airports in its network, which totalled 207 million passengers, a 5.9% increase compared to the previous year. Among the main projects, examples that should be pointed out are drawing up plans, such as those for the southern dyke adaptation at Barcelona-El Prat airport, the two plans for the pavement restoration of runway 06R-24L at Palma de Mallorca airport and runway 18L-36R at Madrid-Barajas airport, and the technical assistance provided in the improvement and enlargement works for bus and hire vehicle parking at Tenerife Sur.





There was also the continuation in 2015 of projects that were already underway with the Civil Aviation Department (DGAC), such as the production of drafts of the Airport Regulation Document (Documento de Regulación Aeroportuaria, DORA) or the support provided in the production and execution of urban plans. Ineco also carried out aeronautical inspections for the Spanish Aviation Safety and Security Agency (AESA), for example at the Montmeló circuit heliport, among others.

In international **air navigation**, projects that merit emphasis include the study into the effects on airport operations of the new cranes at the port of Kaohsiung in Taiwan. One field in which Ineco has extensive experience is the design of flight procedures, for example at Changi airport in Singapore and Muscat and Salalah airports in Oman; the company has also been designing approach charts for these airports since 2013. There are also works underway at the new Adam, Al Duqm, Sohar and Ras al Had airports. Satellite-based landing procedures (GNSS) were produced for the Boa Vista and São Vicente international airports in Cape Verde. In Mozambique, Ineco produced designs for traffic control systems and carried out several studies to improve airspace safety and management.

In Europe, Ineco worked for another year on Single European Sky ATM Research (SESAR) programme (Single European Sky) activities. Specifically, it supported Eurocontrol in work package no. 12, dedicated to the development of technical requirements and the verification of prototypes in the ATM/airports field. Another important project in 2015 was the EGUS (European GNSS User Support) project for the European GNSS Agency (GSA). Ineco has worked on three contracts, focused on the development of the E-GNSS market in aviation, maritime navigation and for commercial use, respectively. Work also continued at the European Galileo programme Service Centre, located in Torrejón de Ardoz (Madrid). In 2015, Ineco designed procedures, processes, products and services for the operation and maintenance of the Centre and continued to collaborate in preparing and validating operations and in the design and implementation of hosting services.

In Spain, Ineco provided its specialised services to ENAIRE, the national air navigation manager and the company's principal shareholding client. In the aeronautical communications field, 2015 saw Ineco collaborate in designing facilities and support in the commissioning of the Communications Centres at As Pontes, Veldespina, Alcolea, Valladolid and Paracuellos, which serve the Area Control Centre (ACC) in Madrid (Torrejón ACC), and the Linares Centre, which serves the Seville ACC. In addition, over 100 studies were carried out into the effects to radio installations; the thirteen studies carried out at wind farms near Gran Canaria airport were particularly significant.

In the area of satellite navigation, within the European SESAR 1 programme, the company contributed to the analysis, development and validation of innovative manoeuvres based on GNSS systems (SBAS and GBAS) and participated in preparing bids for the programme's second phase, SESAR 2020.



In terms of safety, work worth mentioning is the production of national-scale incident analysis reports and the preparation of audiovisual material for safety culture dissemination and training campaigns in the field of ATM, such as the “At the other end of the signal” campaign. In terms of security, Ineco supported ENAIRE in preparing 82 security programmes, evaluating the levels of risk at 99 air navigation facilities, such as the north tower at Adolfo Suárez Madrid-Barajas Airport, the Barcelona Air Traffic Control Centre and the tower at Málaga airport.

In the field of TMA operations, the company has participated in several research programmes: the SALSA Project (Seasonality of Air mass transport and origin in the Lowermost Stratosphere using the HALO Aircraft) and the NARVAL-II Project (Next-generation Aircraft Remote-sensing for VALidation studies), carried out in collaboration with DLR (the German airspace research institute). Runway capacity studies were also carried out for Madrid, Barcelona, Palma de Mallorca and Gran Canaria airports.

For the development of air navigation system, AST (Accelerated Simulation Techniques) studies were carried out using the SCOPE methodology to calculate the capacity of the routing sectors at Seville, Barcelona and Madrid and the TMA at Palma. In addition to this, in the area of airspace structuring and organisation, Ineco participated in the TEN-T Project, working on the plan to implement PBN procedures in Spain, and designed RNP APCH manoeuvres with LPV minimums for Alicante, Ibiza, Seville, Málaga, Menorca, Jerez and La Rioja airports.

Other significant projects were drawing up plans for the deployment of ENAIRE’s radio navigation integrated management system (SIRA Phase 2) and the completion of the Phase 1 roll-out. Ineco also participated in the implementation of the ORION system for the supervision

of air-to-ground and ground-to-ground communications in the Canary Islands, and the expansion of the system that supervises the SCV, SGV systems and radio gateways. As part of the activities to automate the air traffic control system, Ineco participated actively in the analysis, specifications, testing and deployment of the new Automated Air Traffic Control System (SACTA in Spanish) architecture.

Above all, the challenges set in 2015 with a view to 2016 are the improved quality and greater added value of the company’s products and services, with special emphasis on innovation. In the national market, the company is committed to continuing to provide highly specialised technical assistance to its shareholders and institutional clients in the context of a general economic reactivation. Abroad, Ineco aims to increase its presence in new countries and to consolidate its presence both in Europe (SESAR programme, GSA) and in regions where the aviation market is growing more vigorously, such as Asia-Pacific (Singapore, Taiwan), Africa and the Middle East (Cape Verde, Oman, United Arab Emirates...) and Latin America, where the need to enlarge the main airports has led to increased demand for airport engineering and consulting services.



Railways

Ineco's railway activities, which it has been developing for more than 45 years and which represent on average 70% of the company's business, closed 2015 with 114.4 million euros in income (annual average), 3 million more than in the previous year. Ineco continued with major international projects already underway in the United Kingdom and Saudi Arabia as well as with others in Latin America, Asia and Europe, including in Spain, where new stretches of high speed network were started up.

Experience and future

Railways conditioned the emergence of contemporary society and grew along with it. From the Industrial Revolution to our times, railways have continued to be a vital mode of passenger and goods transport all around the world. In the mid-20th century, the development of high speed rail, first in Japan and then in other countries, was a technological milestone. It transformed the railway, enabling it to compete with (and complement) air travel, above all for passenger transport and medium-length journeys (around 500 kilometres) and as a fast connection between large urban centres.

In Spain, where the first high speed line (Madrid–Seville) was opened in the 1980s, Ineco and its clients and shareholders Renfe and Adif have from the beginning participated in developing a network of over 3,000 kilometres, the second largest in the world today, after China's. In parallel to this, the company has worked with all kinds of conventional railway systems, including commuter trains, light and heavy rail, metro and trams. In recent years, all of this valuable experience has been exported to countries on five continents, such as: the United Kingdom, Saudi Arabia and India, where large high speed rail projects are underway; Turkey and Ecuador, where conventional networks are being renovated; and Panama, Chile and Colombia, where metro systems are being built or modernised.

In 2015, Ineco did work in all of those countries, and its railway activities as a whole continue to generate the

largest volume of work for the company. 2015 saw an average annual growth in this sector in relation to 2014, both in the company's portfolio (railways represented 66.6% of international business and 72.2% of national business) and in income, which grew from 111.4 million euros in 2014 to 114.4 million in 2015. Ineco's railway activities span all phases of a project's life cycle, from planning to maintenance, via construction and commissioning, and all areas of technical knowledge: tracks, rolling stock, telecommunications, signalling, track inspection...

As it has done from the beginning, Ineco for another year worked on the Spanish high speed network for Renfe (the operator) and Adif (the infrastructure administrator). The opening of the Valladolid–Palencia–León connection in September and the completion of the Galician Atlantic Axis in April were 2015's main milestones. In both projects, the company has been providing services in all phases of development for several years, from drawing up projects to transfer. This includes a wide range of tasks, such as safety certification (ISAs), building (the provisional station in Vigo and others on the Atlantic Axis), urban integration (León, Orense, Santiago de Compostela), structural load testing (the Ulla viaduct), etc.

Ineco also carried out design and construction projects for Adif on other high speed lines across the country, for example the Basque "Y" and the line to Granada, and provided support for all new lines in all specialised technical fields in construction and supply logistics. In addition to the projects mentioned above, the company



collaborated in the commissioning and transfer phase for the Olmedo–Zamora and Medina del Campo–Salamanca stretches. In terms of maintenance, Ineco does work throughout the national network, although particularly important tasks in 2015 were the inventory-taking and maintenance of the cuttings and embankments; and maintenance of Adif's fibre-optic network.

Another important aspect of this activity is assessment and certification: in 2015, Ineco renewed and increased its ENAC (National Accreditation Entity) certification for the CCS, infrastructure, energy, exploitation and traffic management subsystems, for rolling stock and for maintenance. This accreditation allows the company to carry out Independent Safety Assessments (ISAs), studies guaranteeing an operator or railway authority that a new line or specific action is compliant with all requirements for risk-free operation. Some of the ISAs carried out were for the commissioning of the Valladolid–Palencia–León high speed line and the Utrera–Las Cabezas line on the conventional network. In addition to this, Ineco will for the first time carry out an ISA abroad for the Panama metro; this is set for completion in 2019. The company has also collaborated in independent safety assessments with several private companies, especially in the technology sector.

Other significant projects in Spain last year were the provision of support to Renfe in the Improvement Plan for 72 commuter train stations across the country, which will continue until 2017 the development of rolling stock for Renfe, Euskotren and the Madrid Metro, among others, and information and communication technology (ICT) development. Ineco also worked in close collaboration with the Ministry of Public Works in the field of infrastructure planning, and with the State Rail Safety Agency.

Abroad, the company continued with large projects already underway, such as the HS2 high speed line in the United Kingdom. Important aspects of the work there were continued support in defending the Hybrid Bill (I) and the successful incorporation into the design of a number of complicated additional provisions passed in the British Parliament. Other tasks carried out in 2015 were the reference design for planning and construction bids, to take place in 2016, and drawing up technical specifications for the track. Ineco also participated in an innovation project, promoted by the Rail Safety and Standards Board (RSSB), to avoid the demolition of bridges on existing railway lines which will be electrified.

For the European Commission, the most important project was the implementation of the ERTMS, in which all targets for tasks under Ineco's responsibility were met. The company also carried out ETCS monitoring for TEN-T corridors for the European Rail Agency (ERA). Also worth mentioning is the contract for the planning of the Atlantic and Mediterranean corridors, in consortium with other European companies. This brings continuity to work done in previous years and R&D+I efforts with European institutions.

In collaboration with local partners, the company was contracted for the supervision of modernisation works for two projects. For a period of 46 months, Ineco will be responsible for updating the signalling, telecommunications and energy supply systems and coordinating the electromechanical installations team for the 377.8 km Samsun–Kalin railway line. On the İnönü–Köseköy stretch (158 km) of the Ankara–Istanbul line, where Ineco started work in 2010, works were extended in design supervision, construction monitoring and supervision and technical assistance



in the commissioning of the railway signalling, telecommunications and electrification systems.

In Saudi Arabia, Ineco continued track assembly works for the Makkah–Madinah high speed line (Haramain High Speed Project). As part of the Hispano-Saudi consortium responsible for the project, the company provided technical assistance and works quality assurance.

Noteworthy projects in Asia are two high speed feasibility studies carried out in India, for the New Delhi–Kolkata line and the 1st phase of the Mumbai–Kolkata line (the Mumbai–Nagpur stretch), totalling approximately 2,300 km of track. In Singapore, the demand and income study for the new Kuala Lumpur–Singapore high speed line was revised and updated.

In Latin America, safety was improved for 562 level crossings in two stretches of Ecuador’s rail network (Quito–Durán and Ibarra–Salinas, 500 km total). Also in Ecuador, three locomotives originally manufactured for Euskotren in Spain were certified and modified for the Ecuadorian network. 2015 saw the continuation of Ineco’s supervision of rolling material for the Santiago de Chile metro, where the fleet is being modernised; for the Medellín metro (Colombia), where the network is being enlarged; and for the São Paulo metro in Brazil, where Ineco has been working for more than 10 years and has a subsidiary company and permanent offices. In Bolivia, a strategic environmental assessment study was produced for the Central Bi-Oceanic Railway Corridor, a proposed transnational railway connection between the Pacific and Atlantic oceans.

At the international level, the principal challenges in 2016 are the successful continuation of large medium-term

projects already underway, such as work for the high speed lines under construction in the United Kingdom and Saudi Arabia, or the contract for ERTMS implementation in nine European Union railway corridors. Other projects that will continue in the coming years are the supervision of construction in Turkey and rolling stock certification in Chile and other Latin American countries, where the company has extensive experience. In Latin America, demand in the railway sector will mainly be for metro and commuter train systems due to the growth of cities; regional transport will continue to be developed almost exclusively for goods transport.

Increased activity is foreseen in Southeast Asia, with projects such as the high speed Malaysia–Singapore connection.


Work for shareholders and institutional clients (Renfe, Adif and the Ministry of Public Works) will continue in Spain, with the improvement and enlargement of the national railway network, both for high speed lines under construction (Madrid–Galicia, Extremadura, the Basque “Y”, lines into Asturias), and for conventional lines: station modernisation plans, maintenance, etc.

There is one more challenge to add to all the above: the challenge of adding innovation to the company’s 45 years of experience, with activities such as the use of Building Information Modelling (BIM), work carried out using drones, collaboration in integrated transport systems, developments in smart mobility and smart cities, mobile applications...





Intermodal and roads



This section comprises a diverse range of works, including the fields of planning, urban transport, the environment, ports and building. Ineco undertakes this work with multidisciplinary teams made up of experts in different fields, equipped to contribute the knowledge and perspectives required in these types of projects. The company also has experts in the roads sector, who for another year worked both in the improvement and maintenance of the extensive Spanish network and abroad, particularly in Latin America. The economic results were positive, passing from 24.7 million euros in 2014 to 26.4 in 2015 (annual average).

Efficient connections

Mobility is closely linked to social and economic development. Urban areas, home to more than half the world's population, require transport systems that are multi-modal, well planned, designed and dimensioned, enabling citizens to quickly and efficiently travel and switch between modes of transport.

Not only people require transport; we could not conceive a modern world without commercial trade, which requires a transport infrastructure with the capacity to move large volumes of goods, as in the case of ports and roads. Both in the design and in the operation of this infrastructure, information technology provides possibilities that seemed unattainable only a few decades ago.

The complexity and cost of this infrastructure necessitate thorough prior planning, proper monitoring of the investment needed for project execution, and the application of modern, efficient management and operating models. Respect for the environment and the research for more sustainable technical solutions are also inescapable commitments both for the designers and for the operators of transport networks.

This is the context to Ineco's intermodal activity, which covers a diverse range of specialised projects and transport modes all around the globe. Last year, income in this area increased once more, climbing from 24.7 million euros in 2014 to 26.4 million in 2015 (annual average).

In the area of **planning**, 2015 saw the launch or execution of projects such as the Bus Transport Strategic Plan for Oman's national transport operator. Ineco had also developed another public transport plan for Oman's capital, Muscat, in 2014. Other country-scale plans, this time focusing on multi-modal, are the Malta National Transport Strategy and the Ecuador Mobility Plan. In 2015, the company completed its advisory and assistance role for the Ministry of Transport and Public Works, which lasted two years and included over 200 studies and project supervisions.

Other **urban transport projects** developed last year are the feasibility studies for the rehabilitation of the tram network in Pavlodar, Kazakhstan, and for the future Metrocable project in Quito, Ecuador, a cable car which will be integrated into the city's metro system. For Panama City Metro, where the line 1 is being expanded and a second line is going to be built, Ineco will carry out the independent safety assessment (ISA). In Spain, Ineco provided independent specialised technical assistance services to financial institutions for Barcelona Metro's new line 9 project. The company has continued its works on the Observatory for Transport

and Logistics of Spain for the Spanish Ministry of Public Works; tasks include drafting the annual report, maintaining and improving the database, etc.

In terms of **environmental** related work, projects that should be emphasised are the drafting of the Plan for Comprehensive Waste Management in Quito and consultancy for the application of transitional provisions for Ecuador's new Organic Law on Water.



In Spain, the company has collaborated with the Ministry of Agriculture, Food and Environment on the PIMA Transport programme, which aims to modernise vehicles intended for transport. Ineco also collaborated with the Ministry on the “Un millón de compromisos por el clima” (“A million commitments for the climate”) initiative for the Paris Climate Summit, held in December; the company carried out a research project, including a web page. The aim of the initiative -successfully achieved- was to bring together at least a million individual and group initiatives to reduce the global impact of climate change; it was then presented to the Summit by the government of Spain.

Ports and their connections to land transport networks were another area of the company’s intermodal activity in 2015. In Spain, Ineco brought to a close its collaboration with the public body Puertos del Estado (Ports of the State) for the launch of the Faros de España (Spanish Lighthouses). The company also began providing support to this body in drafting new tender specifications for port services and in renewing concessions process. It collaborated with different Port Authorities in preparing applications for European Commission CEF subsidies and provided consultancy in the field of rail transport, technical assistance and coordination of construction work health and safety.

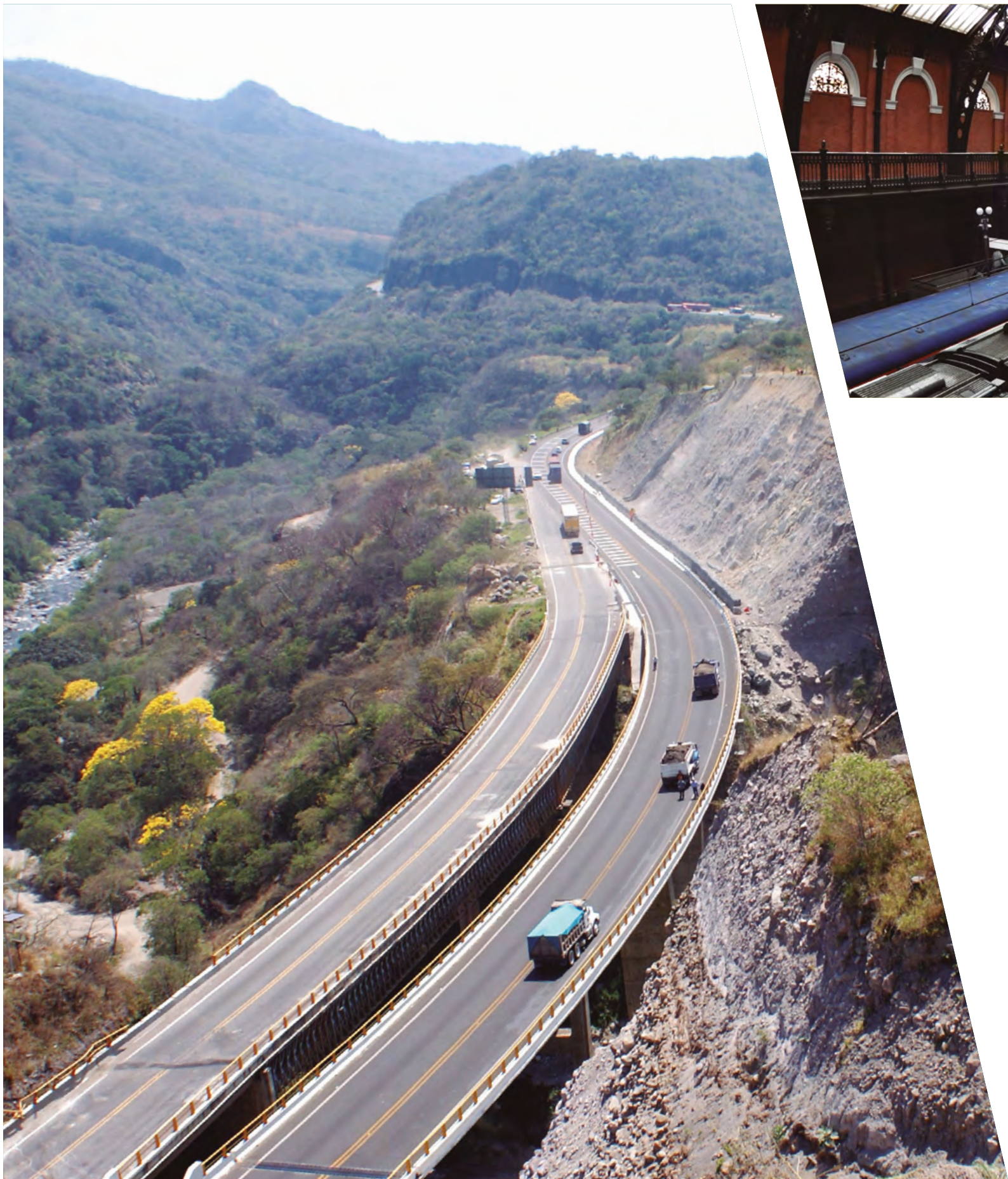
On the other hand, under the strategic development framework of the Atlantic Freight Rail Corridor, Ineco, as part of a consortium of other European companies, was in 2015 awarded the contract to study the impact of the development of ports of the Atlantic Façade on freight rail activities in the short, medium and long term. A project that should be mentioned in Portugal is the Strategic Plan drafted for the ports of Sines, Portimão and Faro, members of the Trans-European Transport Network (TEN-T). The document includes the design of business and investment plans and the definition of a new organisational model and implementation plan.

As part of its intermodal activity, Ineco also undertakes **building projects**, such as the ones carried out last year for the General Directorate of Architecture, Housing and Land of the Ministry of Public Works. The company began the inspection and review of 66 buildings owned by the Ministry for Foreign Affairs and Cooperation in 17 countries on the American continent, and completed the tasks started in 2014 for the works management and health and safety coordination for the rehabilitation of the Torre Cuzco building in Madrid, the headquarters of the Ministry of Economy and Competitiveness. In the field of railway building, is worth mentioning the Cercanías stations Improvement Plan.

In relation to the development of computer applications for transport, in 2015, Ineco continued to collaborate with the Spanish postal service, Correos y Telégrafos, to optimise the information systems of its Transport and Logistics Directorate. It also provided support to the Spanish Institute for Energy Diversification and Saving









(Instituto de Diversificación y Ahorro de la Energía, IDAE) in managing grants programmes in the area of energy efficiency.

Roads, fundamental for the overland transport of people and freight, have also been an important chapter in Ineco's history, both in Spain, where the company once more provided support to the General Directorate of Roads of the Ministry of Public Works, and abroad.

Ineco's work within Spain, focusing above all on drafting projects, with the continuation of projects that started in 2014 and the beginning of new ones, such as the remodelling of the junction linking the M-40 road with the A-6 highway in Madrid, the section of the A-74 highway between Foz and Barreiros in Lugo, and the division of the A-7 highway between La Mora and La Pobra de Montornés in Catalonia. The company also provided monitoring and supervision services at the new Gaznata bridge works in Ávila, and environmental management at the new Constitución de 1812 bridge in Cádiz (La Pepa bridge). Monitoring of the operation of tunnels in the national network and consultancy on road lighting are also underway.

Particularly remarkable is the launch of a Public Procurement for Innovation procedure, to solve the problem of persistent fog on a section of the A-8 highway in Mondoñedo (Lugo), the Ministry of Public Works, supported by Ineco, decided to opt for this novel contract procedure. It aims to find alternatives to the existing market solutions, replacing the traditional requirements (price, minimal risk) with a policy to support private innovation, boosting R&D.

At the international level, the main roads projects were in Brazil, Mexico and Ecuador, where over the course of 2015, over 300 km of high capacity roads were designed. For the fourth consecutive year, Ineco continued its tasks in Mexico as the administrator and supervisor for the concession of the Guadalajara-Colima highway,

which will continue for the next ten years. In São Paulo (Brazil), the company continued its supervision of the completion of the Northern Section of the Rodoanel Mario Covas works, the city's ring road.

With a view towards 2016, the company's intermodal activity will be set on searching for new opportunities, with both traditional and new markets and clients, especially in the international context. Urban, port and road transport will continue to require infrastructure planning, building and renovation, particularly in emerging economy countries, such as in Latin America.

In general, the principal challenges in the coming years are predicted to revolve around strengthening collaboration between the public and private sectors in the development and funding of transport infrastructure, improving efficiency and cutting costs (with more robust initial planning, management and financial supervision mechanisms) and the application of new technologies: all the possibilities of big data and smart mobility, the use of BIM, etc. Environmental protection and the optimization of natural resources, which have always been part of the company's activities, will become more important, either as independent projects or as overarching aims integrated into other projects.

To tackle these challenges, Ineco has refreshed its catalogue of products and services, which provides clients with a comprehensive, multidisciplinary approach, with particular efficiency in the field of intermodality.



Projects in focus

Ineco currently has live projects in around 50 countries on five continents, and more than 15 offices internationally. In 2015, new activities were added to those which were already in development, for example those related to the management of waste or natural resources. The company also consolidated other activities, such as the supervision of great works and infrastructure projects, the improvement of air and rail safety, and planning.

Modernisation of the Samsun–Kalin railway line

A consortium which includes Ineco will until 2019 be responsible for supervising restoration works for the 377.8 km railway line connecting central Turkey with the Black Sea. The railway, constructed in the first half of the 20th century, will be fully electrified and equipped with modern signalling systems.

This project will be a continuation of Turkey's work to modernise its railway network, for which it is receiving European Union funds through the IPA (Instrument for Pre-Accession Assistance), intended to finance projects for economic development in EU candidate countries.

In consortium with two other partners, Ineco was in 2015 awarded the contract to supervise and manage works to modernise the 377.8 kilometres railway line linking the cities of Samsun, on the Black Sea coast, and Kalin, at the centre of the country. There, the line connects with the Ankara–Sivas line. The project, commissioned by the Turkish Ministry of Transport, is intended to improve connections between inland parts of the country, the Black Sea and the Mediterranean. The Samsun–Kalin line, completed in 1932, is a conventional line, with a single, non-electrified, international-gauge track with no signalling, running through a mountainous area. It has

47 tunnels (the longest measures 556 metres) totalling 7,249 metres and 29 stations.

As part of the consortium, Ineco will for 46 months supervise signalling, communication and energy supply works and will coordinate the electromechanical installation team. The ERTMS/ETCS-L1 signalling system will be implemented throughout the line, with a design speed of 120 km/h. The new system will be capable of carrying out train traffic operations at five minute intervals.

In terms of track infrastructure, drainage will be improved and terrain will be stabilised; the platform will be enlarged; and bridges, viaducts, overpasses and retaining structures and walls will be restored. Regarding superstructure, works will be undertaken to renovate the ballast, the track and sleepers and level crossings, and junctions will be replaced. At stations, 40,800 metres of track will be restored and another 800 built; new platforms will also be built at Turhal, Zile and Kızıoğlu stations.

Ineco was awarded a similar contract in 2010 to supervise high speed adaptation works for the İnönü–Köseköy stretch of the Ankara–İstanbul line.

Length:
377.8 kilometres

Design speed:
120 km/h

29 stations

47 tunnels





Third specific contract for user service of the European Galileo Centre

For a further year Ineco has continued to provide engineering services for the commissioning of the European GNSS Service Centre (GSC) of the Galileo Programme, located in Torrejón de Ardoz, Madrid. The works are part of the framework contract signed in 2014 with the European GNSS Agency (GSA).

The European Commission is rolling out the deployment of the infrastructure for the Galileo Navigation Satellite System. To that end, the European GNSS Agency (GSA) is putting into orbit a constellation of satellites, which, when complete and fully operational, will allow people and objects to be located with extreme precision.

In 2015, Ineco and the consortium in which it participates continued to provide highly qualified engineering services for the operation and maintenance of the Galileo Service Centre, located in Torrejón de Ardoz, Madrid. This is the third of the contracts included in the four-

year framework contract signed with the GSA in 2014, which includes designing the concept of operations, initial operations and hosting services. Ineco acts as the coordinator of two other contracts and the intermediary with the client.

In 2020, the Galileo system will have a total of 30 satellites. Throughout 2015, the GSA sent four satellites into space, bringing the total number in orbit to 12. They will provide five kinds of service: open and free of charge, for all types of user; commercial, available for a fee and with greater provisions, multi-use features; for critical applications, in other words those where safety is of utmost importance, such as air navigation and railway applications; public regulated service, such as police and customs; and search and rescue.

Galileo is the first high-performance navigation satellite system for civilian use and will provide Europe a greater degree of technological independence with regard to the current navigation systems, GPS (USA) and GLONASS (Russia), while also complementing and being compatible with them.

12 satellites already
in orbit (30 in 2020)

—
4 new satellites
launched in 2015

—
5 types of Galileo service:
open, commercial, for
public regulated use and
search and rescue





HS2: London–Birmingham high speed line



The United Kingdom's second high speed railway line (after HS1, linked with France) is continues to advance to its commissioning, planned for 2026. Ineco, together with a British consultancy company, is working on the northern stretch of phase 1, which will connect London and Birmingham from 2026.

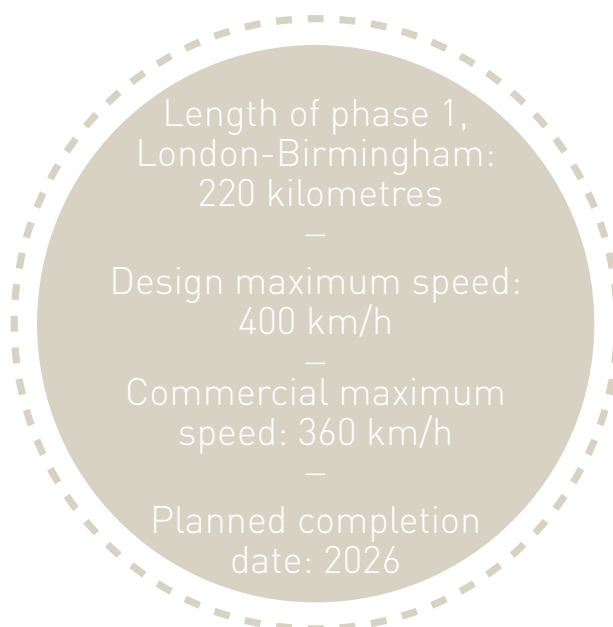
Working in consortium with the British consultancy Capita, Ineco in 2012 began working on phase 1 of High Speed Two or HS2, the largest railway project carried out in the United Kingdom. This will bring continuity to the HS1 line, operated by Eurostar since 1994, which through the tunnel links London to Paris and Brussels via Lille.

When phase 1 enters into service, the line will measure 220 kilometres and connect the capital London with Birmingham, the country's second most populous city. The line will then split into two branches in phase 2, one towards Manchester and the other towards Leeds, some

340 km of international-gauge double track. The line will be equipped with trains up to 400 metres long with capacity for a thousand passengers; their design speed is 400 km/h and commercial speed is 360 km/h.

In 2015, Ineco continued working on the preliminary design for the civil work on the northern stretch, around 75 km in length and including two tunnels, 60 viaducts and three railway junctions. After the public information phase and parliamentary approval of the preliminary and reference designs for the northern stretch civil work, the company's activities have focused on supporting the government in defending the Hybrid Bill in Parliament and in implementing the design changes approved during the procedure.

Ineco also prepared technical documentation as the basis for the design and project specifications for tender in 2016, produced a detailed design for phase 1 and provided support in producing specifications for the detailed design and work tender for phase 2. In addition, it is working on the Final Preliminary Design (FDP) and the offer to be presented in 2016.





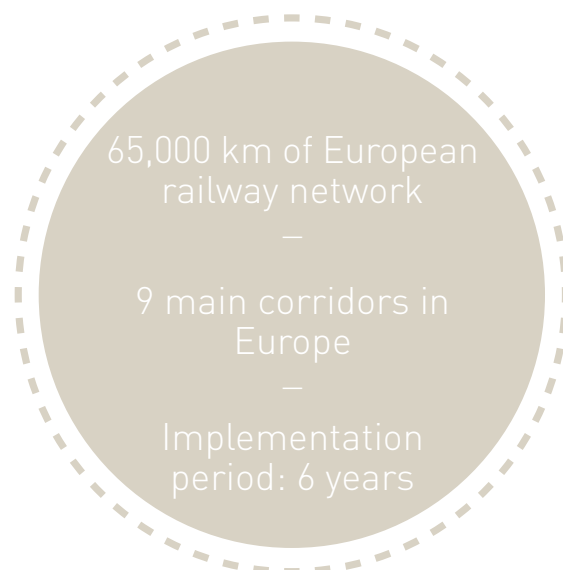
Implementation of the ERTMS in the main European railway corridors

The steps taken to achieve the free circulation of trains in Europe have required years of investigation, the development of new equipment and processes, and the update of complex regulations. Ineco collaborates with the European Railway Agency (ERA) and the European Commission in the supervision of the development and implementation of the European Rail Traffic Management System (ERTMS).

The objective is to put into operation a system which enables railway interconnection between all of the member countries, a "common language" which transcends the barriers of the systems, equipments and signalling used in the extensive and varied railway network. The European Railway Agency (ERA), technical advisor of the European Commission and responsible of the ERTMS commissioned a consortium headed by Ineco to follow up and supervise 51 railway projects in the nine main corridors in Europe.

The work, which encompasses more than 65,000 km of railway network, also includes the technical supervision of the projects, the provision of economic-financial support and various spreading activities aimed at all of the railway companies involved. A common system of operations and communications requires an organizational and regulatory environment which guarantees that it operates in complete safety. As well as the technical supervision of its development, Ineco has conducted various presentations and conferences, amongst others, in the Ten-T Days 2015 in Riga (Latvia) and in the ERTMS CCRCC 2015 conference in Lille (France), which takes place every two years.

During this time, Ineco has developed the Strategic Plan of Action which details the application of the management system and a draft with the structure of the program deployment. The implementation of the ERTMS thus complies with the six year preset time period.





Building works for the Ministries of Economy and Foreign Affairs

In 2015 Ineco completed the project management works of the restoration of the Torre Cuzco, a 23 storey building in the centre of Madrid which houses the headquarters of the Ministry of Economy. Ineco also began the technical inspections and review of the construction state of 63 Spanish embassies and chancelleries in 16 countries for the Ministry of Foreign Affairs.

At the end of 2014, the comprehensive remodelling works of the headquarters of the Spanish Ministry of Economy and Competitiveness were started, a 23 storey building known as "Torre Cuzco" built in the 70's. An Ineco team was put in charge of the project management and the health and safety coordination, as well as the transfer of personnel during the works. The building covers an area of 32,000 m² and is located in the heart of Paseo de la Castellana, in the centre of Madrid.

The objective of the renovation, completed in 2015, was to optimize the spaces and give them better flexibility and modularity, as well as improving the general level of comfort of the facilities. The fire protection systems have also been modernized and the insulation of the façade and windows was improved in order to achieve greater energy savings.

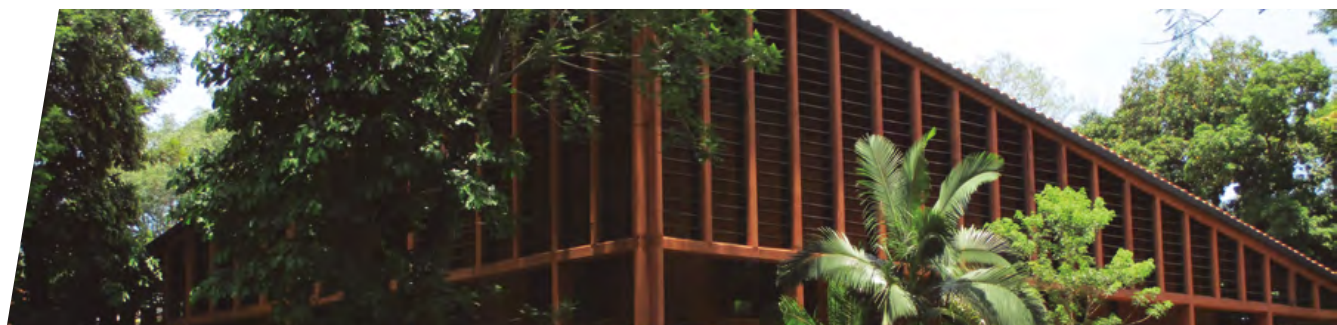
Improving the energy efficiency is also, amongst others, one of the objectives of another Ineco's work which was started in 2015: A set of inspections of the conservation status of 66 out of the 400 buildings ascribed to the Ministry of Foreign Affairs, which are outlined in the 8/2013 law, of the 26th June, of urban restoration, regeneration and renovation.

This is, specifically, three sites and 63 embassies, chancelleries and consulates buildings spread over 24 cities in 16 countries throughout America. Ineco's tasks, which are planned to finish mid 2016, include the analysis of the construction and conservation status of the buildings, as well as their accessibility, and the study and certification of energy efficiency. The information is collected in a database which was also designed by Ineco. Furthermore, plans for the 63 buildings have been produced, as well as surveyings of the three sites.

Restoration of a
32,000 m² and 23 storey
building in Madrid

—
66 inspected properties

—
24 cities in 16 countries
in America



Feasibility study of the high speed railway line between New Delhi and Kolkata

The government of the Republic of India has given a consortium headed by Ineco the project of the new high speed railway corridor between New Delhi and Kolkata. Since 2015, a team of engineers and experts has been working on the feasibility study of this new line.

After years of postponed initiatives, the government of the Republic of India, led by the Prime Minister Narendra Modi, has taken the final step for the implementation of the high speed network between the four biggest cities in the country: New Delhi, Kolkata, Bombay and Chennai. For the tendering procedure of the high speed study between New Delhi and Kolkata, Ineco has competed with eleven other international consortiums and has had the commercial cooperation of the "Spain Business Overseas" office in India.

The project is part of the "Diamond Quadrilateral Program", an ambitious development program for the

high speed railway in India which the new government set up in the summer of 2015. This is a rhombus made up of the cities of New Delhi, Kolkata, Bombay and Chennai, separated from each other by more than 1,500 km in distance.

The study, awarded to the Ineco-led consortium by the state company High Speed Rail Corporation of India Ltd. (HSRC), includes: demand studies; prior analysis of alignment alternatives; calculation of journey times; selection of the railway technology to be implemented (gauge, superstructure, electrification, communications and safety installations, etc.); necessary special works; restoration and resettlement of affected populated areas; environmental analysis; rolling stock and operation and maintenance.

Lastly, an economic-financial analysis will be carried out, which will be used to determine the feasibility of the new line as well as the most adequate method of funding. The amount awarded to the consortium is over two million euros and the execution period is one year.

Two large cities: New Delhi and Kolkata

Population served: 31 million inhabitants

Length: 1,500 kilometres

Speed: more than 250 km/h





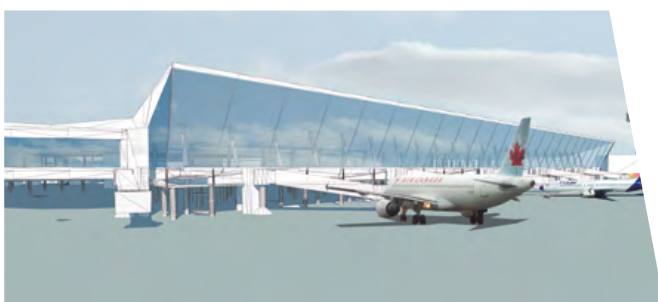
Support for the draft of the Airport Regulation Document (DORA)

During 2015, the company has provided support to the Ministry of Public Works in the production process of the document which will regulate the airport activity in Spain until 2021, known in Spanish as DORA. The processing will last three years and will come into force in 2017.

The Airport Regulation Document (in Spanish, Documento de Regulación Aeroportuaria, DORA) which the Ministry of Public Works is drafting will establish the new legal framework of the airport sector in Spain, in accordance with the Spanish law 18/2014, of 15th October. It will be the basic document which defines the minimum conditions necessary to guarantee accessibility, adequacy and suitability of airports infrastructures, as well as the correct provision of basic airport services for the network of 46 airports and two heliports managed by Aena S.A. The document, which will come into force in 2017, will contain the air traffic predictions, the minimum service conditions, the network's quality and capacity standards and the airport charges.

It will have a five year period of validity (2017-2021) and took its first steps in July 2014 with the Spanish Council of Ministers' approval. A team of technicians and experts in different areas of Ineco have been working ever since providing coordination and technical support services to the Directorate General of Civil Aviation (DGAC in Spanish). The works consist of developing methods and procedures for the decision making of the production and processing of DORA, and analysing the information provided by Aena, such as the capacity of the infrastructures, the minimum conditions and quality of the service, investments, etc.

Among the tasks carried out during 2015, examples that should be pointed out are the production of methods to evaluate the air traffic estimates and the definition indicators of both capacity, to evaluate investment requirements within the airport system and quality, to compare the Spanish airports with other European airports. Furthermore, economic and investment studies have been carried out as well as an estimation procedure which makes it possible to obtain the value of the maximum annual income per passenger and per adjusted passenger.



Project management of the enlargement of Fujairah international airport

In 2015, Ineco was awarded the tender of the project management and supervision of the design and construction of the enlargement works of Fujairah international airport, in Abu Dhabi (UAE), which plans to triple its cargo operations over the next decade. The launch of the new facilities is planned to be at the end of 2018.

Fujairah airport, located in Abu Dhabi (United Arab Emirates) has launched an enlargement plan with the aim of transforming the airport into a cargo hub for the region. Since it plans to multiply the number of operations by three in the next ten years, ADAC (Abu Dhabi Airports Company), the project developer, has taken charge of the works in order to adapt the infrastructure to expected growth.

Thus, in 2015 ADAC awarded Ineco and its partner the comprehensive management of the project and the supervision of works, which include the building of a new air traffic control tower, an enlargement of the existing runway, and the building of a new emergency runway, as well as new rapid exit taxiways. Furthermore, the airfield lightning and the meteorological system will be completely updated, a new electrical power plant and substations will be built and the existing CNS systems will be improved (ILS, DVOR).

Ineco's tasks cover both the project management – control of deadlines, costs and contractual aspects– and the supervision of the whole project, from the design phase to the construction and implementation. The company had already taken part in the pre-project planning phase, with the production of the "Concept of Operations" (CONOPS), which consists of a preliminary study in which the main processes of the airport are described and evaluated, from the first phases of construction to long after the transfer date.

New emergency
runway of
3,050 x 45 metres

Extension of runway by
700 metres

New control tower of
57.5 metres in height

Expected to be
commissioned in 2018



Bus Transport Strategic Plan

The Sultanate has in recent years undertaken a process to develop the entire country's public transport system, aiming to boost tourism and economic activity in general. In 2015, Ineco has developed a Bus Transport Strategic Plan for the national transport operator, Mwasalat.

Oman wants an urban and interurban transport system that is modern, efficient and sustainable, spanning all modes of transport and boosting the social, economic and tourism development of this country with a population of 4.3 million. This is the context in which Ineco and another Spanish partner developed the Bus Transport Strategic Plan 2016–2040 for the national transport operator Mwasalat.

The Plan includes an extensive programme of actions, such as the deployment of the public transport network of the capital Muscat, the implementation of new urban transport services in other cities such as Salalah and Sohar, and the extension of the current inter-city transport network. It also includes an infrastructure investment programme (bus stations, workshops, parking areas, etc.), the implementation of new management and operation technologies and the definition of financial plans.

In 2014, Ineco had drawn up a Public Transport Master Plan for Muscat for the Oman Ministry of Transport and Communications, which, among other actions, proposed the creation of a single public transport authority, the gradual implementation of a network of new routes and the construction of reserved platforms (bus lanes).

These projects have represented a turning point in the strategic planning of the country's public transport system. They are the starting point from which the Ministry of Transport and Communications, through Mwasalat (formerly the Oman National Transport Company, ONTC), has begun to implement new routes and to renovate the fleet of buses.

In November 2015, the first forty urban buses in the new fleet began travelling five routes in the capital; this was very successful with passengers, who increased in number from 3,500 to 9,000 a day. Equipped with the latest technology, these low-floored buses have air conditioning, extendable ramps for wheel chairs and passenger information systems. In addition, another 10 buses have also begun to provide inter-city services to Dubai and Salalah, among other destinations.

Plan effective:
2016-2040

Country population:
4.3 million inhabitants

Increase in users:
from 3,500 to 9,000
a day





Modernisation of Chiclayo Airport



Ineco has since 2015 been carrying out preliminary studies for the modernisation of Chiclayo José Quiñonez Gonzales international airport in the north east of the country. Peru's fourth most populated city, Chiclayo has more than half a million inhabitants.

The city of Chiclayo is capital of the province of the same name and the department of Lambayeque. With almost 600,000 inhabitants, it is the country's fourth most populated city after Lima, Arequipa and Trujillo. Its airport, called José Quiñonez, was opened in 1956. In 2014, it managed 438,904 domestic passengers and an average of 30 operations per day.

According to data from the company Aeropuertos de Perú, ADP, (Airports from Peru), licensed to run the

airport since 2008, the volume of passengers is growing at an annual rate of 21% and the number of operations is growing at a rate of 10%. For this reason, it has planned the enlargement of the airport's facilities. In December 2014, Ineco and its local partner won the international tender held by ADP to carry out pre-investment and feasibility studies prior to the beginning of works, starting in 2016. Among other actions, these will encompass the renovation and enlargement of the airfield, the construction of a new terminal and the improvement of other facilities and equipments.

In 2015, Ineco continued to work on the project at the profile level, which it developed using the BIM methodology. At the end of the year, this was submitted to Aeropuertos de Perú (ADP) for presentation to and approval by the Ministry of Transport and Communications. Following approval, the feasibility project will be carried out in 2016.

10% annual:
growth in volume of
operations

—
500,000 domestic
passengers in 2014

—
600,000 inhabitants:
Chiclayo population





Master Plan for Comprehensive Solid Waste Management for Quito

Ecuador's capital wants to completely transform the management of the 2,000 tonnes of waste that are generated daily in the Metropolitan District of Quito, which has a population of 2.4 million. To achieve this, it has a Master Plan for Comprehensive Solid Waste Management, which was developed by Ineco in consortium with a Spanish public partner.

Quito wants to transform the management of the waste generated by the over 2 and half million inhabitants of its Metropolitan District, Ecuador's most populated area. To that end, the City Hall's Secretary for the Environment has proposed a strategy which by 2025 aims: to reduce by 10% the total amount of waste which currently goes into landfill; to containerise waste; to build separation and treatment plants; and to run public awareness-raising campaigns on waste recycling and reduction.

To put the plans into action, the city government has a Master Plan for Comprehensive Solid Waste Management, developed in 2015 by Ineco with a Spanish public partner. Some of the main challenges are increasing mechanised waste collection by 40% by 2015, increasing the use of new, alternative waste handling models by 60% by 2019 and reducing solid waste production *per capita* by 5% by 2025, the Plan's end date.

The document defines management models for different types of waste: household, medical, demolition and construction waste and special wastes. It also includes an economic-financial analysis of the present situation, a proposal for organisational remodelling and the regulatory framework that will cover the provision of public containerisation, transport and waste treatment and removal services, as well as the activities of private waste management companies.



2.4 million inhabitants
in the Metropolitan District
of Quito

2,000 tonnes of waste per day

40% increase in mechanised
collections in 2015

5% decrease in waste
per capita in 2025

Accessibility Improvement Plan of commuter stations

In 2015 Ineco carried out drawing up projects, project management and health and safety coordination tasks for Renfe Viajeros, as part of accessibility improvement works in 72 Cercanías stations throughout Spain. The 2014-2015 Renfe Station Improvement Plan envisages a total of 109 actions, such as lifts and escalators installation, enlargement of platforms and shelters, several building and civil works , etc.

In 2011 a new agreement was established between Renfe Operadora and Adif (the Spanish administrator of railway infrastructure) for the provision of services in Cercanías (Spanish commuter trains) stations. Moreover, in 2014 the Ministry of Public Works approved a plan for the improvement of the stations, which both entities have collaborated in. The 2014-2015 plan, approved by Renfe in July 2014, includes the completion of 109 actions in specific stations, plus 13 actions grouped together in several city centre stations.

In 2015, Renfe Viajeros signed a 36 month framework agreement with Ineco to carry out accessibility improvement works in commuter stations throughout Spain: 28 in Catalonia, 15 in Madrid, 7 in Bilbao, 6 in Valencia, 4 in Cantabria, 3 in Murcia, another 3 in San Sebastian and in Malaga, 2 in Asturias and 1 in Cadiz. The agreement requires that the Ineco services involve drawing up construction projects of 38 stations, construction management of 59 specific stations, including the 38 already mentioned, as well as the projects and construction management of other stations not yet specified.

The type of operation varies according to the cases: overlay and enlargement of surface platform areas, installation of lifts, actions on buildings, car parks and shelters, renovation of stairs and installation of escalators, works on buildings and installations (electrical, sewerage, supply system...), general improvement of accessibility, and works on underpasses and enclosures. Other actions have also been taken with regards to the general accessibility improvement, such as outside access, interior refurbishment of some of the buildings for passengers and, in some cases, such as the Getafe Industrial and Hernani-Centro stations, a whole new design.

Accessibility improvement of 72 commuter stations throughout Spain

Over a hundred planned actions

Drawing up projects of 38 stations

Construction management of 59 stations





Projects of installations in the basque country's high speed railway network

According to the Basque government, 80% of the construction of the high speed railway connection which will connect the three capitals of Basque Country with France and the rest of the Iberian Peninsula has been carried out. In 2015 Ineco developed various works along the line known as the Basque “Y”.

The Basque “Y” is a 180.5 kilometre long railway line, excluding city access, which will connect the capitals of the three provinces of the Basque autonomous region, Vitoria (Álava), San Sebastián (Guipúzcoa) and Bilbao (Vizcaya) through a high speed network. It links with the rest of the Peninsula and France, through Pamplona, across the “Navarre Corridor” and provides a continuation of the Madrid- Valladolid-Vitoria-French border line.

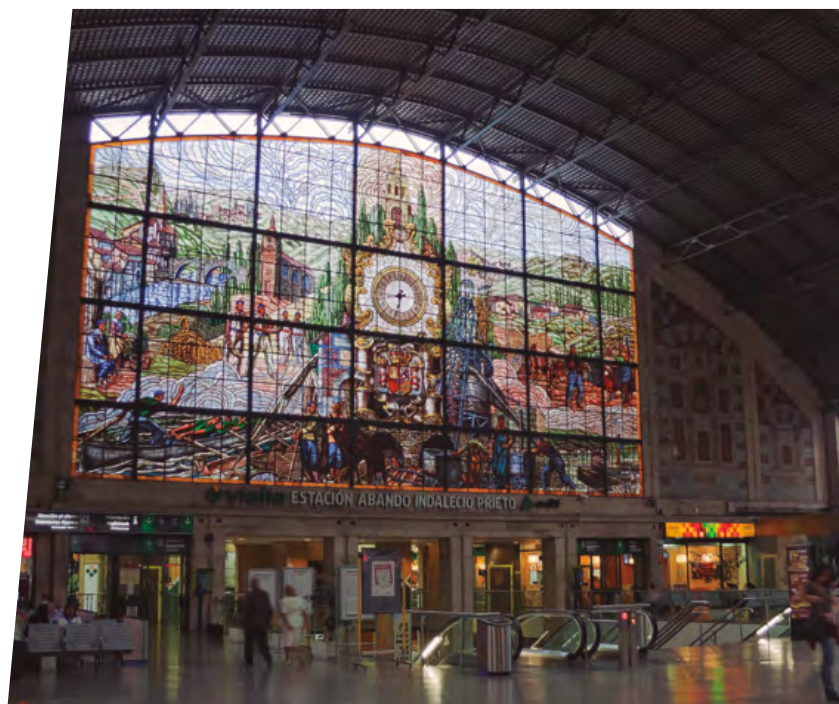
It consists of two distinct branches; Vitoria – Bilbao, which is 90.8 km long; and Bergara – San Sebastián – French border, which is 89.7 km long. It will have six stations: Astigarraga, Bilbao-Abando, Vitoria, Irún, San Sebastián-

Norte and Ezkio-Itsaso. The mountainous terrain of the area has required 44 viaducts and 23 tunnels to be constructed. According to the Basque government, the work is currently 80% complete.

Ineco has provided its services to Adif, the railway infrastructure administrator, at every stage of the project. In the design and planning phase, the whole stretch’s construction projects were drafted: This includes track assembly, overhead contact line and associated systems, installations and signalling control points, train protection systems, CTC, auxiliary detection systems, fixed telecommunications and security installations. In the construction phase, the project management and monitoring office work continues to be carried out on the platform stretches still under construction.

In 2015, it is worth noting the audits and project review works that were carried out in the Bergara-Irún stretch (which started in 2008), and the drawing up of the construction project of signalling and telecommunications installations that were carried out along the whole line.

3 Basque capitals
—
180.5 km in length
—
6 stations
—
44 viaducts and
26 tunnels



Independent Safety Assessment (ISA) for Panama Metro

The first line of Panama Metro was opened in 2014 and its capacity will be increased; construction of the second line was launched in 2015. In both cases, an safety certificate (ISA) is required; these can only be issued by an accredited assessor, such as Ineco. Works will be completed in 2019.

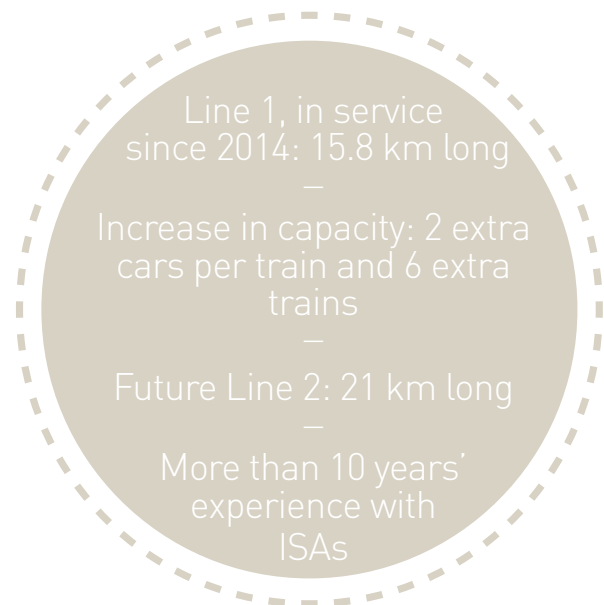
Since 2015, Ineco has been carrying out the Independent Safety Assessments (ISA) for lines L1 and L2 of Panama Metro for the company Alstom. The works are expected to be completed by 2019.

Specifically, the works consist of the revision and adaptation of L1 (15.8 km long) in commercial service since April 2014 to increase its capacity. The new trains on L1 will have five cars instead of three, and the fleet will include 26 trains instead of 20; these changes require modifications to be made to the tracks and installations, new supplies and other complementary works.

In relation to L2 (21 km), the ISA covers all subsystems, including rolling stock, a signalling system, energy supply, supervision and control of trains, communications and the SCADA (Supervisory Control And Data Acquisition system).

ISAs can only be performed by an accredited assessor and are essential for ensuring that a new line is reliable and safe and can enter into or continue in service. Ineco has International Laboratory Accreditation Cooperation (ILAC) recognition as an inspection entity for the Independent Safety Assessment of Railway Applications at an international level. The company has been carrying out for more than a decade independent safety assessments on the Spanish rail network.

In addition to Panama, another Ineco similar work is in Saudi Arabia, for the Haramain project, where the company is currently carrying out the ISA for on-board ERTMS systems that will equip the Makkah-Madinah line.



Makkah–Madinah high speed line



The track assembly works for the high speed line known as “Pilgrims’ high speed train” continued in 2015. As part of the Hispano-Saudi consortium responsible for the project, Ineco for another year provided technical assistance and quality assurance for the works.

The Haramain High Speed Rail Project, launched in 2009, will connect the two holy cities with a high speed line equipped with the most modern technology and rolling stock manufactured in Spain. Measuring 450 km in length, the line will have five stations, two depots and 170 junctions.

In 2011, a consortium comprising twelve Spanish companies, including Ineco, Renfe and Adif, and two Saudi companies, was awarded the contract for the so-called “phase 2” of the works (“phase 1”, already awarded to another consortium, includes the construction of the stations and the track infrastructure works). The contract covers the assembly of track superstructure, including signalling, telecommunications, energy, etc, the supply of trains and the commissioning of the line, as well as maintenance for the twelve years following its entry into service.

Throughout 2015, Ineco continued to provide technical assistance, project management and quality assurance, document management and general services for the works.



Operational readiness and transfer (ORAT) of the new terminal at Abu Dhabi airport

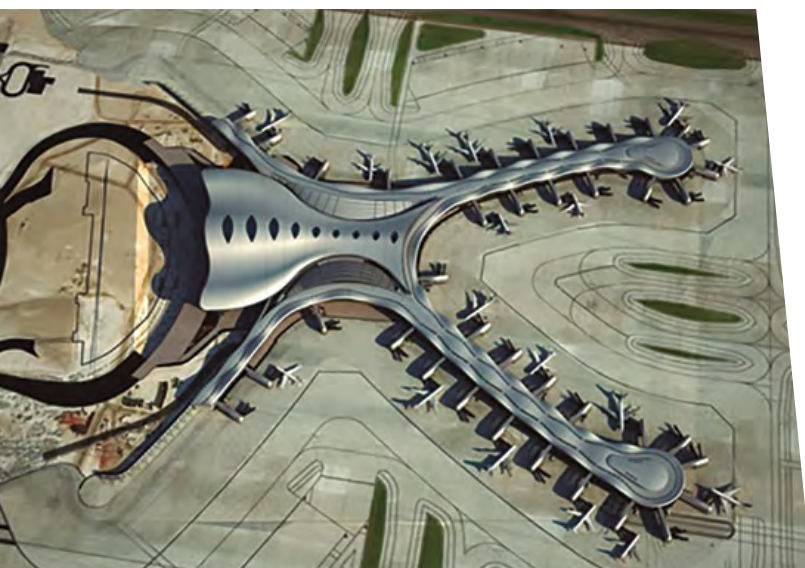
Abu Dhabi international airport is the second most important in the UAE. The sustained growth in passenger traffic gave rise to the need to build the new Midfield Terminal Complex (MTC), to be completed in 2017, for which Ineco is responsible for operational readiness and transfer (ORAT).

In 2015, passenger traffic at Abu Dhabi international airport grew by 17.2%. To address this accelerated growth, the airport's operator, Abu Dhabi Airports, has since 2012 been promoting the construction of a new terminal, the Midfield Terminal Complex (MTC). When this is completed in 2017, it will have the capacity for more than 40 million passengers. The building will occupy 700,000 m² and have 65 aircraft parking areas, 3,000 new parking spaces and a baggage system with a capacity for handling 19,000 bags per hour.

In 2014, Ineco and Aena won the international tender for the operational readiness and transfer (ORAT) services for this infrastructure, thanks to their over 10 years of experience with more than 20 Spanish airports. This work aims to ensure the optimal functioning of the facilities and guarantee that the level of service meets the required standards.

While construction made steady progress in 2015, Ineco developed the Concept of Operations for the different processes, the airport's organisational model and the strategy for the provision of the different services; it was also responsible for designing the trials plan and identifying the needs of different stakeholders.

ORAT services include developing programmes and performing the Concept of Operations (CONOPS). They also include defining the new model of operation, exploitation and maintenance, and advising about adaptation of operating procedures. The company carried out the description and initial assessment of the new airport's main processes and the implementation of an Airport Management Centre (CGA, for its Spanish initials). Furthermore, human and material resources requirements are identified, spaces are assigned and different types of trials are designed. The transition process also covers familiarising staff and planning the transfer to the new facilities.



Timeframe:
3 and a half years

Terminal area of
700,000 m²

Capacity for 30 million
passengers
per year



Supervision of rolling stock for São Paulo metro and commuter trains and other works

Ineco for another year continued working on the improvement of transport infrastructure in São Paulo, one of the largest urban areas in the world. Particularly important aspects of this, among others, were Ineco's expert advisory services throughout the process of acquisition, manufacturing, testing, and commissioning of new metro and commuter trains.

The Metropolitan Region of São Paulo (RMSP for its Portuguese initials) is one of the world's largest urban areas, with a population of more than 18 million unevenly distributed across 8,000 square kilometres. Eleven million of those inhabitants live in the city of São Paulo, and the rest in 39 other municipalities. However, its urban and interurban transport network, comprising buses, metro and commuter trains, is limited relative to the size of the territory and the population: six railway lines with a total length of 261 km, managed by the CPTM (*Companhia Paulista de Trens Metropolitanos*), and five suburban lines totalling 68.4 km, operated by the São Paulo Metro company (*Metrô SP*).

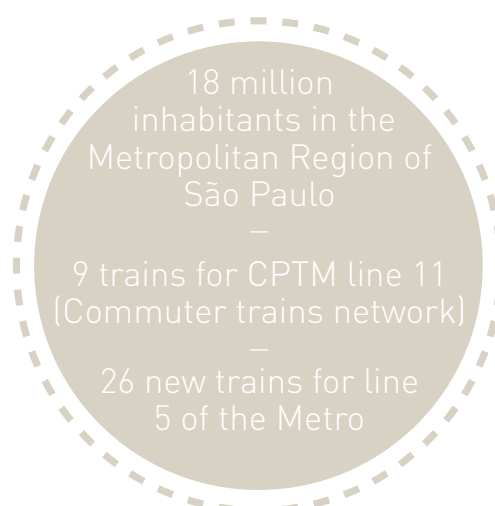
For that reason, the government of São Paulo State has in recent years been implementing enlargement and improvement plans, with both the construction and extension of existing lines and the renovation of equipment and rolling stock, as well as intermodal connections

between the bus, train and metro networks. In 2015, Ineco and its local partners carried out two projects, supervising the manufacturing and the commissioning of new rolling stock. The objective in both cases is to ensure that the client receives the final product according to schedule and with the required quality standards.

For commuter trains, the company completed its work supervising the purchase of nine railcars of eight cars each, for Line 11, –*Coral*, which measures 50.8 Km and has 16 stations, and which is being enlarged with financing from the International Bank for Reconstruction and Development (IBRD). The new trains, which have already been delivered, have a capacity of 2,600 passengers and are compatible with the rest of the CPTM fleet.

Working for Metrô SP, Ineco also supervised the manufacturing and commissioning of 26 new trains for line 5 – *Lilas*, which is to be extended by 11.4 Km with 11 new stations. The new trains have five cars each, with a capacity for up to 1,500 passengers. The works, with financing from the World Bank, started in 2013 and are expected to be completed in 2016. The services provided include analysing the construction documents, providing assistance during type testing and inspecting and monitoring the manufacturing process.

In addition to these works, last year Ineco also drew up construction projects for the manufacture and installation of the electricity supply systems for the city's first monorail, line 15-*Prata*. Once completed, it will measure approximately 25 kilometres in length and will have 17 stations.



Administration and supervision of the Guadalajara–Colima highway

In 2015, more than 10 million vehicles travelled this 148 km road section, which Ineco has supervised and managed for Banobras since 2011, Mexico's National Bank Mexico's National Works and Public Services Bank. In 2015 enlargement works for this toll road continued, which have almost been completed, except for a mountainous section measuring slightly more than 18 km near the Colima volcano. Several Intelligent Transport Systems (ITS) were also installed; all of this works were supervised by Ineco.

In 2015, Ineco continued its supervision, planning and advisory work for the 148 km Guadalajara–Colima toll highway, which runs through the Mexican states of Jalisco and Colima, forming part of the important Manzanillo–Tampico axis. The highway, which entered into operation in 1989, has toll booths at three positions, which in recent years have been modernised and enlarged: Acatlán II, Sayula and San Marcos II. There is also a remote toll point, Sayula Remota.

The new concession scheme, which the Mexican government put in place for the first time in 2011 for this toll road, is based around three roles, assigned to different companies: an assessor and supervisor (Administration Agent and Supervisor or AAS), which manages the concession and act as the sole intermediary with Banobras; an operator, which is in charge of

toll payment, user care and emergencies, and a maintainer/restorer, responsible for the general everyday maintenance of the road. A system of performance indicators is also applicable under the concession model. Ineco, heading up a Hispano-Mexican consortium, was in 2011 awarded the AAS contract, which has a term of 14 years.

For the fourth consecutive year, Ineco has continued its supervisory work, in addition to its responsibility for managing the construction works for the new highway part between kilometres 103.5 and 120. Since this section is located in a mountainous area near the Colima volcano, the road will follow the original alignment in one direction, with a separate highway part being constructed for the other direction; there will therefore be two lanes in each direction.

The works, of vast complexity and which require the construction of 22 bridges and viaducts (some more than 100 metres high), are expected to be finished in 2016. That will mark the completion of the enlargement of the entire road, which was used by 10.1 million vehicles in 2015, according to data from Banobras. Several Intelligent Transport Systems (ITS) were also installed this year.





National Strategic Mobility and Transport Plan

The plan, produced by Ineco, contains a comprehensive analysis of all modes of transport (roads, urban transport, ports and airports) and proposes solutions which aim to benefit the country as a whole and to foster the ordered growth and development of all infrastructures. In 2015, Ineco delivered the final tasks for the project, which began in 2012.

Ecuador's Ministry of Transport and Public Works contracted Ineco in 2012 to create a National Strategic Mobility Plan (PEM, for its Spanish acronym) for the period 2013–2037. Last year, the company finalised its advisory and support roles for the Ministry; these had lasted two years, during which more than 200 studies and project supervisions took place.

The aim of the PEM is to develop an efficient transport system, analysing the overall requirements of infrastructures, costs and implementation timeframes. The PEM analyses more than 800 kilometres of road and 20 airports, proposes improvements for land and air connectivity, lays the basis for a new maritime, port and inland waterway system for four international ports and another 20 fishing ports, and plans the future of the

railway from an intermodal view and an efficient, high-quality bus network. It also includes actions to boost and improve urban transport.

In 2015, Ineco completed the delivery of the final project tasks: in the airport sector, it produced slot management criteria and provided consultancy services for the creation of Empresa Pública de Aeropuertos, the public airports company. In the railway sector, the company analysed the pre-feasibility study for electric trains in Ecuador. It developed concession models for the high capacity road network for the Santo Domingo-Quevedo–Juján and the Río Siete–Huaquillas sections, and designed plans for the Anillo Vial de Quevedo interchanges in Quito.

This final group of deliverables also included sea and river transport, for example tasks related to the enlargement and improvement of the ports in Manta (providing support in the public tender for the concession), Bolívar (reviewing a proposed private initiative, diagnostic report on the present situation, and other possible modernisation actions) and Esmeraldas. The company also carried out an analysis of the present situation of private ports and produced plans for actions to develop the artisan fishing sector.



Supervision of the enlargement works at Lima's Jorge Chávez airport

The airport in the Peruvian capital is employing the services of Ineco and its partner until 2021 in the supervision of enlargement works, including the construction of a second runway and new passenger and cargo terminals, among other things.

In 2015, 17.1 million passengers passed through Jorge Chávez airport in Lima, 9.2 per cent more than the preceding year; this figure is expected to rise above 23 million by 2023. This rate of growth, which has been sustained in recent years, determined the need to enlarge the airport, managed since 2001 by a private company, Lima Airport Partners (LAP) for a term of 30 years. According to the concession contract, the operator is responsible for investment, while the Peruvian government expropriates the land necessary for the enlargement.

Although the airport underwent several improvements in 2004, 2013 and 2014, this will be its greatest enlargement to date: it will span 7 million m², versus the present 3 million. Among others, the actions planned include the construction of a second runway measuring 3,500 metres and nine taxiways, expected to be operational in 2021. An enlargement is also planned for the apron. On land side, new passenger and cargo terminals are to be built and road access to the airport is to be expanded.

In 2014, a consortium comprising Ineco and a Peruvian partner company was awarded the contract to supervise the works until 2021. Last year, the consortium's technical team continued to control investments and has extended its monitoring of external companies established at the airport and the revision of files remaining from recent years. Works on the second runway and the new terminal are expected to commence once the expropriation process is completed in 2016.

17.1 million
passengers in 2015,
a 9.2% increase

Current area: 3 million
square metres

Enlargement to 7 million
square metres

Supervision of works
until 2021





Coordination of works on the final section of the São Paulo ring road



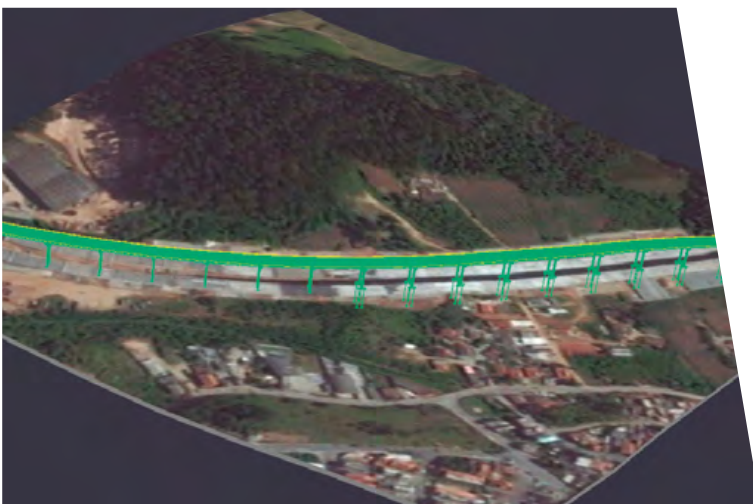
The consortium led by Ineco, along with a Brazilian engineering firm, for another year continued to coordinate the works to complete the Rodoanel Mário Covas ring road for the city of São Paulo. The company has been working since 2012 on the northern section, which measures 44 km.

The new São Paulo ring road is an ambitious large-scale project with the highest level of IDB (Inter-American Development Bank) financing in South America and constitutes the most complex road project in Brazil. More than thirty companies are participating in the project, which crosses the municipalities of Guarulhos and Arujá. Works on the final section, coordinated by Ineco since 2012, will enable traffic jam to be reduced in one of the largest metropolitan areas on the planet, with a population of 19 million.

The section known as the Trecho Norte of the São Paulo ring road will include seven double tunnels, 3 or 4 lanes running in each direction, with a maximum speed of 100 km/h, 111 bridges and viaducts and a 3.6 km access road to Guarulhos international airport. In 2015, there were already 65,000 vehicles per day circulating on the sections already in service; many of these were long-haul heavy vehicles.

Of the benefits of the new section, one that can be emphasised is the reduction of vehicle CO₂ emissions in the São Paulo metropolitan area by 6 to 8%. It will also reduce the daily number of trucks on the Marginal Tietê highway by 17,000, a 23% reduction in heavy traffic.

Ineco's Special Works Information System (SIOS, for its Spanish acronym), along with other companies' IT systems, is being used to support information analysis and works supervision in BIM 4D, a system for representing and modeling of information for all the disciplines involved in a building project.



44 km,
with another 3.6 for
the airport access road
—
7 tunnels
—
111 bridges and
viaducts

Consulting for compliance with the transitional provisions of the Organic Law on Water

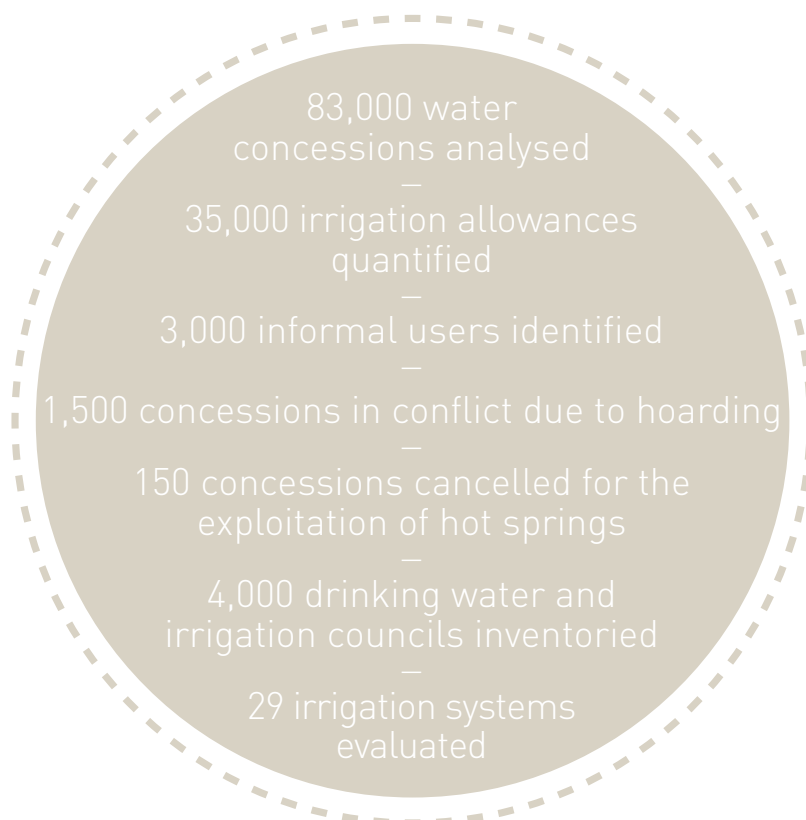
In 2015, Ineco collaborated with Ecuador's single water authority, SENAGUA, on the implementation of the new Law approved in 2014. The law declares water to be a public ownership resource, and includes a range of measures to optimise the different uses of the valuable resource and to improve water infrastructures.

The Republic of Ecuador in 2014 passed the Organic Law on Water Resources, Uses and Exploitation, renewing legislation dating from 1972. The law considers water to be public property and establishes that, save for some exceptions, its management must also be carried out at the public or community level, giving rise to the need to review the existing concessions. The Law regulates the exploitation of water resources in productive, agricultural or industrial uses that require water: agriculture, mining, aquaculture, the exploitation of hot springs, etc., and provides for the strengthening and improvement of

public irrigation and drainage systems to increase their efficiency.

In 2015, Ineco collaborated with the sole authority in the sector, SENAGUA (National Secretariat for Water) to implement the Law's first, second, third, seventh, eighth and eleventh transitional provisions. The consulting services provided, to continue until mid-2016, include the analysis and purification of 83,000 water concessions from the National Bank of Authorisations, among which are the 3,000 informal users and 1,500 cases of hoarding detected. The services also cover the quantification of 35,000 irrigation allowances and the revision of concessions for the use of hot springs, of which 150 have been cancelled.

The company also took an inventory of 4,000 drinking water and irrigation councils and planned necessary actions for 29 public irrigation systems, spanning an area of more than 95,000 hectares (10% of the country's total irrigated area) and which serve more than 60,000 families.





Air navigation projects: renovation of airspace communication infrastructure and improvement of safety

Among Ineco's works in 2015 for ENAIRE, the Spanish air navigation manager, two projects are particularly important: the development of safety improvement methods and techniques, and engineering services related to the renovation and improvement of land-air communications equipment.

ENAIRE, the organisation responsible for controlling the more than two million square kilometres of Spanish airspace, began renovating in 2013 the equipment at several land-air communications centres in order to improve its services and airspace organisation. Ineco has since then provided specialised engineering services to that end, including carrying out feasibility studies and creating a list of current and new communication sites.

The works carried out in 2015 included the design, project monitoring and commissioning of the Linares Communications Centre, which is being renovated and will serve in 2016 the Area Control Centre (ACC) in Seville; the new centre at Valdespina and the renovation of the Alcolea, Valladolid and Paracuellos centres, which serve the Madrid just like As Pontes ACC. Besides, Ineco has designed specifications and has carried out the validation for VoIP gateways, for the adaptation between the new IP technology systems and hardware and the existing analogue equipment, and the reduction of connections leased with air traffic control facilities.

On the other hand, in the framework of services provided to the Safety Division of ENAIRE, Ineco has carried out the monthly audit database SAMSA (Automated Air Safety Monitoring System), as well as various incident analysis reports and the annual report on the state of safety. It has also collaborated in the investigation of around 170 incidents of air navigation safety.

The company has also developed 80 safety studies due to changes in the air navigation system, notable examples include: analysis of Communications and Surveillance functions, analysis as a result of airspace changes, Air Control Centres contingency plan analysis; as well as of ENAIRE's main control towers. It has also undertaken a safety study concerning the Aeronautical Information Service (AIS), and has developed a methodology to incorporate the human factor in safety studies.

In terms of promoting safety culture among ATM personnel, Ineco participated in preparing audiovisual material for the "At the other end of the signal" campaign and for Team Resource Management (TRM) training courses.





Integrity and transparency

“Our strength is based on the knowledge we have acquired over more than 45 years of existence and through various professional practices which allow us to demonstrate day in day out the values of integrity, transparency and commitment”

Ignacio Fernández-Cuenca, Corporate Managing Director







Transparency with all publics and integrity as a principle in all actions are the pillars upon which Ineco bases its activities.

Faithful to its commitment to the environment, the company has since 2008 adhered to the Ten Principles of the United Nations Global Compact, based on the respect and defence of human, labour, and environmental rights and the fight against corruption. These ten rules are fully integrated into Ineco's corporate culture and applied in all the company's activities.

Regulatory framework

Integrity Standards

Committed to sustainability, Ineco works around three fundamental axes: the society, the economy and the environment. These are determining factors in the company's interactions with its environment and lead the company to maintain rigorous control over its management model. In addition to complying with the legislation in force in all countries where it has a presence, Ineco works to promote, prevent, enable, correct and supervise its actions in accordance with the main international standards, the legal framework, its corporate values and the demands of society at any given time.

Ineco's action model has Integrity, Transparency and Commitment Standards that include all the policies and standards that govern the company's ethical behaviour with its stakeholders:

- Corporate Social Responsibility Policy
- Code of Conduct
- Environmental and quality policy
- Information truthfulness and transparency policy
- Harassment policy
- Comprehensive safety policy

These standards include all the operating methods and procedures whose application serves to ensure the coherency of the company's activities.

The Ethics Committee is the body responsible for safeguarding compliance with the Standards. In parallel to this, the organisation also makes the Standards known through its corporate intranet and other channels such as Welcome Sessions for new employees.

Corporate Social Responsibility Policy

Ineco contributes to the development and wellbeing of the society in which it operates, integrating social, labour, and environmental concerns into its strategy and management.

Integrity, transparency, and commitment are the principles that govern the company's activity and are the pillars upon which the relationship between Ineco and all of its stakeholders is based.

Commitments

Clients: outstanding service

- Quality and service excellence
- Committed to long term success
- Ongoing dialogue and trust relationship
- Confidentiality and objectivity
- Clear bet on innovation

Shareholders: sustainable results

- Creation of sustained and sustainable value
- Efficient management
- Profitability and transparency

Employees: attractive corporate project

- Increase in welfare and progress
- Clear bet on innovation, research and dissemination of knowledge
- Quality employment:
 - Merit and skill
 - Professional development and training
 - Equal opportunities, reconciliation
 - Safe and Health in all the positions
 - Team work, communication and participation

Suppliers: trust and transparency

- Advertising, concurrence, non-discrimination
- Confidentiality
- Mutual benefits and trust
- Objectivity
- Promotion of Corporate Responsibility principles

Society: cultural, social and economic development

- Inclusion of people with disabilities
- Increase in welfare and progress
- Cultural, social and economic development
- Innovation, research and dissemination of knowledge
- Cooperation with other sector companies
- Relations with the third sector (non-profit organisations)
- Promotion of corporate responsibility among employees

Environment: preventive approach

- Priority given to environmental aspects upon drafting projects and rendering services
- Responsible use of resources
- Adequate management of our waste
- Demanding practices for our employees and suppliers



Code of Conduct

Ineco has behaviour standards which define the company's corporate culture. Embracing and applying these standards contribute to responsible and ethical management in developing the services and products it offers, and the relations it establishes with the different stakeholders.

This set of rules is based on compliance with the Ten Principles of the United Nations Global Compact, focused on respect for human, labour, and environmental rights and on the rejection of corruption. They apply to all employees when exercising their responsibilities in all the professional spheres in which they represent the company.

Principles

Loyalty to the organisation

- Reputation and loyalty to the company
- Respect for confidentiality
- Efficient and responsible involvement
- Non-concurrence with other companies
- Appropriate use of the company's resources
- Compliance with environmental, health and safety measures

Relationship between professionals

- Respect for people
- Non-discrimination
- Cooperation and collaboration

Relationship of professionals with the stakeholders

- Relationship with clients: excellence, confidentiality, objectivity and trust
- Relationship with suppliers and collaborating companies: trust and mutual benefit, transparency, and impartiality

Relationship with the international environment: respect for legislation, culture and customs

Strict compliance with legality

Transparency and truthfulness of information: clarity, accuracy, and verifiability

Rejection of gifts, compensation and bribes

Structure personnel, managers, and administrators

Knowledge and communication: responsible and ethical professional performance

Respect for and promotion of workers' fundamental rights

Professionalism and subordination of one's own interests to the company's interests

Truthfulness, accuracy, and honesty in economic and financial management

Application of merit and skills principles in hiring new employees

Fostering the professional promotion and training of personnel objectively

Enablement and promotion of labour integration and reconciliation





Information truthfulness and transparency

Ineco is committed to being transparent about its management for all stakeholders. To that end, it works continuously to offer them clear, accurate information.

In 2014, the organisation implemented Law 19/2013, of 9 December, on Transparency, Access to Public Information and Good Governance, whose objective is to extend and reinforce the transparency of public activity, to regulate and guarantee the right of access to information relating to that activity, and to establish the obligations of good governance with which public officials must comply.

To that end, it adapted its corporate website in order to accommodate the contents required by that Law and to possess the mechanisms necessary to put into place public information access, through an e-mail account as well as a specific communications channel for enquiries relating to issues of information transparency. As a result, Ineco has an inbox and a specific procedure for exercising the right to information, both physical (at the corporate headquarters) and online through the corporate website <https://www.ineco.com/webineco/en/transparency>.

Internally, Ineco has standards for contracting and internal monitoring, guaranteeing the principles of advertising, concurrence, transparency, confidentiality, equality and non-discrimination.

Regarding financial control, Ineco applies policies which are documented, implemented and are accessible both to professionals and partners. The aim is to guarantee the effective and reasonable management of risks associated to projects, as well as preserving integrity and transparency in the presentation of the figures of the financial statements, according to national and internationally established accounting principles. The company ensures, with this strict control, the compliance with the applicable laws.

Compliance programme

As a global leader in transport engineering and consultancy, Corporate Compliance is an essential part of Ineco's corporate culture. The current trend in penal legislation establishes the need for Ineco to integrate new security measures through a Penal Prevention Programme or "Compliance Programme".

These goals can be reached through establishing proper procedures and steadfast action policies in certain areas; for this reason, it is necessary to implement a series of internal standards and controls in the company.

The programme also requires independence, which signifies neutrality in the area of responsibility. Therefore, the body responsible for the compliance function must be independent and autonomous in relation to management of the company.

In order to carry out this role, it is necessary to create a surveillance and monitoring body within Ineco, which is responsible only for the roles and duties strictly related to supervising and monitoring compliance with the Crime Prevention Programme.

Ineco's Compliance programme is applied through three tools in order to ensure that the company acts in accordance with all of the laws and regulations in force, as well as internal principles and standards.

- **Prevention tools:** such as a risk map, a catalogue of prohibited conduct or the company's code of conduct.
- **Control tools:** in order to verify the existence of appropriate internal and/or external control tools, which continuously monitor compliance with the internal regulations established to prevent criminal acts or irregular conduct being committed, and to guarantee protection from them.
- **Disciplinary tools:** in order to ensure the proper control of compliance with the behavioural standards established by the company, Ineco is reviewing the catalogue of internal sanctions affecting all its employees and managers, in order to adapt it to the surveillance and control program.

Governance model

Ineco has the necessary governing bodies to ensure that its values and management model reach all areas and disciplines of the company. In this way, the governance model depends on the strategy and the organisational structure, in accordance with the company's needs.

The chairman of Ineco is the chief officer of the Board of Directors, the Management Committee, and the Ethics Committee.

Board of Directors

Ineco's Board of Directors is the body responsible for making decisions and agreements on strategic issues, preparing financial statements and approving budgets and other proposals raised by the chairman. It also monitors the company's activity.

The Board meets on at least four occasions over the financial year. It must be composed of a minimum of five and a maximum of fifteen directors. It also has a non-board member secretary, appointed by the Board of Directors.





Composition of the Board as of December 2015

Chairman

Mr. Jesús Silva Fernández Chairman of Ineco

Directors

Mr. Pablo Vázquez Vega Chairman of Renfe

Mr. Gonzalo Jorge Ferré Moltó Chairman of Adif

Mr. Ignacio González Sánchez Air Navigation Director of ENAIRE

Mr. Javier Marín San Andrés Chief Executive Officer of Aena

Mr. Mariano Navas Gutiérrez Chief Executive Officer of Cedex

Mr. Ángel Luis Arias Serrano Chief Executive Officer of ENAIRE

Mr. Luis Izquierdo Labella Director of Communication of the Cabinet of the Ministry of Public Works

Mr. Manuel Martínez Cepeda Treasury Manager of Adif

Ms. Violeta González Aleñar Director of Cabinet and Administrative Management of Adif

Mr. Ignacio Garay Zabala Director of Communication and External Relations of Adif

Mr. Miguel Ángel de Lera Losada Deputy Director of Services and Works Inspection. Ministry of Public Works

Ms. Alejandra Sánchez Yáñez Advisor to the Technical Department. Economic Affairs Department of the President's Office

Ms. Belén Bada de Cominges Deputy Director of Legislation. Ministry of Public Works

Ms. María Aparici González Deputy Director of Commercial Policy with Europe, Asia and Oceania. Ministry of Economy and Competitiveness

Non-board member Secretary

Ms. Almudena de la Peña Robles Director of Legal Affairs of Ineco

Dismissals and appointments of Directors during 2015

Shareholders' Meeting	Dismissal	Appointment
26/3/2015	Mr. Carlos Díez Arroyo	Ms. Violeta González Aleñar
13/5/2015	Mr. Alberto Sanz Serrano	Mr. José Antonio Zamora Rodríguez
24/6/2015	Ms. Carmen Sánchez Sanz	Mr. Miguel Ángel de Lera Losada
28/10/2015	Mr. Rodrigo Marabini Ruiz Mr. José Antonio Zamora Rodríguez	Mr. Ángel Luis Arias Serrano Ms. María Aparici González

Shareholders' Meeting

The Company's deliberative body is the Shareholders' Meeting. Its agreements, legitimately adopted, are binding upon the Company and all of its shareholders.

The Ordinary Shareholders' Meeting must be held once a year, in the first six months of the financial year to assess the management of the company, approve the financial statements for the previous financial year, and decide on the year's budget.

Likewise, the Board of Directors may call Special Shareholders' Meetings when it is necessary to approve matters pertaining to the interests of the Company.

Audit and Control Commission

The main role of the Audit and Control Commission is to support the Board of Directors in its supervisory tasks. It consists of four directors, three of which are executives who are chosen out of the existing directors and appointed by the board by simple majority. The secretary of this Board of Directors acts as the secretary of this commission.

Management Committee

The Management Committee is the highest internal decision body of the company. It meets weekly and it is responsible for the implementation and development of the strategic guidelines approved in the Board of Directors meeting.

Member	Position
Jesús Silva	Chairman
Ignacio Fernández-Cuenca	Corporate Managing Director
Ana Rojo	Engineering and Services Managing Director
José Manuel Tejera	Infrastructures and Transport Managing Director

Ethics Committee

The Ethics Committee is responsible for the supervision of compliance with the standards of corporate integrity, the proposal of preventive or corrective actions in relation to a breach of these standards, investigation into the case when applicable, and the updating and internal dissemination of the code of conduct, as well as its interpretation in cases of doubt.

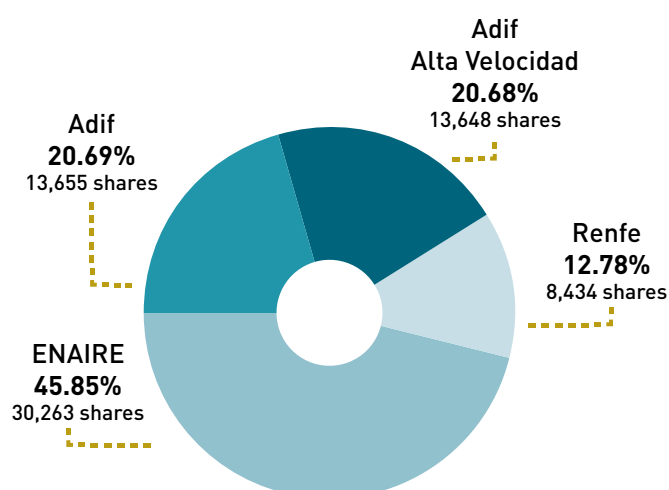
Any collective body or employee of the company who believes that there has been a breach of the Code of Conduct or of any of the Standards of Integrity, Transparency, and Commitment, may report it to this Committee, who will be in charge of resolving it.

Other bodies

Ineco also works with other company communication and management bodies: the Operations Committee, the Commercial Committee, the Innovation and Product Committee, the Quality Committee and the Knowledge Committee, amongst others. The objective of the company is to create working groups based on subjects of special interest and comprehensively monitor the approved plans and initiatives.

Profile of the organisation

Ineco is a state-owned trading company under the Ministry of Public Works through its shareholders.





Commitments

“The main vocations and commitments of the company are the people: the clients, who choose us trusting that we offer them the most effective solutions; our professionals - our most valuable resource; the providers, who are essential in undertaking our projects, and finally, society, the ultimate recipient of our work. Work that is always guided by our commitment to respecting the environment, key for sustainable development”

Jesús Silva, Chairman





Committed to our clients

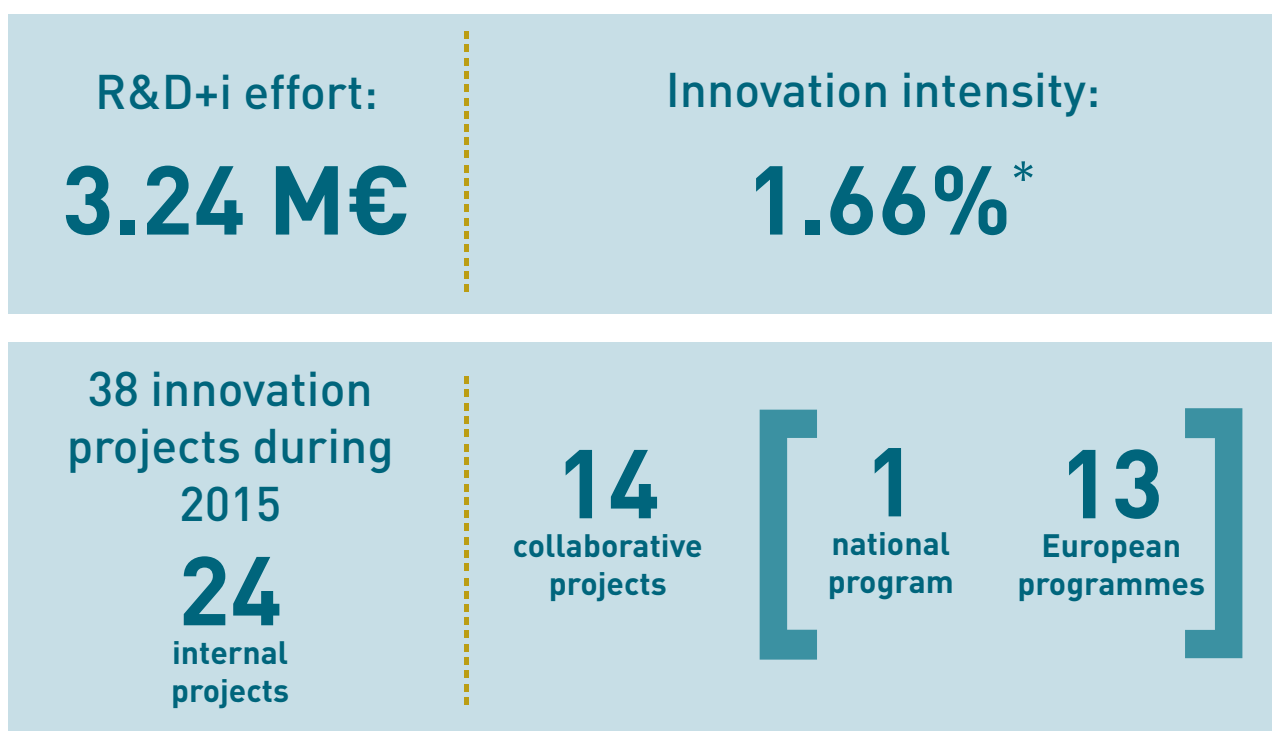
Ineco meets its clients' needs through excellence and quality in management. The company's success is based on its ability to innovate and its leadership in the services it offers.

This commitment takes the form of a client relations model that generates mutual trust. It is based on actively listening to their needs and offering specific, innovative solutions with high added value and the highest quality standards.

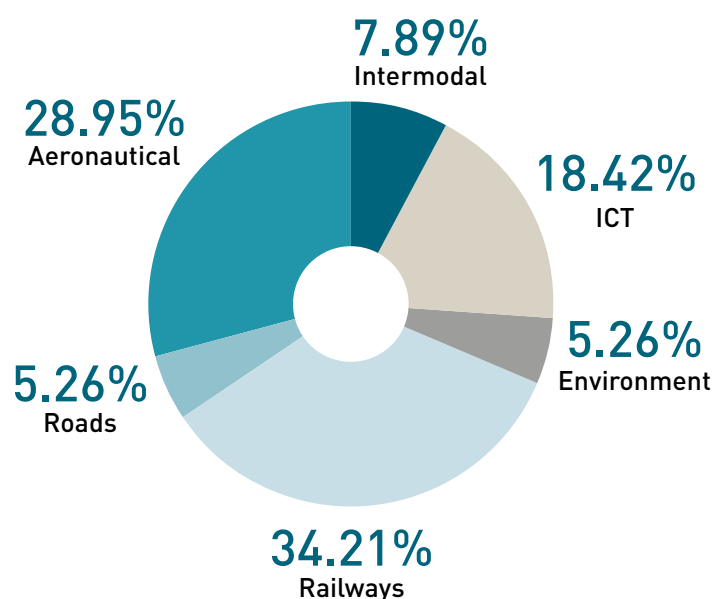
Innovation and sustainability for the future of transport

Continuous innovation is the only possible way to respond to the challenges set by our clients to stay on top of a market in continuing evolution. Our commitment to innovation allows us to adapt, improve and expand our portfolio of products and services, meeting our responsibility with more efficient, more sustainable transport.

The associated investment represents a long-term commitment to the future of transport and society as a whole. In 2015, Ineco dedicated almost 2% of its turnover to R&D+i: almost 3 and a half million euros. With the added value of human effort, this improves productivity and strengthens socio-economic development.



*Innovation Intensity understood as the relation between the innovation effort and the annual turnover.



Sector	Nº. projects
ICT	7
Environment	2
Railways	13
Roads	2
Aeronautical	11
Intermodal	3
TOTAL	38



Innovation applied to projects in 2015

Particularly important examples of Ineco's main achievements in innovation in 2015 are:

• Management Model

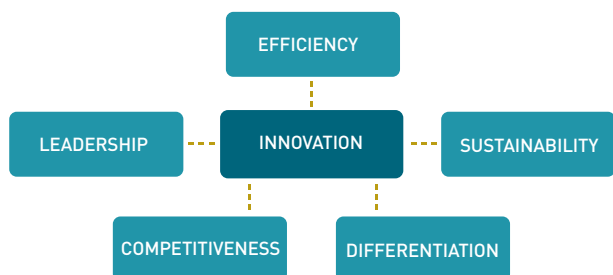
Ineco continues to consolidate its Innovation Management Model, the intention of which is to adapt innovation to settings where there is ever-increasing change and competition. This model is based on three main axes: alignment with the company's strategy, close collaboration between all parties involved, and return on investment.

• Innovation awards 2015

The company recognises the efforts and talent of its innovative staff by holding the Innovation Awards 2015.

• Fostering the culture of innovation

The aim of the culture of innovation plan is to make the company as a whole committed to and aware of the importance of innovation and its leading role in the process when generating value for the company. All the organisation's members are responsible for contributing to its growth.



Ineco maintains a continuing commitment to innovation. 2015 saw the continuation of innovation projects that launched in previous years:

- **SIMA:** control tool for railway infrastructure maintenance with mobile devices for use in the field.
- **IMPULSE:** studies to predict the effect of new obstacles on the quality of pulsed signals.
- **CoverGNSS:** analysis of the geometry, signal sources and coverage of conventional navigation aids and GNSS (GPS and GPS + EGNOS).
- **ELARA:** a tool for planning the distribution and verification of the content of fixed and controlled ETCS (European Train Control System) balises.
- **Microdrones:** structural inspection service using drones in difficult-to-access areas.
- **MADDIT:** protected access to financial simulation models for clients of our investment consulting services.
- **PROTAV:** a tool for the study of aerodynamic effects in high speed tunnels.
- **CATMASTER:** overhead contact line design software.

An aspect worth highlighting in the context of Ineco's innovation projects is its participation in different research centres, platforms and working groups, which allow the company to create an interdisciplinary collaborative framework.

The challenges for 2016 involve the effort to foster a culture of innovation in order to generate an awareness of innovation that can make an impact. In this way, the company will continue to promote the development of innovation that is environmentally sustainable.

Collaborative projects

As part of its commitment to open innovation models, Ineco cooperates with external professionals in research and development projects, both at the national and at the international levels. A project worth highlighting within Spain is the ININTERCONECTA programme, which aims to strengthen the generation of innovative capacity in the least developed regions through experimental development projects. One example of this is the Arid-Lap project, carried out through a business consortium.

At the international level, Ineco has consolidated its participation in the following programmes for European projects:

- **The Seventh Framework Programme for Research and Technology Development (FP7)**

This is a subsidy programme for research actors throughout Europe, with a timeframe of seven years. Its purpose is to co-finance research, technological development and demonstration projects. Some of the most significant projects in which Ineco participates within this programme are: INTERACTION, a project aiming to increase the efficiency of aircraft layovers at airports; NGTC, whose objective is to attain new methods of monitoring rail traffic, such as the ERTMS; and CAPACITY4RAIL, which aims to increase the capacity of the European rail network from different perspectives.

- **SESAR Programme**

The aim of this programme is to modernise the Air Traffic Management (ATM) in Europe and to complement the regulatory framework of the Single European Sky initiative.

- **Horizon 2020 (H2020)**

Within this programme for the financing of research and innovation projects in diverse areas within the European context, Ineco participates in: IN2Rail (Innovative Intelligent Rail) and BEYOND, which aim to extend GNSS use for different applications in Mediterranean and Eastern European countries.

- **LIFE+ Programme**

This is a European Union financial instrument dedicated exclusively to the environment. Its general goal for 2004–2020 is to contribute to sustainable development, to achieving Europe 2020 strategy objectives and targets and to achieving relevant European Union climate and environment strategies and plans. In 2015, Ineco participated in MINOXSTREET, a project to study the effectiveness of commercial NOx removal materials (reducing pollutants) through tests in the laboratory and in real locations.

- **TEN-T Programme**

This programme's main objective is to help to complete the Trans-European Transport Network (TEN-T) using high-performance, sustainable, efficient technology.

In addition to its participation in these programmes, Ineco is making preparations to participate in the future SESAR 2020 programme (the continuation of SESAR) and the STARS project (H2020 programme), which was awarded in the final quarter of 2015.



Internal projects

In 2015, Ineco continued to invest in internal projects for the development of high added value products and services, such as:

- **Remote Tower**

The development of a prototype to provide AFIS/ATC services from a remote control position away from the aerodrome for airports with low volumes of air traffic.

- **Flight procedures**

The development of a proprietary flight procedure design tool, complying with the requirements of Regulation (EU) No 73/2010 of 26 January.

- **Smart cities**

The development of a proprietary smart city platform, "Citineco", for the management of sustainable cities. This is a model where simulations can be run; predicting a city's behaviour given defined changes. It focuses mainly on mobility, although it also allows for the integration of other aspects, such as government, the environment, etc.

- **Risk management**

In this case, a tool is used to analyse and manage the specific risks involved during the planning, design, construction, operation and deconstruction of a road, through developing the company's own methodology and procedures.

- **BIM tool application**

This consists in analysing the feasibility of a visual application. The application automatically reads the BIM format and allows the user to interact with design changes from the application itself. It also offers the possibility of exporting the model again with the modified statuses for the processing of the design.

- **Mobile device survey systems**

This is an application that allows the user to carry out surveys using mobile devices, independently of their operating system.

Effective communication

Through its **corporate webpage**, www.ineco.com, Ineco makes information about the organisation and its activities available to its clients and other audiences. In 2015, the company also began participating in **social media** (Facebook, Twitter, LinkedIn and YouTube) to bring its work to the online community. Since 2007, Ineco has also been publishing its corporate magazine **itransporte**, www.revistaitransporte.com. The magazine is published every four months in Spanish and English, and provides subscribers from more than 90 countries with information on all Ineco's activities around the world.

Quality as a sign of identity

Ineco's main commitment to its clients is to offer the highest quality products and services. Its management system is therefore based on this aim, which involves the entire company. In its everyday activities, the company strives to achieve technical excellence through improving cohesion in teams and focusing on processes and procedures and the sustainability of the system.

Certifications

The company has a comprehensive quality and environmental management system, certified by SGS. This is based on Standards UNE-EN ISO 9001 and UNE-EN ISO 14001, respectively, and covers all the company's activities.

Moreover, 2015 saw the Quality Management System Certificate extended to cover the activities Comprehensive consulting services, management of the monitoring, supervision and administration of transport infrastructure operation, maintenance and restoration. This was audited in Ineco's Mexico offices and thereby meets the clear objective of localising the management system.

Ineco also has an environmental health and safety management system, in accordance with OHSAS Standard 18001:2007, certified since 2012 and renewed in 2015.

In the rail area, Ineco is certified by ENAC (Entidad Nacional de Acreditación – National Accreditation Entity) as a Rail Rolling Stock Inspection Organisation (Type C) and as an Independent Rail Applications Safety Evaluation Organisation (Type C), in accordance with the criteria of standard UNE-EN ISO/IEC 17020:2004.

In 2015, Ineco extended its certification for control, command and signalling, energy, traffic management and exploitation, infrastructure, maintenance and rolling stock under standard UNE-EN ISO/IEC 17020 (extended scope with regulation 402/2013).

Ineco was the first and is currently the only organisation to have these accreditations in Spain.

Furthermore, Ineco is certified as an qualified supplier in Achilles RISQS (qualified via audit), No. 095054 for the following products:

Track circuits (including level crossings); colour light signals; banner signals; draw ahead signals; ground position light signals; signal lamps (including LEDs) & lamp holders; signal lenses; points indicators; point machines; SSI; Ansaldo; signal control panel NX; VDU based systems; Train describers (electronic); plain line; plain line (absolute geometry); gauge measurement (discreet restrictions); gauge measurement (tunnels); track on longitudinal timbers; direct fastening track systems (e.g. slab track/viper); conventional; absolute geometry; modular systems; track drainage; foundations (piled); foundations (conventional); steel frame; concrete frame; timber frame; stairs; telephone exchanges (including switching equipment); transmission systems; telecomm cabling (multiple pair copper); telecomm cabling (fibre); radio systems; wireless services; masts (including earthing & lightening protection); CCTV DOO systems; Wiring; earthing & bonding; switching; substations/switching stations; HV cabling; trackside equipment; substations/switching stations/track paralleling huts; DC cabling; trackside equipment; main steelwork; small part steelwork; support system; hot axle box detectors; batteries; transformers & transformer rectifiers; UPS; traction SCADA and non-traction SCADA.

Ineco also has other accreditations and certifications associated to projects:

- **Software development**

- Management of Consultancy and Management Systems: CMMI-Maturity Level 2. In 2015, Ineco developed and implemented a new version of the methodology for software development at maturity level 3 in the CMMI-DEV v1.3 model. Pending certification in 2016.

- **Air navigation services**

- Certified as an Organisation that provides Air Navigation Services (PSNA-0002), granted by the State Air Safety Agency – Ministry of Public Works, in accordance with the requirements of Regulation (EC) No. 2096/2005 of the Commission.

- Certified as provider of air traffic control training (PF-ATC-0001), granted by the State Air Safety Agency – Ministry of Public Works, in accordance with Royal Decree 1516/2009.

- Certified as provider of air navigation services for the design of flight procedures (ANS-006), granted by the Sultanate of Oman.



Our clients' opinions

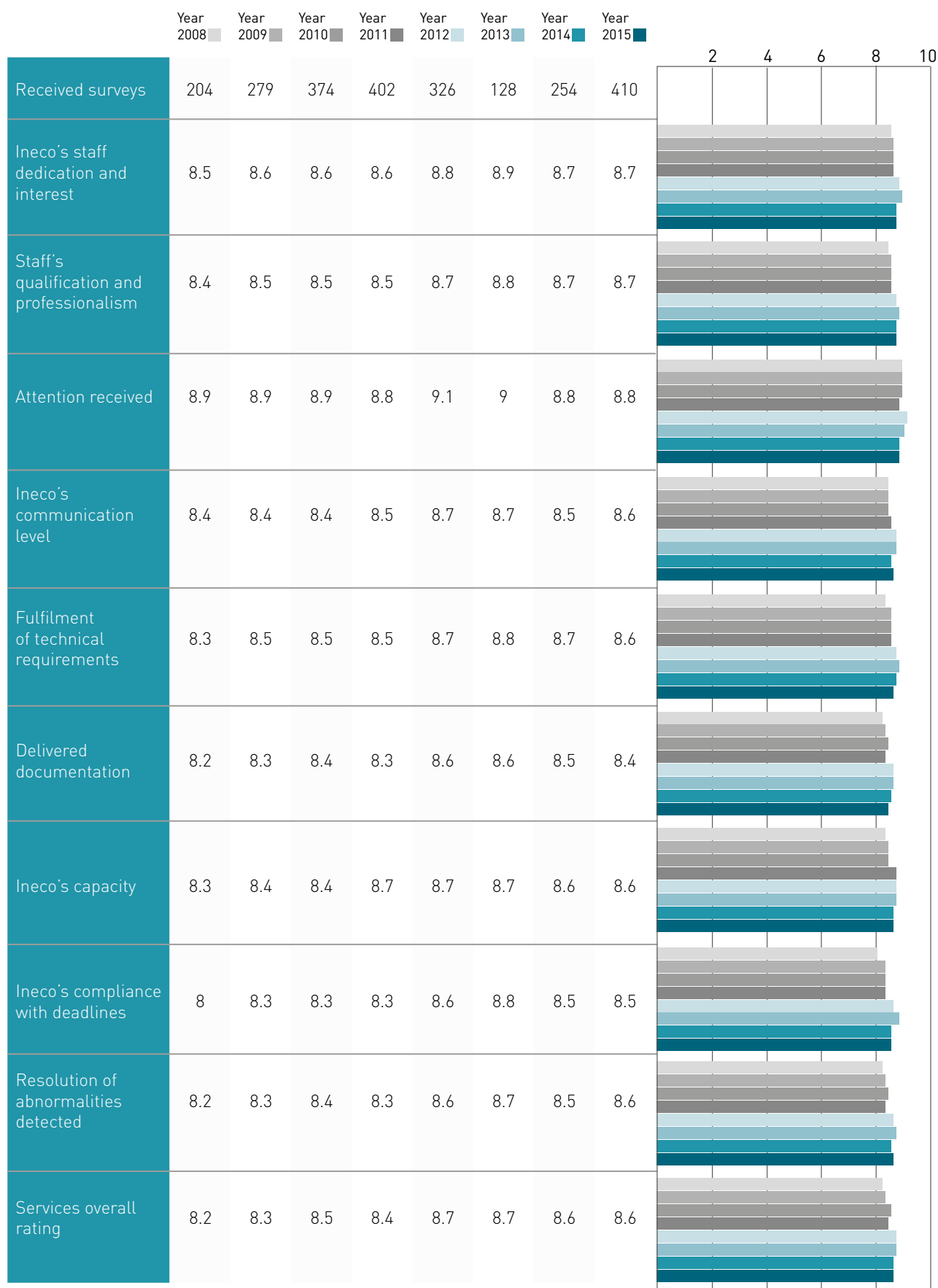
Ineco uses a specific survey to listen to its clients' evaluations and concerns. In 2015, the most appropriate communication channel with each client was sought, allowing almost double the response rate. This shows a high level of satisfaction among clients, who evaluated the services provided with a score of 8.6 out of 10.

Of the 532 surveys distributed, clients responded to 410, representing a participation rate of 77%, far higher than the target of 44%.

Key details:



Overall comparative rating 2008 - 2015





Committed to our team

Ineco is strongly committed to the management of the talent as the key to the company's success. For that reason, it is developing a model to allow it to show the excellence and to demonstrate the value of its staff.

Identifying and developing talent and managing commitment are the three pillars that form the basis of the company's talent management model. The objective is to strengthen the capacities of teams and to create environments with high-performance, highly committed people. In this regard, noting the launch of the Concilia Plan, approved in 2015, that representing a significant advance in the achievement of the objectives linked to the Global Compact.

Identifying talent

The best way to successfully tackle the challenges and new scenarios facing the company is to have the best professionals of the market. For that reason, Ineco in 2015 launched its Integrated Talent Detection and Development Programme. This is a strategic programme that allows the company to have professionals available who have the capacities, commitment and motivation required to maintain its competitiveness, contributing to the organisation's present and future success. The Talent Pool was launched to execute this Programme. In addition to recruiting talent, ensuring that critical positions are covered, the Talent Pool functions to strengthen the company's brand as an employer.

This brand is kept alive among young talent thanks to the partnerships Ineco maintains with leading national and international universities, with more than 50 agreements signed with educational centers. Throughout the year, the company promoted participation in the main jobs fairs and forums, meeting points for people seeking to access the labour market for the first time. In line with this, and aware of the importance of capturing talent at an early stage, Ineco created and developed its 2015 Grant Scheme. In 2015, the company took on 115 national and international interns, with 30.1% of interns becoming company employees.

These grants also reach university students with disabilities thanks to Ineco's collaboration with the ONCE foundation, which was translated into five grants during the 2014–2015 academic year. The programme serves to support their higher training and contribute to their future professional development.

In addition, Ineco carried out assistance actions for young people at risk of social exclusion in order to contribute to their greater success in company selection processes. This project offered them the opportunity to attend a series of practical events with the selection team. A total of 15 young people took part in the events.

Ineco also continues to collaborate with the main national foundations and organisations for the recruitment of people with disabilities, such as the Prevent Foundation, PRODIS Foundation, ONCE or FAMMA.

Developing talent

For Ineco, the professional development of its employees is linked to the process of evolution that they undergo throughout their professional careers.

The company offers a response to its employees' expectations of personal and professional growth through flexible professional itineraries, transversal to the career models existing in the organisation: technical, management, commercial and corporate.

It also has two strategic processes for talent management: Management by Objectives, which links variable remuneration to the fulfilment of strategic company and individual objectives; and Evaluation of Development, implemented in 2015, the aim of which is to identify skills and capacities, potential for development and employees' interests, motivation and attitudes. The process also makes it possible to meet training needs and planning individual training itineraries.

Training

At Ineco, training is the lever that generates value for the company and positions it as a leader in its sector.

The **2015 Training Plan** focused on strengthening technical specialisation, disseminating working models and processes, sharing knowledge and increasing training in the organisation through developing skills and improving and specialising in languages.

To that end, the following training programmes have been created:

- **Language Programme:** to develop employees' linguistic skills and to improve the overall level of English in the company, this is key for the process of internationalisation.
- **Certifications and Technical Methodologies Programme:** courses are offered with a view to the certification and training of employees in internationally prestigious organisations and the management of reference methodologies in the sector.
- **Technical Specialisation Programme:** covers training to provide the organisation with the experience necessary to achieve and update its technical knowledge.
- **Work Processes and Models Programme:** includes courses focused on disseminating organisational models and the company's key processes.

- **Skills Programme:** aims to develop the skills and competences necessary to meet the challenges facing the organisation.

In addition, to address employees' individual training and development concerns, the company has an **Up Grading Programme**, which provides help and support for carrying out training not covered in the Training Plan.

During 2015, different initiatives aimed at sharing the knowledge and experience of the company's professionals were implemented, as well as training in processes and procedures. Noteworthy examples are:

- **The Internal Training School**

This project was conceived in 2014, with the main objective being to have a team of trainers who are accredited and highly qualified in their professional performance, to be tasked with transmitting their knowledge, know-how and experience to the rest of the organisation. Good management has already helped to certify a total of 52 internal trainers, who in recent months developed and carried out a range of training actions.

- **Campus Ineco. International Transport Engineering Programme (PIIT)**

In 2015, the company developed Campus Ineco, an integrated programme to attract and develop local international talent in order to share *know-how* and to contribute to the sustainable development of engineering in the world.

Within the Campus framework, the objective of the International Transport Engineering Programme (PIIT) is to enable industry-leading training throughout the programme itinerary, allowing technical knowledge to be shared from a fundamentally practical perspective. The Programme also aims to support professional development through specialisation in transport engineering in a multicultural setting, with a determination to continue in the long term.

- **Client Management Programme**

This programme's aim is to generate a sales model for Ineco, developing its commercial behaviour, the capacities of communication and negotiation and the sales style of the company's commercial team. The programme is implemented through two training programmes: The Advanced Commercial Leadership Programme (PSLC, for its Spanish initials) and the Advanced Commercial Behaviour Programme (PSCC).

Average hours of training per year per employee and gender, broken down by employee category

Group by level	Total no. of hours - men	Total no. of hours - women	Total no. of hours	Average no. of hours - men	Average no. of hours - women	Average no. of hours
Directors	1,396	739	2,135	87.26	147.84	101.68
Management	15,746	4,315	20,061	96.60	95.90	96.45
Technical	68,197	43,365	111,562	61.77	64.63	62.85
Support	4,814	4,647	9,462	26.17	20.38	22.96
Total	90,153	53,067	143,220	61.45	147.84	59.28





Managing commitment

Commitment to the organisation is key to the company's competitiveness. Issues such as equal opportunities, work–personal life balance, opportunities for growth, employee development, social benefits and compensation systems are essential in promoting a positive, stimulating workplace where Ineco's professionals can enjoy the greatest possible participation.

Every two years, Ineco runs a **Climate and Commitment Survey** in order to expand its understanding of its employees' needs and concerns. The survey takes the organisation's pulse on issues such as reconciliation, mobility, equality, quality of relationships and training, among others. The 2015 survey placed average satisfaction at 6.5, exceeding the average level of similar companies. This analysis gave rise to a series of professional workshops on the aspects of greatest interest; the company can use these for analysis, generating ideas and defining specific action plans, highlighting the balance workshop.

One of the most important initiatives to have arisen as a result of the Survey, and that implies significant progress in meeting one of the principles of the Global Compact -equality and non-discrimination in the employment- has been the design and implementation of the **Plan Concilia** ("Balance Plan"). With the aim of promoting the reconciliation of personal, family and work life, it is structured around four areas:

- **Organisation of time at work:** creating flexibility both in terms of the place of work (telecommuting) and scheduling.
- **Social benefits:** standardising measures related to the employees social benefits package.
- **Leave, absence and rest periods:** bringing flexibility to holiday time and days off and granting employees' time to attend family members' medical appointments or educational events.
- **Personal and professional development:** enabling employees to benefit from unpaid leave and leaves of absence for training activities not included in the Training Plan.

Throughout 2015, Ineco continued to work on plans implemented in previous years, focused on supporting its employees:

• Más Programme

For another year, Ineco offers its employees a social benefits package that can be received in different forms depending on their preferences: food vouchers, nursery allowance, health insurance, or a combination of these benefits. These benefits have increased in line with the measures mentioned above under Plan Concilia. Employees also receive life insurance covering the event of death or permanent disability and a Social Security benefits supplement in the event of temporary disability.

• Integra Plan

In 2015, Ineco continued with its plan for the integration of people with disabilities or who belong to groups at risk of social exclusion. The plan sets out specific measures for access to employment. Applications can be made for these benefits through organisations for the recruitment and improvement in employability. The measures are aimed at employees who are disabled or have been victims of gender violence, and include financial aid, adaptation of the workplace, care services, etc. The plan also targets employees with dependent family members under their care with extensions to maternity/

paternity leave, leaves of absence and flexibility with holidays, among other measures.

In its bid for transparency in communication with employees, Ineco has several channels of internal communication to promote its corporate culture. One of these tools is the digital journal "Sobre la Marcha" ("On the Go"), which each month reviews the main organisational news and offers important information on project development and important milestones, as well as information about different teams within the organisation. Ineco is also developing and improving tools such as the suggestion box, blogs and forums, ensuring the flow of communication is participative and bi-directional.

In line with this corporate culture, Ineco works to maintain organisational and remunerative coherence, as well as matching employees to suitable positions in order to guarantee equal treatment.

The company also has an action protocol to address possible cases of workplace harassment through a mediator, who would provide information and handle these cases if they were to arise, guaranteeing the necessary levels of confidentiality.

Composition of corporate governance and staff bodies, broken down by gender and age group

2015 Data	Total no.	Gender		Age		
		Men	Women	< 30 years	30 - 50	> 50 years
Director structure	18	77.8%	22.2%	0.0%	72.2%	27.8%
Management structure	211	78.2%	21.8%	0.0%	77.7%	22.3%
Structure staff	229	78.2%	21.8%	0.0%	77.3%	22.7%
Technical structure	1,775	62.2%	37.8%	9.4%	84.3%	6.3%
Support structure	412	44.7%	55.3%	3.2%	74.3%	23.8%
Contract staff	2,187	58.9%	41.1%	8.2%	82.4%	9.4%
Total staff	2,416	60.7%	39.3%	7.5%	81.9%	10.6%



We are international

Ineco is continuing with the strategy to reaffirm its status as a company with an international projection. This challenge demands of the organisation not only that it adapt to the new contexts that arise, but also to stay ahead of future client and market needs, not losing sight of the company's overall competitiveness.

In response to this challenge, the company has adapted its structure and actions, aiming to enable them to manage employees abroad:

- **International Assignment Policy**

This initiative includes new schemes of travel in accordance with our current project needs.

- **Global Mobility Center**

A specific team was created for the centralised, coordinated, closed, in advance management of incidents and services related to mobility and local staff.

- **Actions to raise awareness of international activities:**

Events were held for 481 employees to raise awareness about the programmes, processes and support structures in place at Ineco to offer effective support to the company's international expansion process.

- **Corporate Repatriation Programme**

This programme will channel all returning international employees. The company intends in this way to guarantee that all those Ineco employees spending periods working abroad will have a smooth return to their countries of origin.

Ineco is also working to devise solutions to respond to the international challenges facing the company. Ultimately, this is a way of offering valuable preventative support in the international management of people. In this area, designs are being drawn up for international risk management maps, among other actions.

Individuals by geographic region

	Total	Men	Women
Europe	2,332	1,393	939
Spain	2,317	1,383	934
America	20	16	4
Africa	2	2	0
Asia	62	56	6



Prevention and safety

Protecting workers' health and safety is a priority axis of Ineco's actions.

For that reason, the company has an Occupational Hazards Prevention Policy which serves as the foundation for the continuing improvement of working conditions at Ineco.

In 2015, the company successfully passed a statutory audit under the Occupational Risks Prevention Management System and renewed its OHSAS 18001 certification. It also launched the "Ineco Previene, por tu salud" ("Ineco Prevention, for your health") programme, which promotes healthy habits for the entire staff. Under the framework of this Programme, Ineco adhered to the Heart Healthy Companies Programme of the Spanish Heart Foundation and obtained recognition as a heart healthy company.

The previous year also represented a qualitative leap for the company in terms of security. On the one hand, a new system was implemented to control access to company buildings using biometric readers and increased control in sensitive areas. On the other hand, an action protocol was drawn up, which establishes guidelines to be followed in situations that may endanger the security of the company or an employee.



Committed to society

Infrastructure is essential to regions' social and economic development. Ineco has for more than 45 years contributed to that development in all the communities where it operates, and is committed to improving the lives of the people who are part of it.

This commitment takes the form of professional volunteer projects, contributing to improved living conditions for families with limited resources.

Social work in 2015

Ineco encourages its employees' participation and involvement in different solidarity activities in the interest of achieving a fairer, more equal society. For that reason, the company has a social work platform, iSolidaria, which focuses on managing corporate volunteering. There, visitors can consult the company's initiatives in this field, share experiences, and learn Ineco's latest social action projects. This kind of voluntary activities are evaluated both by the Non-Governmental Organisation and by participating employees through satisfaction surveys, the results of which are continuously monitored.

- In 2015, the overall degree of satisfaction of volunteers who participated in volunteering activities was **4.87** out of 5
- **500** Ineco volunteers collaborated

Within the framework of its Corporate Responsibility Plan, Ineco produced its Social Work Plan for another year, bringing together all the actions to carry out in collaboration with independent not-for-profit organisations.

En Ruta: Ineco's professional corporate volunteer programme in Ecuador

In collaboration with the Codespa Foundation, Ineco once again set into motion the professional volunteering project Ineco en Ruta, in which 6 Ineco volunteers participated.

This time, the project was developed in the province of Imbabura (Ecuador), a depressed region of the country where the Codespa Foundation is carrying out work to improve the living conditions of families tied to the area surrounding the Ibarra-Salinas-Otavallo railway line through fostering rural tourism.

Ineco's volunteers collaborated with the project by carrying out a range of studies into improving the safety of the line. To that end, special emphasis was put on training the staff of the Empresa Pública de Ferrocarriles, the national railway company which manages the line.

This project continues with the one developed in 2013, when a group of volunteers collaborated for a month with the public company Ferrocarriles de Ecuador (Ecuador Railways).

7th Euro Solidario Campaign

This is a solidarity campaign in which employees donate a percentage of their monthly pay check to funding a specific project. The company is committed to doubling its employees' contributions, up to a determined maximum level.

The employees were asked which project they would like the funds raised from the campaign to be donated to and the option chosen was a project led by Médecins Sans Frontières, "Fight against child malnutrition in the district of Darbhanga, India". The campaign raised 10,000 euros, which were used for the treatment of 470 children aged under five years old with severe acute malnutrition.

Challenge 2015

Challenge is a charity race organised by Acción contra el Hambre, (Action against Hunger) to fight against child malnutrition, an event that combines sport and solidarity. It also gives employees an opportunity to enjoy a pleasant day of camaraderie with their colleagues, to exercise, and to offer a better future to thousands of boys and girls.

The company participated in the Madrid, Barcelona, Valencia and Seville events. With the 1,392 km run by the Ineco team as a whole, Acción contra el Hambre was able to provide 12,000 days of treatment for boys and girls with nutritional problems.

Hacia el Empleo Programme (Towards Employment). Training for young people at risk of social exclusion

Ineco is committed to improving the training and employability of young people at risk of social exclusion, making easier their entrance into the labour market. To that end, it makes available the knowledge and skills of its professionals for this kind of educational projects.

In 2015, the company collaborated with the Norte Joven Foundation by carrying out mock interviews for young people alongside dynamic group sessions from Ineco's Human Resources experts, aiming to help them to perform more successfully in their first job interview. The Economic and Finance Department also taught a module on the basics of finance, which will be useful for their professional careers.

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Tú Eliges Campaign

In 2015, Ineco launched the Tú eliges (You Choose) Campaign for the first time. The purpose of the project was to give employees the opportunity to suggest and choose the NGO they wanted the company to make a collaboration to.

Of a total of 30 candidates, the Asociación por la Integración e Igualdad del Minusválido Psíquico, ASPIMIP, [Association for the Integration and Equality of People with Intellectual Disabilities] received the highest share of votes from employees in the competition.

Tú sumas. Navidades Solidarias Campaign

In December, Ineco launched the Tú Sumas. Navidades Solidarias (You Add. Christmas Solidarity) Campaign, which aimed to collect baby food, toys and clothing to help families in need.

Thanks to its employees' solidarity, Ineco was able to collect:

- With Operation Kilo: 284 kg of food, which were donated to the Banco de Alimentos de Madrid (Madrid Food Bank), to social, children's and teenagers' soup kitchens, to homes for elderly and disabled people, etc.
- Toys: donated to the Asociación Ningún Niño sin Sonrisa (No Child without a Smile Association) and distributed as Christmas presents to children from a range of social institutions.





- Baby clothes collection: donated to the Asociación Red Madre (Mothers' Network Association) and distributed to women at risk of social exclusion.

The Three Wise Men Campaign

As they do every year, their Majesties the Three Wise Men of the Orient visited the Ineco offices to collect letters from employees' children and grandchildren and to give them a gift. On this occasion, this was to the benefit of the Centro Especial de Empleo Motiva (Motiva Special Work Centre). The children had the opportunity to participate in the charity project by donating stories, which were given to a public children's hospital in Madrid.

Lids for a new life

In 2015, Ineco signed a Collaboration Agreement with the Seur Foundation to run a campaign to collect plastic lids to be recycled and sold. The purpose of the initiative is to raise funds to help needy children with illnesses that are not covered by ordinary health services.

Ineco employees managed to collect 230 kg of lids over the year, which went towards providing rehabilitative treatment to two boys, Daniel and Pedro.

Emergency assistance fund

Ineco has since 2009 been collaborating with the Red Cross by disseminating among its employees the organisation's emergency appeals, for example for the devastating Haiti earthquake in 2010, the 2011 Horn of Africa food crisis and the 2015 Nepal earthquake.

Commitment to people with disabilities and/or at risk of exclusion

Ineco's Social Work Plan includes the improvement of disabled people's employability and labour conditions. To that end, the company takes on the challenge of promoting actions aimed at those people:

- In line with Ineco's commitment to diversity, a corporate family volunteering event was held on 13 June: Aula de Educación Medioambiental (Environmental Education Workshop), held in collaboration with the Adecco Foundation. At the event, Ineco volunteers and people with disabilities came together to run a range of participative environment classes.

- Ineco took part in an adapted hiking day in collaboration with the Fundación Deporte y Desafío (Sport and Challenge Foundation) to promote the integration of disabled people through sport.
- To contribute to improving the employability and working conditions of people with disabilities, in 2015 a Christmas greeting card design contest was organized in collaboration with the Randstad Foundation, intended for the children or grandchildren of employees.
- At its 2015 Annual Convention, Ineco also hosted Raquel Domínguez, a great athlete who has a degenerative disease. This was without a doubt a very emotive way of transmitting the values of self-improvement and commitment to the entire management team.
- Aiming to support the integration of people with disabilities and to promote healthy living habits among its employees, Ineco launched a campaign to distribute fruit from the Juan XXIII Foundation's organic vegetable garden.



Collaboration in the sector

In line with Ineco's charitable values, 2015 saw the company's renewal of its collaboration agreement with the Lealtad Foundation as a Friend Entity. Under this agreement, the Lealtad Foundation shares knowledge and advises the company in assigning and selecting organisations with which to establish agreements.

In addition, as a global leader in transport engineering and consultancy, Ineco promotes cooperation between national engineering companies and is a member of various national and international associations and organisations. The aim of this is to contribute to enriching and strengthening synergy between all actors in the sector and to keep its technical and management know-how up to date, exchanging cutting-edge knowledge with other companies and institutions. In this respect, during 2015, Ineco was a member of the following organisations:

No.	Name	No.	Name
1	Tecniberia Asince (Spanish Association of Engineering, Consultancy and Technological Services Company)	16	Asociación Nacional de Auscultación y Sistemas de Gestión Técnica de Infraestructuras, AUSIGETI (National Association of Auscultation and Technical Infrastructure Management Systems)
2	Asociación de Usuarios de SAP, AUSAPE (SAP Users' Association of Spain)	17	Asociación Española de Túneles y Obras, AETOS (Spanish Association of Tunnels and Works)
3	Plataforma Tecnológica Ferroviaria Española, PTFE (Spanish Technological Railway Platform)	18	Asociación Científico-Química del Hormigón Estructural, ACHE (Scientific and Chemical Structural Concrete Association)
4	European ATM Research and Development Association (EATRADA)	19	Galileo Services
5	Plataforma Tecnológica de la Carretera, PTC (Spanish Technological Road Platform)	20	Asociación de Acción Ferroviaria, CETREN (Railway Action Association)
6	Club de la Innovación y el Conocimiento (Innovation and Knowledge Club)	21	Asociación Española de la Calidad, AEC (Spanish Association for Quality)
7	Fundación Lealtad (Lealtad Foundation)	22	Foro Español de Expatriados, FEEX (Spanish Expatriate Forum)
8	Asociación Latinoamericana de Metros y Subterráneos, ALAMYS (Latin American Train and Underground Association).	23	Asociación de Reparación, Refuerzo y Protección del Hormigón, ARPHO (Spanish Association for the Repair, Reinforcement, and Protection of Concrete)
9	Asociación Española de Fabricantes Exportadores de Material, Equipos y Servicios Ferroviarios, MAFEX (Spanish Association of Railway Services, Equipment and Material Manufacturers and Exporters)	24	European Green Growth Group (GGG)
10	Airports Council International (ACI)	25	European Innovation Partnership (EIP)
11	International Association of Public Transport (UITP)	26	Club de Benchmarking de RRHH del Instituto de Empresa (IE HR Benchmarking Club)
12	Civil Air Navigation Services Organization (CANSO)	27	Building Smart
13	Cámara de Madrid (Madrid Chamber of Commerce)	28	Asis Seguridad (Asis Security)
14	Asociación Española de la Carretera (Spanish Road Association)	29	Cámara Oficial Española de Comercio e Industria de Quito (Official Chamber of Commerce of Spain in Quito)
15	Asociación Técnica Carreteras, ATC (Technical Road Association)	30	Asociación Mexicana de Ferrocarriles, AMF (Association of Mexican Railroads)



Committed to the environment

The care and conservation of the environment are one of Ineco's corporate values. Aware of the importance of this, the company has incorporated respect for the environment, the fight against climate change and sustainable development into its defining concepts.

In accordance with the principles governing the United Nations Global Compact, Ineco complies with the commitment to promote actions and attitudes to achieve balance in between infrastructure development, care for the environment and social responsibility.

Environmental management system

Ineco has a certificate to carry out effective environmental management, in accordance with Standard UNE-EN ISO 14001; this is based on three basic aspects: the prevention of pollution, compliance with environmental legal requirements, and the continuous improvement of the company's environmental behaviour.

In addition to carrying out the control, monitoring and measurement of its environmental performance, the company also works to share with the whole organisation the measures to improve the use of resources, minimising waste and emissions.

Responsible use of resources

Ineco is committed to improving its competitiveness and sustainability through proposals aimed at reducing negative impact on the environment. To that end, the company has energy efficiency and resource optimisation devices and runs awareness-raising campaigns about making good use of the resources employed in its activities.

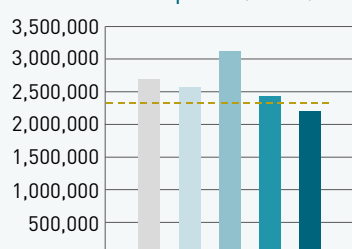
Ineco has implemented the following initiatives aimed at using resources more efficiently:

- Dissemination of environmental management results through disseminating the "environmental thermometer" on the corporate intranet.

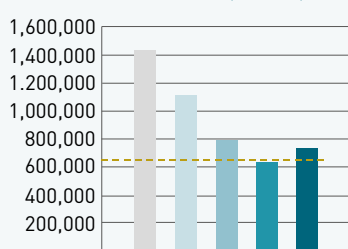
Environmental thermometer

Consumption

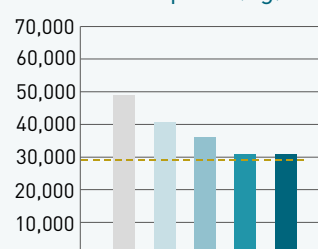
Total electrical energy consumption (KWh)



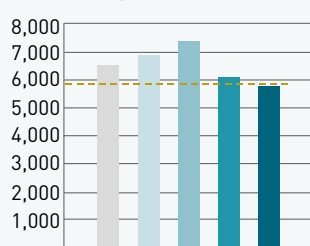
Total consumption of vehicle fuel (litres)



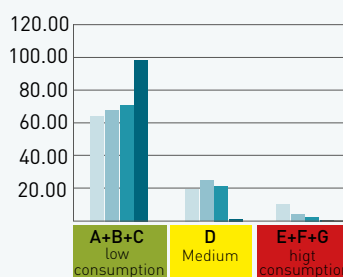
Total white paper consumption (kg)



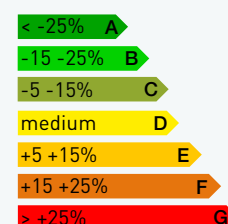
Total consumption of heating fuel (litres)



Energy efficiency of vehicle (%)

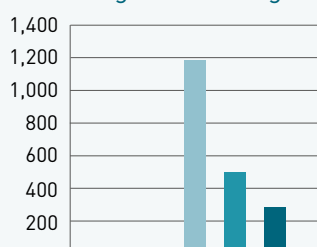


Comparative consumption
(with the measure of cars of the same size for sale in Spain)



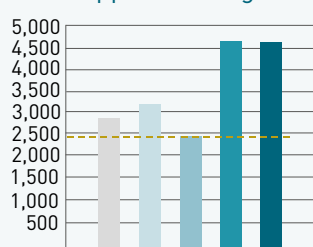
Waste and pollution emissions

Total waste of toner cartridge and ink (kg)

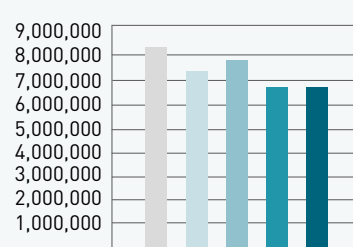


No comparable data 2011/2012

Total waste of electrical appliances (kg)



Total emissions of CO₂ (kg)



2011 2012 2013 2014 2015 Goal 2015



- Biannual dissemination of data on the environmental behaviour of Ineco's temporary offices (national and international).
- Launch of awareness-raising campaigns in the second half of the year, using pop-ups with awareness-raising videos, signage and internal communication (corporate intranet, internal digital newsletter, etc.). The campaign can be divided into three areas: waste, saving resources and energy efficiency.
- Participation in the "Un millón de compromisos por el clima" ("A million commitments for the climate") campaign, aiming to disseminate this among the company's employees and clients and to invite them to adhere to it, in order to bring together the greatest possible number of participants.
- Photovoltaic electrical production in the installation in the roof at Ineco's central headquarters at Paseo de la Habana in 2015 and the maintenance of solar panels for the production of domestic hot water.
- Installation of water, energy, and heating oil consumption meters in the heating facility at Paseo de la Habana in order to evaluate its energy efficiency.
- Supervision of the use of the building's air conditioning system, with the aim of optimising its resource consumption.
- Limitation of the temperature to the level established in the implementing regulations (do not exceed 21° C in winter when use of heating is necessary).
- Displaying of informative signs on all floors of the central headquarters, indicating the legal temperature limits in air-conditioned areas.
- Placement of temperature and ambient humidity measurement and direct reading devices in the Egeo building.
- Publication of a vehicles policy that, among other conditions:
 - Encourages the use of public transport and vehicle sharing.
 - Establishes criteria for purchasing vehicles in which consumption and environmental impact takes precedence, in addition to cost.
 - Promotes the progressive incorporation of green vehicles into the fleet.
- Progressive replacement of the fleet of vehicles with others of lower fuel consumption (all vehicles must have an energy label and, wherever possible, they should be class A or B).
- Initiatives to reduce indirect energy consumption and the reductions achieved with these initiatives.
- Photovoltaic installation: maintenance and installation of automatic reset devices.

Achievements:

4.20% decrease
in electricity
consumption

6.56%
reduction in
heating fuel
consumption

34.70%
reduction in gas
consumption at
Ineco's temporary
facilities

2.13%
reduction in paper
consumption
per employee

3.51%
reduction in
waste paper
and cardboard

33.3%
reduction in
(hazardous)
cleaning
product
packaging

6.45% reduction
per capita of
electrical and
electronics
waste

1.6% reduction
in flight distances

1.06% reduction
in CO₂ equivalent
emissions and
14% reduction in
indirect
emissions

Compensation
for **12 tonnes of
CO₂** through the
photovoltaic
plant

Regarding principles 7 and 8 of the Global Compact, Ineco's main challenges for 2016 include: Implementation and certification of the company's energy efficiency system according to ISO 50001; ensuring environmental management at the international offices, motivated by the need to have methodologies guaranteeing the organisation's compliance with local environmental legislation; calculating Ineco's Level 3 carbon footprint, including the present calculation (Levels 1 and 2) and the implementation of an Environmental Commitments Plan with evidence of the environmental actions already adopted in the organisation.

Ineco's commitment to the environment also translates into the constant improvement of its own environmental management. This responsibility obliges Ineco to continue to adopt measures to improve the use of resources such as electricity, water and paper and to include electrical energy vehicles in the fleet.



Consumption data



Water

Total water consumption in Paseo de la Habana and Egeo building

WATER CONSUMPTION (m³)		
YEAR	P HABANA	EGEO
2013	2,956	4,113
2014	2,796	5,028
2015	2,881	5,286

WATER CONSUMPTION (m³) /EMPLOYEE		
YEAR	P HABANA	EGEO
2013	7.49	5.1
2014	7.14	6.0
2015	8.29	5.3



Paper

Total paper consumption in all national offices in Spain

PAPER CONSUMPTION (kg)		
YEAR	TOTAL	Kg/employee
2013	36,193	14*
2014	30,980	13.4*
2015	31,084	13.1



Electrical energy

Electricity consumption in all national offices in Spain

ELECTRICITY CONSUMPTION (gigajoules)	
2013	11,301.8**
2014	9,320.7**
2015	8,906.4

Heating fuel



Total consumption of heating fuel (only in Paseo de la Habana)

HEATING FUEL CONSUMPTION (litres)	
2013	7,403
2014	6,086
2015	5,687



Vehicle fuel

Consumption of vehicle fuel

VEHICLE FUEL COMSUMPTION (litres)	
2013	791,000
2014	641,000
2015	734,000

* Correction of paper consumption figures from previous years: the figures were indicated in kilos when it was kilos per employee, and the data was national.

** Rectification figures on electricity consumption from previous years: it was national data, not only of the headquarters of Madrid.

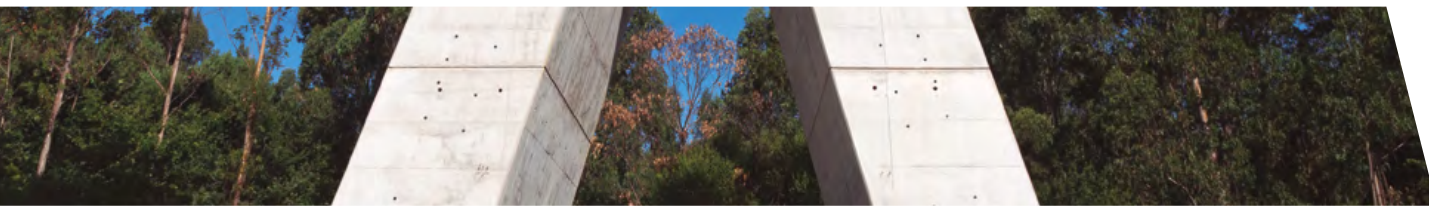


Total direct and indirect emissions

Total direct and indirect emissions
of greenhouse gases

YEAR	DIRECT EMISSIONS Tons of equivalent CO ₂	INDIRECT EMISSIONS Tons of equivalent CO ₂	TOTAL EMISSIONS Tons of equivalent CO ₂
2013	2,103	5,644	7,747
2014	1,702	4,989	6,691
2015	2,280	4,339	6,620





Waste

Amount of hazardous waste generated in Paseo de la Habana and the Egeo building (fluorescent tubes, batteries, electronics devices and hazardous waste packaging)

AMOUNT OF HAZARDOUS WASTE MANAGED (kg)	
2013	2,637*
2014	4,755*
2015	4,871

Amount of non-hazardous waste generated in Paseo de la Habana and the Egeo building. Paper and cardboard data include all Madrid offices

DOMESTIC (kg)	
2013	25,250
2014	19,703**
2015	20,140

CONTAINERS (kg)	
2013	7,720
2014	6,765
2015	10,728

PAPER AND CARDBOARD (kg)	
2013	36,900
2014	34,380
2015	33,480

Indirect energy consumption

Flights and train journeys

TOTAL KM TRAVELLED BY PLANE	
2013	24,383,483
2014	21,828,449
2015	21,472,103

TOTAL KM TRAVELLED BY PLANE /EMPLOYEE	
2013	9,642
2014	9,422
2015	9,041

TOTAL KM TRAVELLED BY TRAIN	
2013	3,149,540
2014	2,643,596
2015	3,004,083

TOTAL KM TRAVELLED BY TRAIN / EMPLOYEE	
2013	1,245
2014	1,141
2015	1,263

* Correction of data from previous years: the figures for the previous Report actually corresponded to the fuel consumption of vehicles.

** Correction of the figure provided in the previous Report.

Environmental responsibility and commitment in our innovation solutions

Ineco promotes the development of innovation solutions that balance improving our competitiveness with respect for the environment. Aware of the collateral effects of transport on the climate change, the company continues its commitment to the search for sustainable solutions year after year.

Testament to this is Ineco's participation in the following R&D+I projects, which aim to reduce the company's environmental impact and to use resources efficiently.

Internal Projects:

- Smart cities: the development of a proprietary Smart City platform, Citineco, for the management of sustainable cities. This tool allows simulations to be run in order to predict the city's behaviour in response to particular changes. It focuses mainly on mobility, although it also allows for the integration of other aspects, such as government, the environment, etc.
- Climate change: studies analysing the effects of climate change on the design and operation of transport infrastructure.
- HEDIPRO: the development of a tool to optimise flight procedure design, making it possible to reduce the environmental impact of the routes followed by aircraft by saving fuel and reducing emissions.

Collaborative projects:

- SESAR (Single European Sky ATM Research): the implementation of a high-performance European ATM network, one of the main objectives of which is to reduce flight CO₂ emissions.
- MINOXSTREET: in the framework of the Life+ programme with the European Commission. The project's aim is to assess the efficiency of catalytic technologies in reducing nitrogen oxide levels in urban environments.
- ARID-LAP: the development of technological solutions to minimise or prevent the impact of arid climates on high-performance rail infrastructure.
- SMART (Shared Monitoring Alert and Reaction Tracking – Oceanic): evaluation of the reduction of CO₂ emissions as the result of optimising the use of weather information, and the position and integration of flight plans.

Ineco guarantees environmental sustainability in its technical solutions

As a matter of course, Ineco includes sustainability and environmental solutions in all stages of the life cycle of the infrastructures it plans, designs and operates. This includes actions from environmental assessment at the strategic and project levels to specialised analyses of each environmental factor that could potentially be affected, including noise and atmospheric pollution. Tools based on Geographic Information Systems (GIS) and modelling systems are habitually used to support this work.

Ineco's experience in transport planning and consultancy has assisted in expanding the company's environmental services to include water planning and waste management. All this contributes to strengthen Ineco's commitment to mitigating and adapting to the effects of climate change.

The company's capacity in terms of environmental solutions is completed with extensive experience in the implementation, maintenance and auditing of environmental management systems.



Committed to our suppliers

Suppliers play an important role in business management. It is therefore essential to have partners who can provide Ineco the services required, while maintaining the highest quality standards. It is essential to obtain the commitment of suppliers to achieve the objectives of each project. As such, communication and alignment of the provider strategy with the company is increasingly important.

Ineco, in order to adapt their contracting processes to the international scene, has drafted the General Conditions of Contracting for Mexico and Brazil, ensuring that they are in line with the regulations of each country.



Communication, equality and transparency

The principles that govern Ineco's internal contracting standards are the following:

Principle of advertising

The company upholds this principle by making the General Contracting Terms available on the website; and by publishing procurement processes in the State's Contracting Platform, (www.contrataciondelestado.es), and, where appropriate, also on the Ineco's web, regardless of other additional media for contracting arising from management request.

Principles of competition, equality and non-discrimination

Ineco guarantees free access to its procurement process to any company, starting with the non-discriminatory description of the subject matter of its agreements. It also guarantees equal access for all economic operators in all European Union member states, with the recognition of degrees, certificates and other diplomas from different EU countries.

It is also a fundamental company policy to avoid providing information in a discriminatory manner which could give certain bidders an advantage over others.

Principle of transparency

Ineco meets the requirements of this principle by publishing the Internal Contracting Standards which specify the contracting process used and the award bodies established. It has also published the General Contracting Terms and Conditions applicable to contracts; and sets objective assessment criteria for each specification, in order to always award the most economically advantageous proposal, in accordance with those criteria.

Principle of confidentiality

The guarantee of compliance with this principle is embodied in the confidentiality clause included in the General Contracting Conditions, which, in certain processes, are complemented by specific statements.

Contracting of works, supplies and services in 2015:

The value of subcontracts in 2015 amounted to €78,280,283.08. Internationally, the volume of subcontracts with local suppliers was €13,244,391.06, or 17% of total subcontracts.





Annex I

Balance sheet





Balance sheet

Assets

2015 2014

TOTAL NON-CURRENT ASSETS	17,009,414 €	17,539,017 €
Intangible fixed assets	2,149,735 €	680,951 €
IT applications	2,149,735 €	680,951 €
Tangible fixed assets	9,092,397 €	9,124,918 €
Land and buildings	6,629,590 €	7,019,404 €
Technical installations, machinery, tools, furniture and other tangible assets	2,462,807 €	2,105,514 €
Long term investments in group and other related companies	1,508,925 €	1,508,925 €
Equity instruments	1,508,925 €	1,508,925 €
Long term financial investments	861,700 €	841,441 €
Other financial assets	861,700 €	841,441 €
Deferred tax assets	3,396,657 €	5,382,782 €
CURRENT ASSETS	161.558.167 €	151.278.510 €
Non current assets held for sale	-	-
Inventories	73,831 €	73,831 €
Advances payments to suppliers	73,831 €	73,831 €
Trade debtors and other accounts receivable	104,645,137 €	101,857,699 €
Clients for sales and services rendered	52,843,765 €	70,625,360 €
Clients, group and other related companies	44,643,017 €	27,137,223 €
Sundry receivables	555,355 €	611,765 €
Payroll	621,361 €	104,182 €
Current tax assets	5,981,639 €	3,379,169 €
Short term investments in group and other related companies	73,447 €	32,491 €
Other financial assets	73,447 €	32,491 €
Short-term financial investments	831,293 €	546,401 €
Credits to companies	378,305 €	378,305 €
Debt securities	8,069 €	22,667 €
Derivatives	423,774 €	124,752 €
Other financial assets	21,145 €	20,677 €
Short term accruals and deferrals income	514,836 €	-
Cash and cash equivalents	55,419,623 €	48,768,088 €
Cash	40,419,623 €	38,768,088 €
Cash equivalents	15,000,000 €	10,000,000 €
TOTAL ASSETS	178,567,581 €	168,817,527 €

Net equity and liabilities

2015 2014

TOTAL EQUITY	85,879,117 €	83,586,583 €
Own capital	85,824,559 €	83,521,735 €
Capital	8,250,660 €	8,250,660 €
Subscribed capital	8,250,660 €	8,250,660 €
Share Premium	12,857,007 €	12,857,007 €
Reserves	58,045,121 €	58,045,121 €
Legal and statutory	1,650,132 €	1,650,132 €
Other reserves	56,394,989 €	56,394,989 €
Profit for the year	6,671,771 €	4,368,947 €
Grants, donations and bequests received	54,558 €	64,848 €
TOTAL NON-CURRENT LIABILITIES	1,894,386 €	2,080,230 €
Long term provisions	1,418,954 €	1,553,455 €
Other provisions	1,418,954 €	1,553,455 €
Long term payables	338,968 €	372,543 €
Other financial liabilities	338,968 €	372,543 €
Deferred tax liabilities	136,464 €	154,232 €
TOTAL CURRENT LIABILITIES	90,794,078 €	83,150,714 €
Short term provisions	4,863,875 €	10,881,039 €
Short term payables	512,867 €	461,798 €
Derivatives	423,774 €	292,729 €
Other financial liabilities	89,093 €	169,069 €
Short term payables to group companies and associates	-	36,018 €
Trade creditors and other payables	85,417,336 €	71,771,859 €
Suppliers	16,483,767 €	13,417,562 €
Supplier, group and other related companies	75,050 €	62,064 €
Sundry payables	137,145 €	19,006 €
Payroll (Accrued wages and salaries)	6,065,527 €	4,657,023 €
Other taxes payable	10,170,029 €	7.610.472 €
Advance payments from clients	52,485,818 €	46,005,732 €
Short-term accruals and deferred income	-	-
TOTAL EQUITY AND LIABILITIES	178,567,581 €	168,817,527 €



Annex II

Profit and loss account





Profit and loss account

Continuing operations

	2015	2014
Net revenue:	195,390,772 €	182,460,787 €
Sales	195,390,772 €	182,357,000 €
Services rendered	-	103,787 €
Supplies:	(39,565,747 €)	(34,984,582 €)
Subcontracted works	(39,565,747 €)	(34,984,582 €)
Other operating revenue:	965,129 €	1,483,569 €
Non-core and other current operating revenues	184,560 €	562,557 €
Operating grants released to income for the year	780,569 €	921,012 €
Payroll expenses:	(126,400,147 €)	(119,690,102 €)
Salaries, wages and other similar items	(90,276,932 €)	(84,742,913 €)
Social charges	(35,594,650 €)	(33,278,739 €)
Provisions	(528,565 €)	(1,668,450 €)
Other operating expenses	(23,675,518 €)	(20,993,946 €)
External Services	(18,566,956 €)	(18,558,835 €)
Taxes	(2,037,348 €)	(1,752,857 €)
Losses, impairment and changes in trade provisions	(3,071,214 €)	(682,254 €)
Fixed assets depreciation and amortization	(1,810,612 €)	(1,597,598 €)
Impairment losses and gains/losses on disposal of non current assets	-	-
Impairment and losses	-	-
Other profits	3,225,887 €	208,444 €
OPERATING INCOME	8,129,764 €	6,886,572 €
Financial Income:	233,377 €	717,206 €
From interest in equity instruments	-	-
In group and other related companies	2,961 €	3,119 €
From negotiable instruments and loans on fixed assets	-	-
From third parties	230,416 €	714,087 €
Financial expenses:	(14,700 €)	(116,551 €)
From payables to third parties	(14,700 €)	(116,551 €)
Changes in the fair value of financial instruments	161,788 €	(249,340 €)
Trading book and others	161,788 €	(249,340 €)
Exchange differences	(240,681 €)	973,357 €
FINANCIAL (EXPENSE) INCOME	139,784 €	1,324,672 €
PROFIT BEFORE TAXES	8,269,548 €	8,211,244 €
Corporate income tax	(1,597,777 €)	(3,842,297 €)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	6,671,771 €	4,368,947 €
PROFIT	6,671,771 €	4,368,947 €





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