

**Communication  
on Progress Report  
2015-2016**



Communication  
on Progress Report  
2015-2016

## Renewal of Letter of Commitment

Mr.  
H. E. Ban Ki-Moon  
Secretary General  
United Nations  
New York, NY 100117

Dear Mr. Secretary General,

I am pleased to submit our third 2015-2016 Progress Report, which has posed a new challenge in the practical implementation of the ten Global Compact Principles.

Through this report we wish to renew our commitment to human rights, labor rights, the environment and the prevention of corruption. Our objective is to improve our current levels of sustainability in business management to generate development, both inside and outside our organization.

During the last year, Eurofinsa has carried out a strategic plan that has generated organizational efficiencies by adapting the structure to the new business needs. It is a process of change with direct implications in our abovementioned commitments. The new organizational and corporate structure will allow us to consolidate clear common objectives that reinforce the economic, social and environmental sustainability of our activities and contribute to improving the quality of life of our stakeholders.

I highlight this change process as a means to excellence and continuous improvement, a path that allows us to become an organization committed to quality, understood in its broadest concept, with a focus on environmental impact management.

As of today, we are proud to hold external quality certificates with AENOR that endorse our management. We aim to improve our quality standards and consolidate processes that add value.

Finally, I would like to mention the importance of our human team. This team enables Eurofinsa to be a solid company seeking to optimize the management of the environmental and social impacts of our operations at an international level. Nevertheless, we maintain a special emphasis and focus on emerging markets, where the infrastructure and services we offer are a determining factor for the progress of society as a whole.

Sincerely yours,

  
**Mauricio Toledano**  
Sole Administrator



# Index

» Scope and coverage

5

1. About us

6

2. What we believe in

14

3. Our team

18

4. Our social responsibility policy

22

5. Our commitment to the environment

26

6. Our progress on the 10 Principles of the Global Compact

32

» GRI Table of Indicators

58

## Scope and coverage

This report features the main milestones of economic, social and environmental performance related to the ten Global Compact Principles during the period from 09.01.2015 to 08.31.2016. This is the third edition of our Progress Report and the second including GRI indicators in its G4 version. Its scope includes Eurofinsa's activities in Europe, America, Africa and Asia.

The information contained in this report has been achieved through the joint work of all managements related to the day to day activities of our stakeholders.

# 1. *About us*

Eurofinsa is a business group that has been operating in the market since 1977. In the early days of the business, we focused more on trading projects. Nowadays, however, we have specialized in the development of public works, implementation of construction projects and comprehensive equipment for public institutions.

Eurofinsa is a leading company in the execution of public works and “turnkey - EPC (Engineering Procurement and Construction)” equipment projects and concessions.





## >> About us

- **International Activity** – Eurofinsa’s experience at the international level goes hand in hand with its history, 40 years of know-how in international projects.
- **External Presence** – Thanks to the typology of our projects, Eurofinsa has been implemented in countries of Europe, Africa, Asia, and Latin America, contributing to local development.
- **Strategic Sectors** – Since its inception, the company has acted in key sectors for the development of countries where it operates, such as infrastructures, health, education, civil protection and disaster prevention, telecommunications and transportation, among others.
- **Key Partners** – Both at institutional and private level, Eurofinsa has developed and maintains alliances with leaders who are primarily responsible for territorial development.
- **Acknowledgements** – Throughout its history, Eurofinsa has received several prestigious international awards.

## >> Integration process in 2015 - 2016

During the years 2015 and 2016, Eurofinsa has been undergoing a merger process allowing us to adapt to business needs and to assume our commitments with all stakeholders on a reliable basis.

Our integration has meant the implementation of a new organizational and corporate structure framed within a comprehensive management system.



The result of the integration has meant a simplification of structures, a unification of corporate policies and cultures improving communications with all stakeholders and a better use of our synergies.

The structure of our organization is described as follows:



## » Some of our projects (2015-2016)



### NICARAGUA

- » Collection system for sanitary sewage system



### COSTA RICA

- » Design and construction of the road La Abundancia - Florencia and Radial to Ciudad Quesada, San Carlos road.



### ECUADOR

- » Construction of the bridge over the Daule river.
- » Technological Integration Service for the Collection Operation and Fleet Management- ITOR.



### PERU

- » Management of hospital complexes Guillermo Kaelin de la Fuente and Alberto Leopoldo Barton Thompson, in Lima.
- » Construction of 6 hydroelectric plants in the Ancash region.
- » Construction of school María Auxiliadora at Carhuaz, Ancash, with a 4,500 m² area for educational, administrative and sport purposes for 1,100 students.
- » School Toribio Casanova at Cutervo, Cajamarca, with a 8,210 m² area for educational, administrative and sport purposes.
- » Municipal Coliseum of Barranca (Lima), sports center built in a 10,000 m² area, with capacity for 3,000 people.



### HAITI

- » Construction of schools Liceo Petion and Liceo Toussaint Louverture for training of high school students in the city of Port-au-Prince
- » Rehabilitation of 9 km of the road connecting the airport with the city tourist zone.



### PANAMA

- » Study, design, construction and equipment under the turnkey modality of the hospital Manuel Amador Guarrero (Colón), general hospitals Anita Moreno (Los Santos), Ge Bugaba (Bugoba) and in Matetí (Darién).



### BOLIVIA

- » Asphaltting of the Entre Ríos - Palos Blancos road.



### DOMINICAN REPUBLIC

- » Design, construction and start-up of the following hospitals: Hospital Pediátrico Dr. Hugo Mendoza, Hospital General y Especialidades Dr. Nelson Astacio, Hospital Traumatológico Dr. Ney Arias Lora and Hospital Materno Dr. Reynaldo Almánzar, which form part of the hospital complex Ciudad de la Salud.



### NIGER

- » Construction of the embassy and residence of the Saudi Arabian Ambassador in Niger.



### QATAR

- » Design and construction of the Yacht Club of Lusali.



### CAMEROON

- » Construction of the embassy and residence of the Saudi Arabian Ambassador in Cameroon.



### GHANA

- » Rehabilitation, construction, replacement of equipment and maintenance for the National Health Network.
- » Construction of the embassy and residence of the Ambassador of Saudi Arabia in Ghana.



### ZAMBIA

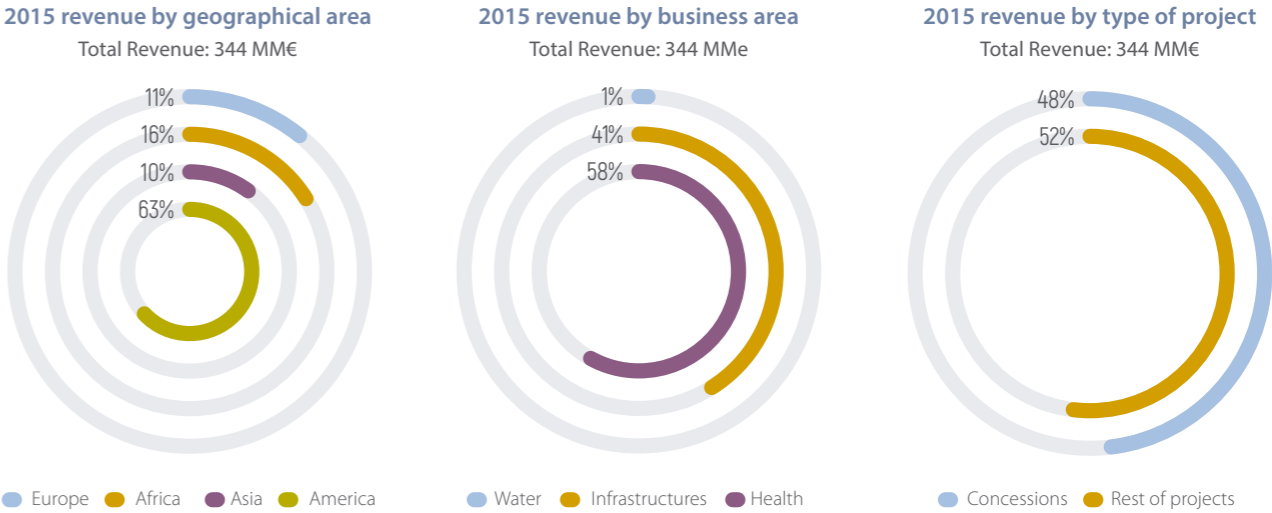
- » Construction of the embassy and residence of the Ambassador of Saudi Arabia in Zambia.

## >> Economic data

The main economic figures for the year 2015 and our projection up to 2018, under conservative forecasts, show the following results:

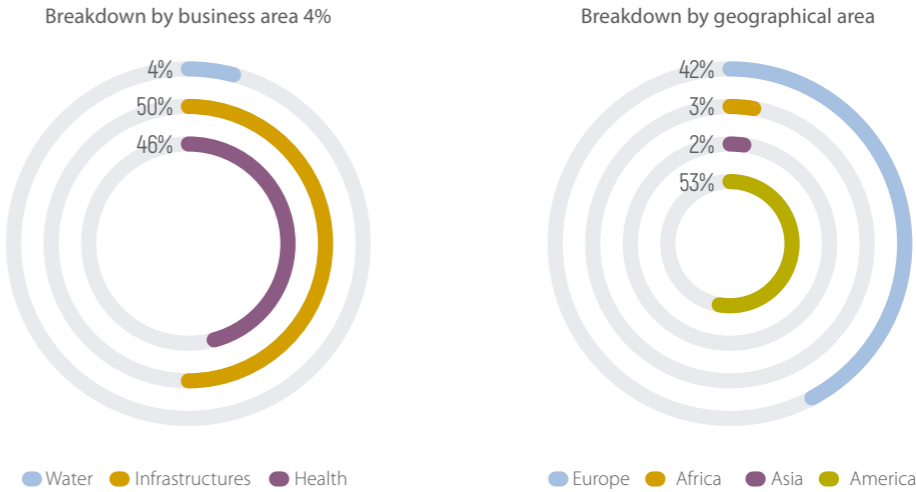
DATA IN MM€	2015	2016	2017	2018
Sales	343.7	365.5	387.3	402.5
% var	10%	6%	6%	4%
Gross margin	103.5	113.3	120.0	124.8
% Margin	30%	31%	31%	31%
Personnel expenses	-39.4	-32.9	-31.0	-32.2
% var	39%	-17%	-6%	4%
% oversales	11%	9%	8%	8%
General expenses	-64.1	-54.8	-58.1	-60.4
% var	-5%	-14%	6%	4%
% oversales	19%	15%	15%	15%
Other income	24.7	0.0	0.0	0.0
Extraordinary result	0.0	0.0	0.0	0.0
EBITDA	24.7	25.6	31.0	32.2
Depreciation on assets	-11.8	-11.0	-11.0	-11.0
Impairments and provisions	-0.1	0.0	0.0	0.0
Other results	-0.3	0.0	0.0	0.0
OPERATING RESULTS	12.5	14.6	20.0	21.2

Our sales in 2015 have grown 10% over the previous year, and have been distributed in all business areas.



We have maintained our position in the construction of infrastructures and projects in the health sector while having increased the activity in water treatment projects and increasing the weight of concessions.

### Portfolio of projects in force 2015



# 2. *What we believe in*

Our **Mission** is to provide comprehensive construction solutions to satisfy the needs of our clients, offering besides design, planning, execution and construction, financing solutions and management of services.



## » Principles, vision and values

The **Principles** governing our mission are as follows:

- We must be efficient and responsible in the use of resources to maximize return on investment capital and to meet financial obligations to our partners and suppliers.
- We consider the articulation of the economic development fundamental, along with social and environmental development in the countries where we operate. Specifically, respect for communities, minimization of environmental impact and creation of local wealth are essential for the success of our projects.

- We are aware that the balanced fulfillment of our economic, social and environmental objectives, based on sustainability criteria are essential to maintain our leadership and for its future reinforcement. Therefore, we integrate social responsibility policies as a fundamental factor of competitiveness and sustainability, intended to be permanent in the markets where we operate.
- We promote public-private partnerships as a formula for the transfer of technology and knowledge, which helps improve the quality of life of communities and strengthens the capacities of public institutions in each country.



Through this strategy, we aim to fulfill our **Vision** of being the international reference in the construction of customized large works, with the highest quality standards and comprehensive service. We intend to be a business group creating infrastructure to improve the quality of life of the communities where we operate, generating local employment, respecting the environment and promoting progress.

Finally, we promote the following **values** towards our stakeholders:

### Excellence

Our daily work aims to gain the trust of our clients offering them a service of excellence that generates long-term relationships.

### Innovation

We promote ongoing improvement and innovation to achieve the highest quality based on profitability criteria and the application of intelligent and eco-efficient technologies.

### Development of human potential

We develop potential and promote talent, providing access to career opportunities based on professional merits. In addition, we encourage teamwork to target common goals that build skills and allow sharing experiences.

In all cases, we invest the necessary resources to ensure that our employees work in a safe and healthy environment, establishing the appropriate measures to provide the best technologies in the field of occupational safety.

Our principles align our workers under the same ethical criteria, respecting their cultural diversity and promote responsible behavior.

### Commitment to society

Our social and environmental commitment is part of our activities from conception to delivery. We respect the environment and communities in the area of influence of our operations.

### Responsibility

We make responsible use of the financial resources of our shareholders, working to maximize the return of their capital and minimize the risks of their investment.

### Ethics

We act with professionalism, integrity and respect to our team members, clients and suppliers, as well as in the development of our commercial activities.

Our professionals are distributed over our headquarters in Madrid and permanent operating offices in Spain, USA, France, Finland, Haiti, Dominican Republic, Peru, Bolivia, Ecuador, Costa Rica, Panama, Nicaragua, Gabon, Angola, Ghana, Nigeria, Zambia, Cameroon, Chad, Guinea Conakry, Niger, Kenya, China, Indonesia, Sri Lanka, Thailand, Saudi Arabia, Kazakhstan, Qatar.

# 3.

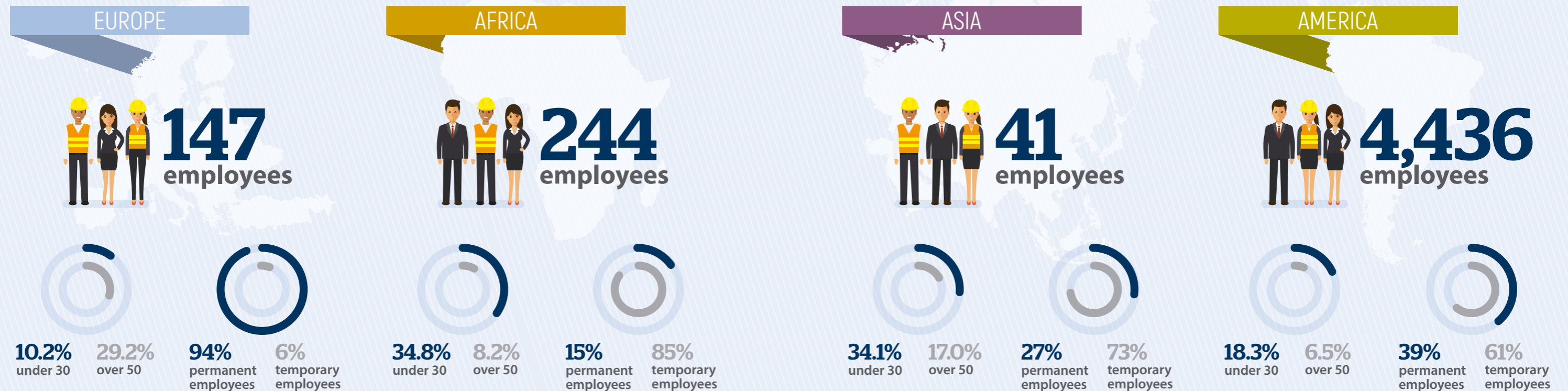
## *Our team* G4-10

Our team is essential to the success of our projects. The main objectives of the Human Resources Management is to be able to rely on a highly qualified and motivated team to positively face the challenges posed by each project and offer each employee the necessary tools allowing them to develop their potential and guarantee their safety and health.

## >> Our diversity G4-EC6 G4-LA12.b

At Eurofinsa we are committed to engage top level professionals in any country where we operate. The Human Resources area fosters the promotion and internal development of professionals around the world. We monitor local and international professional development and implement rigorous selection processes allowing us to attract those profiles that are most aligned with our quality values and teamwork.

The identification of training opportunities allows preparing an annual training plan that is ahead of market demands. The design of the global training plans covers technical aspects as well as competence and, in particular, aspects related to occupational health and safety, which made it possible to obtain the OHSAS 18001 certification.



## Career Opportunities

Our business model has enabled us to develop projects on four continents. This has given us the possibility to offer our employees opportunities for professional development inside and outside their home countries, and to work in multidisciplinary and multicultural teams. Throughout 2015 and 2016 we have moved 112 of our professionals to projects in countries such as Peru, Bolivia, Costa Rica, Ecuador, Panama,

Nicaragua, Haiti, Qatar, Nigeria, Indonesia, Chad, Kenya, Ghana, Gabon, Angola, Cameroon, Niger, Guinea Conakry, Zambia, Sri Lanka, Saudi Arabia and Thailand. This has provided us and our employees with a unique experience of technical learning, socio-cultural integration and strengthening relationships between our local and international professionals.

Moreover, we have conducted a course on "Training for the management and protection of expatriate personnel" in order to develop a good international mobility policy in important aspects, both on a personal level as for health and travel assistance, legal-labor and taxation of our expats.



4.

# *Our policy* G4-56 *on social responsibility*

At Eurofinsa, we invest in social welfare in the countries where we operate. Our focus is on the impact on people's quality of life, social development and environmental improvement in local communities. At Eurofinsa, we are proud of the positive effects our projects have on society.

## >> How we relate to others

Social responsibility policies focus on 9 key objectives:

- 1.To respect applicable current legislation in the countries in which we operate, complementarily adopting international standards such as the ILO Conventions, in places where is no legislation guaranteeing the application of our principles and values.
- 2.To adopt corporate governance practices in line with internationally recognized good governance recommendations, based on transparency and mutual trust with partners and investors.
- 3.To support the development of policies and procedures for the management of labor relations based on equal opportunities, non-discrimination and respect for diversity. In addition, provide a healthy and safe working environment for our employees.
- 4.To respect human rights and labor rights, as established in our Code of Conduct.
- 5.To establish transparent relationships with all our suppliers, fostering the improvement of their capacities and their quality and service level. Moreover, we are committed to transmitting our social and environmental

responsibility policies along the value chain, to boost its multiplier effect and the positive impact of our operations, based on a selection and recruitment process that prioritizes responsible management.

- 6.To promote a culture of respect for the environment and biodiversity, minimizing the environmental impact of our activity in all phases of our projects.
- 7.To reject corruption in whatever form, not allowing the company nor any of its employees to obtain illegal advantages that do not respect the rules of transparency and free competition.
- 8.To promote dialogue with different stakeholders in order to achieve a balance between our business objectives and social expectations, through responsible communication with local communities and other groups related to our activities.
- 9.To provide relevant and truthful information on the main activities carried out, submitting them to internal and third party verification processes guaranteeing their reliability.

## >> Our stakeholders

While at Eurofinsa we have decided to prioritize our efforts on direct stakeholders, we consider relating to other groups that are also involved in the development of our activity equally important:



DIRECT STAKEHOLDERS

- 1 Employees
- 2 Business clients and partners
- 3 Suppliers
- 4 Subcontracts
- 5 Environment
- 6 Communities

INDIRECT STAKEHOLDERS

- Public entities
- Media
- Academic and health institutions
- Business associations
- Non-profit entities
- Civil society

A group of young African children in school uniforms. The girl in the foreground is shouting joyfully with her mouth wide open. She has white flower-shaped hair clips in her braids. Other children are visible in the background, also in school uniforms.

# 5.

## ***Our commitment to the environment***

Our social impact reaches many vulnerable groups around the world who benefit from the actions we undertake aimed to improve their living conditions.

## >> Social action

As part of our social responsibility management, we carry out social action activities focused on promoting social and labor insertion of people with disabilities, promoting health and education and, in general, improving access to services allowing developing the potential of people and improving their quality of life.

Besides working with locally based suppliers and employees, we make contributions to entities that are committed to our values.



SPAIN



### Disability

We support the activities of the Special Education and Sport Centers of the Fundación También, a non-profit organization that works since 2001 on the social integration of people with disabilities through adapted sport, especially thinking of children. In this way, we provide the adapted material, the necessary logistics and the economic means covering the expenses of courses, trips and activities for people with different abilities.



PANAMA



### Sport and children

A new edition of the "IBT Group Cup" has been held, a football tournament organized by the Asociación Pro Rescate de la Niñez (Association for the Rescue of Children and Youth) in which children from the Chorrillo neighborhood and other sectors of Panama City participate.

Sponsored by two of the participating teams, it seeks to encourage children to practice sports as a healthy habit.

COSTA RICA



### Child protection

Eurofinsa has contributed to the Child Sexual Abuse Prevention Program (PASI, according to the Spanish acronym) in three schools: Cedral, Concepción and El Carmen, located in the district of Quesada, canton of San Carlos and province of Alajuela, serving almost 900 children between the ages of 5 and 11, in many cases coming from highly vulnerable immigrant families. The program includes actions aimed at children and educators to prevent abuse by enhancing their self-esteem, improving their quality of life and emotional integrity.



LATIN AMERICA



### Collaboration with the Order of Malta

Once again and since 2006, Eurofinsa has collaborated with the social work of the Order of Malta, whose medical, social and humanitarian projects continue to grow in different Latin American countries in order to improve the quality of life of people at risk of social exclusion and vulnerability.





## Disability

Two years ago, we started with the recruitment of people with disabilities and / or reduced mobility in the patient care and information unit of hospital complexes Alberto Leopoldo Barton Thompson and Guillermo Kaelin de la Fuente. These facilities provide information and guidance to our patients, both in person and by phone, and work together with the DKV Foundation, specialized in labor integration of people with different abilities. At the moment, recruitment has also spread out to other hospital units, and our goal is to continue expanding professional profiles, positions and amount of people with disabilities in our workforce.



## Health

Through our hospitals Guillermo Kaelin de la Fuente and Alberto Leopoldo Barton Thompson, we periodically promote the participation of our health professionals in lectures to increase awareness, training workshops and preventive campaigns on high incidence issues among the population: breastfeeding, renal health, chronic diseases, HIV, family planning and tuberculosis, among others. In addition, we make alliances with public institutions to promote preventive campaigns of social problems that concern the State, who share our commitment to the welfare of the community:

- National campaign against femicide “No te calles (Do not keep quiet),” together with the Ministry of Women and Social Development, which was attended by 72 hospital patients, previously identified by the social area.
- National campaign against violence “Basta de violencia (Enough violence),” together with the Ministry of Justice and Human Rights, in which 114 hospital patients participated and were advised by social workers on how to act in situations of violence.

## Cancer patients

We support the Frieda Heller shelter of the Peruvian Cancer Foundation which houses low-income cancer patients and their families coming from provinces during their treatment in Lima, covering part of their annual expenses as to lodging and personal hygiene.

Respect for and dialog with communities, labor integration for disabled professionals and the advancement of health and education are the cornerstones of our social action.

## Education

We continue to support the Pachacutec Foundation and its professional training center in Ventanilla (Lima) in the Christmas campaign organized by its Bakery and Pastry Training Center students.

## Environment

Since early 2015, as part of our commitment to the environment, we have collaborated with the NGO Ciudad Saludable (Healthy City) for the recycling of recoverable solid waste generated in our hospital complexes, thus contributing to the support and training program to families of recyclers who tend to be socially excluded in the country.

## Community relations

Our subsidiary Hydrika has recently signed the Social Support Agreement with the Peasant Community of Pallasca formed by 300 community members who live at 3,131 masl in the province of Ancash. Our objective is to contribute to the socio-economic development of the direct area of influence of the Hydrika 6 electric energy project, in line with our policy of social responsibility, based on a community relations management contributing to the improvement of the quality of life of the local population.

One of the main elements of this agreement is to support the improvement and rehabilitation of the sawmill production project which belongs to the community. This project aims to increase the productivity and commercialization of their wood. To this end, we have facilitated contacts with public and private organizations, requesting advice for reforestation and improvement of machinery and facilities.

Moreover, we are working with the community of Pampas, where 5 hydroelectric plants will be built, to identify the needs and listen to the expectations of the population, so that we can sign a social support agreement to ensure a mutually beneficial relationship.



6.

10

## Our Progress as to the Global Compact Principles

The ten Principles of the Global Compact are based on Universal Declarations and Conventions applied in four areas:



### Human rights

#### 1° PRINCIPLE

Companies must support and respect the protection of internationally recognized fundamental human rights, within their sphere of influence.

#### 2° PRINCIPLE

Entities must ensure that their companies are not complicit in human rights abuses.



### Labor standards

#### 3° PRINCIPLE

Entities should support the freedom of affiliation and the effective recognition of the right to collective bargaining.

#### 4° PRINCIPLE

Entities should support the elimination of all forms of forced labor performed under duress.

#### 5° PRINCIPLE

Entities should support the eradication of all forms of forced child labor.

#### 6° PRINCIPLE

Institutions should support the abolition of discrimination in employment and occupation.



### Environment

#### 7° PRINCIPLE

Institutions should maintain a precautionary approach favoring the environment.

#### 8° PRINCIPLE

Entities should encourage initiatives that promote greater environmental responsibility.

#### 9° PRINCIPLE

Entities should promote the development and diffusion of technologies respecting the environment.



### Anticorruption

#### 10° PRINCIPLE

Entities must work against corruption in all its forms, including extortion and bribery.



## >> Executive summary

Eurofinsa S.A. joined the Spanish Global Compact Network in December 2013. This document is the third Progress Report submitted by the company since its membership and covers activities carried out directly by the company from September 2015 to August 2016. The Progress Report will be publicly available through the mechanisms of the Global Compact and the Spanish Global Compact Network. It will also be available on Eurofinsa's corporate website ([www.eurofinsa.com](http://www.eurofinsa.com)), and will be distributed both electronically and in paper form to its relevant stakeholders.



### Human rights

#### 1° PRINCIPLE

Under our **CSR Plan**, **9 face-to-face workshops** were held in **3 countries** for **123 executives** and for 20 employees over a total time period of **242 hours**. Practical exercises were conducted on the implementation of the Code of Conduct and the principles of the Global Compact, solving ethical dilemmas related to their work.

We have achieved our goal of making our Code of Conduct known to 100% of employees in all countries where we operate, in Spanish, English, French and Portuguese.

We continue to expand our model of labor integration, together with the DKV Foundation, in the health centers we manage in Peru, increasing the recruitment of people with different abilities.

#### 2° PRINCIPLE

At Eurofinsa we have a supplier validation procedure in the Construction Projects Area as a key instrument to ensure the alignment of the supply chain with the values, policies, procedures and standards of the company. Over the 2015-16 period, **we have validated 147 suppliers of Spanish origin**.



### Labor standards

#### 3° PRINCIPLE

After the merger, we have obtained the certification of our Integrated Management System (IMS) in Spain, thus extending the scope of the Communication, Participation and Consultation Procedure of Ceinsa Contratas and Ingeniería S.A. to all the companies merged with Eurofinsa throughout Spanish territory. This procedure receives, documents and responds to communications concerning the quality, environment and safety and health of workers, both internal and external.

#### 4° PRINCIPLE

Our Code of Conduct, available to all our stakeholders, expressly prohibits forced labor in any form. All our employees must be familiar with it and they will have direct access to us to raise any related inquiries.

#### 5° PRINCIPLE

In Spain, we apply a Procurement and Subcontracting Procedure determining the coordination with our contractors, which demands the submission of a copy of the national identity document of each worker in order to verify his age.

At the international level, our Code of Conduct prohibits hiring minors by suppliers, contractors and collaborating companies.

#### 6° PRINCIPLE

We have **57 professionals** with disabilities in the areas of Reports, Admission, Nursing, Home Care, Occupational Therapy and Security in the health centers in Peru where we are concessionaires.

Our organization promotes diversity, and women account for **53.2%** or **2,588** of the total number of employees. At the managerial level, we have 17 women, or **41.4%** of the total. **61.4%** of them have a permanent contract.

We believe in training as the best way to develop professional potential. We have achieved **22,566 hours of training** at the global level.



### Environment

#### 7° PRINCIPLE

We have succeeded in including all the merged companies in 2015 within our IMS in Spain.

Despite the increase in the attendance of our sanitary concessions business in Peru, we have reduced the consumption of liquefied gas by **22%** and water by **1.5%** and we are studying how to improve our electrical efficiency.

#### 8° PRINCIPLE

We have developed the online program **"Training in Good Environmental Practices"**, to promote a culture of environmental protection at work, including the 3 principles of the Global Compact dealing with prevention and environmental responsibility, and the development and diffusion of clean technologies. The course was conducted by **109 employees, of which 11 were executives**.

The collection of cardboard, paper, and hard plastic in the hospitals Alberto Leopoldo Barton Thompson and Guillermo Kaelin de la Fuente is carried out by Ciudad Saludable, an NGO devoted to improving the quality of life and the formalization of Peruvian recyclers. We recycled **66,235 kg** of cardboard/paper, equivalent to 673 trees, and **6,668 kg** plastic, saving 589,135 liters of water and 37 tons of CO2.

#### 9° PRINCIPLE

We have received the R + D + i Certification issued by ENAC (National Certification Body) in Spain for three projects directly related to energy efficiency and protection against climate change and other effects affecting human health and the sustainability of the planet.



### Anticorruption

#### 10° PRINCIPLE

The Code of Conduct allows our employees to consult doubts or suggest improvements in the internal control systems or point out risky behaviors. We thus allow the organization to be informed, in a confidential way, of conducts that go against the principles and values of our Code. These allegations are evaluated by the **Response Committee**, made up of executives from the different specialized areas.



## HUMAN RIGHTS

## LABOR STANDARDS

## ENVIRONMENT

## ANTICORRUPTION



## Human rights

1°  
PRINCIPLE

Companies must support and respect the protection of fundamental human rights, recognized internationally, within their sphere of influence.

## Ethical behavior

All actions of Eurofinsa and our employees must respect at all times the human rights included in the Universal Declaration of the United Nations, both in our relationship with our employees and our employees. In this regard, we actively promote the following principles:

- Equal opportunities.
- Non-discrimination.
- Promotion of talent and professional and personal development.
- Safety and health at work.
- Eradication of child labor and forced labor.
- Dialogue with local communities and respect for their environment and culture.
- Corruption and fraud prevention.

## Human resources

Our team is characterized by values such as tenacity, courage, commitment and teamwork. This allows us to develop complex projects in several countries, especially in emerging ones.

From the Human Resources corporate area, we strive to develop professionals internationally, providing them with opportunities and training.

The Recruitment and Selection area provides direct support with the development and retention of talent. The joint work of both areas allows identifying vacancies giving priority to internal profiles. The premises of a selection process are:

- Respect equal opportunities and reject any discriminatory behavior based on race, color, age, sex, ideology, political opinions, nationality, religion

or any other personal, physical or social condition, as established in the Code of Conduct.

- Respect local and international legislation on non-discrimination, motivating and training our staff recruiters to apply these principles in all their actions.
- Promote open selection processes including all the people that match the professional profile requested, without exclusions that could limit the opportunity of participation of the candidates to the selection.
- Apply objective criteria of merits and capacities in the selection, and guarantee a fair treatment throughout the process.

- Properly manage the confidentiality of candidates' personal data as well as all the information obtained during interviews. Respect the regulations on data protection in terms provided by legislation.

The Code of Conduct was approved by the Eurofinsa Management in 2012. It specifically expresses our commitment to strict respect for human rights and public freedoms, in accordance with internationally accepted laws and practices. Among the standards we refer to are the International Charter of Human Rights or the ILO fundamental Conventions on labor practices.



Training in ethics and human rights

G4-HR2, G4- 57, G4- 58, G4- SO4

Within our internal training plans, we have given continuity to the **Social Responsibility Training Plan** that we started for the first time in 2015, and which has continued throughout 2016.

Three face-to-face workshops were held in Spain, six in Peru and one in Panama, where senior management

members, middle managers and employees, both from the administrative area and field projects, shared their experiences and participated in practical exercises on the application of the Code of Conduct and the principles of the Global Compact, based on the resolution of ethical dilemmas related to their work.

Content of the CSR workshops

TOPICS	CONTENT	RESULTS
<b>MODULE I</b> Corporate Social Responsibility Eurofinsa	I. Definition of CSR II. Description of the functions of the CSR Area III. Activities carried out by the Area IV. Social action of the Eurofinsa Group around the world	Attendees understand the company's current framework, its priorities and objectives and the effort the company makes to engage with the social environment in the countries where it operates.
<b>MODULE II</b> Code of Conduct and Response Committee	I. What is a Code of Conduct and what is it for? II. Content of the Eurofinsa Code of Conduct III. Practical application cases IV. The Response Committee	Participants are aware of the existence of an instrument regulating and defining responsibilities as to the relationships between our employees and executives towards clients, suppliers and public entities, among others. Another achievement was that participants became aware of the consequences of breaching this Code. Moreover, they will know how to inform the company about situations compromising their commitment as well as the reputation of the company.
<b>MODULE III</b> The CSR Manual at Eurofinsa	I. Objectives of the Manual II. Content	The CSR Manual will be presented defining our commitment to ethical principles and respect for people, society and the environment, while establishing management guidelines that complement corporate objectives, policies and values established in the Code of Conduct. The social investment criteria of the company will be explained as well as the last social actions carried out in the different countries where it operates.
<b>MODULE IV</b> CSR reporting system based on GRI indicators	I. Can CSR be measured? II. How is it measured? III. What is it measured for? IV. Indicator templates	Employees are exposed to how CSR is measured, what the objectives of that measurement are and how information allows us to set goals for improvement to compare ourselves with other companies and industries, and to be more effective in managing the social and environmental impacts of our activity.
<b>MODULE V</b>	Practical community management cases aimed to obtain the Social License in construction projects in emerging countries.	The theory about CSR will be contrasted against the reality faced by our field staff in managing a construction project and the challenges of working in territories with complex socio-economic situations.
<b>DOUBTS AND QUESTIONS</b>		There is a space to ask final questions in order to clarify doubts and the contact info of the RS Area is provided to stay in touch.

G4- 57, G4- 58

In all training activities related to social responsibility, a reminder is made on how the **Response Committee** is a communication channel between the company and its employees and ready to receive any queries regarding any situation of potential non-compliance with the requirements of the Code of Conduct. This includes queries relating to human rights, both as to the relationship among employees and executives, as those toward suppliers, public entities, customers and any other stakeholder directly or indirectly involved in the development of our business.

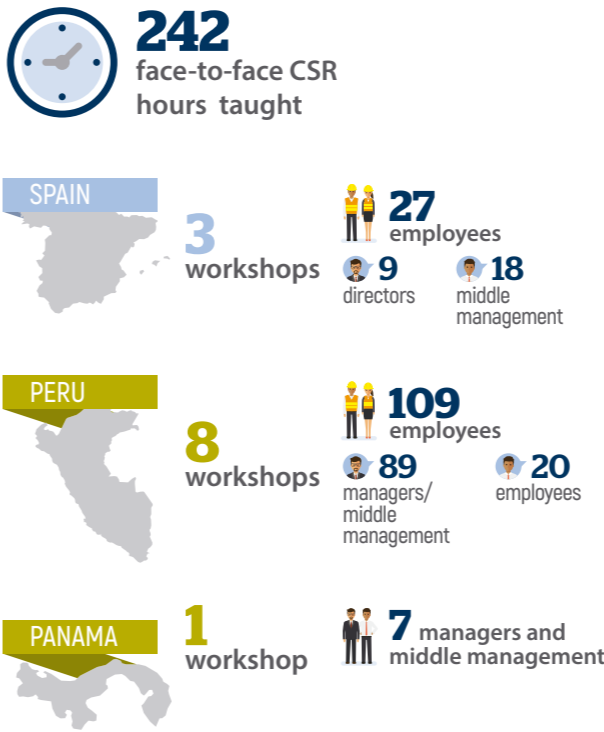
Active policies in favor of human rights

We have completed our goal of making our Code of Conduct known to 100% of our employees in all countries where we operate, in Spanish, English, French and Portuguese.

Finally, we continue to work to expand our model of labor inclusion for people with disabilities, in collaboration with the DKV Foundation, in the health centers we manage in Peru.

Objectives to improve the implementation of Principle 1

- Continue to monitor the delivery and knowledge of the Code of Conduct to 100% of employees and, in particular, new employees.
- Continue updating and expanding the Social Responsibility Training Program within corporate training programs, including a specific module on human rights.
- Continue to guarantee safe and healthy working conditions for our employees, with special emphasis on the monitoring of working conditions in projects carried out in countries with lower safety and occupational health standards.



2°  
PRINCIPLE

Entities must ensure that their companies are not complicit in the violation of Human Rights.

Commitment of the Management

Respect for human rights is a commitment adopted by the Eurofinsa Management, who has undersigned a statement to the effect that everyone in our organization, irrespective of their responsibility, position and physical location within the organization, must govern their professional activity by the highest ethical standards of responsibility and integrity. Moreover, we are all aware that the supply chain is key to making our sustainability commitments effective and visible. Therefore, we are committed to that the principles and guidelines in this matter are known and fulfilled, also by our suppliers, contractors and collaborators in general.

To this end, we continue to work on including the Code of Conduct and its acceptance by suppliers in all our contracts, in order to ensure respect for the same principles, both nationally and internationally.

Evaluation of suppliers and indicators

Eurofinsa has a procedure for the validation of suppliers in the area of Construction Projects as a key instrument to ensure the alignment of the supply chain with our values, policies, procedures and standards. Moreover, we have a procurement and subcontracting procedure that ensures equal opportunities, applying objectivity and impartiality terms in their relations with suppliers, with mechanisms to eliminate the risk of fraud during the bidding process.

Currently, our supplier validation procedure is aimed at suppliers of Spanish origin. The results obtained after such validation have been as follows:

G4- HR10, G4- HR11

Number of supplier evaluations

EVALUATION RESULTS	2015	2016 (01/01-31/08)
Validated	106	36
Up to a stricter evaluation	4	1
Not validated	0	0

Objectives to improve the implementation of Principle 2

- Eurofinsa Management shall safeguard the compliance of the Code of Conduct through its country responsables. Management shall assume follow up and control of the Code's application by our suppliers at international level in case of new projects implying external collaboration.

We are committed to manage our professional activity under the highest ethical standards of responsibility and integrity toward our employees, suppliers and subcontractors.





# abor standards

## 3° PRINCIPLE

Entities should support the freedom of affiliation and the effective recognition of the right to collective bargaining.

### Respect toward labor rights

Relations between Eurofinsa and our employees are based on full compliance with current applicable legislation in each country as well as international agreements and other legal and regulatory labor provisions.

We guarantee the rights of our workers such as freedom of association and bargaining in all countries where we operate, both on an individual and collective basis.

### Communication channel on breach of the Code of Conduct

#### G4- HR4

We do not admit practices contrary to the respect of labor rights within our organization, either by our suppliers, contractors or collaborating companies in general. This commitment is specifically reflected in our Code of Conduct that governs our actions, which includes an email address as one of the communication channels to forward any concerns or suggestions from

our employees, addressed on a strict confidential basis by the **Response Committee**.

### Communications in the Eurofinsa Integrated Management System (IMS)

#### G4-LA4

Thanks to the integration process carried out in November 2015, we have successfully passed the certification process of our integrated management system in Spain, which has allowed us to expand the scope of Communications, Participation and Consultation Procedure of Ceinsa Contratas e Ingeniería S.A. to all the companies merged with Eurofinsa within the Spanish territory. This procedure receives, documents and responds to communications concerning quality, environment and worker's safety and health, both on an internal and external basis.

The main issues on which we carry out internal communications to facilitate workers' participation and consultation are:

- Planning and organization of work in the company and introduction of new technologies, in all matters involving any consequences they may bring forth for the safety and health of workers. These may range from the equipment's choice, determination and adequacy of working conditions to the impact of environmental factors on the job.
- Organization and development of health protection activities and prevention of occupational risks in the company, including the appointment of workers in charge of such activities or the hiring of external prevention services.
- Appointment of workers in charge of emergency measures.
- Planning as well as organization of preventive training.
- Any other action that could significantly affect workers' safety and health.

Registration of these mails is done in IMS formats available both at the works and in the office.

Preventive participation and consultation is carried out through the Officer in charge of Processes, who

acts as liaison in these matters between the company and workers.

The communication channels available for this type of information are the same as for all other issues, that is, emails or the common Eurofinsa server.

### Objectives to improve the implementation of Principle 3

- In 2017 we aim to carry out **performance evaluations** on all our employees in Peru, where almost 72% of our workforce is concentrated worldwide. Likewise, we are planning to carry out **labor climate surveys** among all these employees, which will be a sample of **3,487** workers who will give us very important information to establish actions to improve our human resource management, essential for our company.

4°  
PRINCIPLE

Entities should support the elimination of all forms of forced labor or performed under duress.

5°  
PRINCIPLE

Entities should support the elimination of child labor.

G4- HR6

The risk of noncompliance with the elimination of forced labor is low in OECD countries, since they have a strict legal framework as to the protection of labor rights. One example is Spain, where our headquarters are located.

However, given the nature of our projects focused on developing infrastructure construction and management projects, which are essential for the quality of life and safety of citizens, our activity has been growing in emerging countries, where vulnerability situations of fundamental rights still exist. We are therefore aware that we must manage this risk based on the principle of prevention, communication, training of our workers and immediate decision making in case of non-compliance.

Our Code of Conduct, made known to both our employees and suppliers, ensures compliance with the labor provisions contained in the fundamental Conventions of the International Labor Organization and does not, under any circumstances, allow child labor and any form of forced labor.

During 2015 and 2016, we have reviewed the implementation of our Code of Conduct, ensuring

that all our employees have received it and can communicate with us through the channel established to that end should they wish to raise any questions or queries regarding its use and report any non-compliance. Likewise, this Code is available to all our stakeholders through our website.

In order to reinforce our collaborators' awareness and capacity for action, we have prepared the 2015-2016 Training Plan in Social Responsibility.

Objectives to improve the implementation of Principle 4

- To continue to ensure compliance with international labor organization conventions related to forced labor, as well as with applicable national legislation and regulations, always supporting the most demanding standard.

G4- HR5

Child employment is not a risk at Eurofinsa headquarters or at our commercial and representative offices. We do not have children under 18 years of age in our workforce, even in those countries where local legislation allows labor as of the age of 15. However, we are aware of the possibility of some case arising at the level of suppliers and subcontractors, given the cultural and geographical diversity of our projects. In order to prevent such situations, the Procurement and Subcontracting Procedure of Eurofinsa in Spain established that all work site administrators send the corresponding documentation of each worker before being hired in order to formalize their employment. Among the documents to be submitted is the national identity document of each worker in order to verify their age.

Our Code of Conduct establishes that hiring of minors by suppliers, subcontractors or collaborating companies in general will not be permitted. Among the standards that the organization takes as a reference is the International Charter of Human Rights and the fundamental ILO conventions on child labor.

In case any worker, regardless of the position he occupies in the company, is aware of malpractices violating this principle, he has the duty and required mechanism to inform the organization, in good faith, confidentially and without fear of retribution, through the corresponding communication channels established by the Code of Conduct.

Objectives to improve the implementation of Principle 5

- To continue to ensure compliance with the Code of Conduct which explicitly prohibits the recruitment of minors by our company. Likewise, this requirement should also be transferred down to our suppliers and subcontractors through the respective contracts.

6°

PRINCIPLE

Entities should support the abolition of discrimination in employment and occupation.

Our Code of Conduct clearly states that we do not tolerate discrimination in any of its forms: either by gender, race, sexual orientation, religious beliefs, political opinions, nationality, social origin, disability or any other related characteristics.

We have a very special commitment to the employment inclusion of people with some type of disability, especially in countries where such integration is not a widespread practice in the private sector. In this context, we are proud of the work being carried out by our **57 professionals** with different skills in the areas of Reports, Admissions, Nursing, Home Care, Occupational Therapy and Security in our health centers in Peru.

In the company as a whole, women represent **53.2%** or **2,588** of the total number of employees. At the managerial level, we have a total of **17** women, which represent **41.4%** of the total. It should be noted that **61.4%** of our employees have a permanent contract.

At Eurofinsa, we firmly believe that training is the best way to develop the human potential of our employees and to provide them with the same opportunities for career advancement. We have thus carried out **22,566** hours of training worldwide, spread over the following topics:

COUNTRY	SAFETY AND HEALTH	ENVIRONMENT	CSR	LANGUAGES	IT	EXPAT MANAGMT	HEALTH SUPPORT MANAGMT	PERSONAL ABILITIES	OTHERS
Ecuador	23	21	0	0	0	0	0	0	0
Panama	252	100	14	0	0	0	0	0	210
Miami	0	0	0	0	0	0	0	0	0
Spain	280	850	40	3,354	1,193	40	0	0	0
Peru	3,474	745	188	0	468	0	12,316	339	0
Dominican Republic	4	8	0	0	0	0	0	0	33
TOTAL							22,566		



Objectives to improve the implementation of Principle 6

- Carry out an annual Social Responsibility Plan with specific objectives focused on generating a positive social impact on our employees and the communities surrounding our projects.
- Continue to support the recruitment of personnel with disabilities, especially in countries where pronounced difficulties exist for their integration into employment.

We do not tolerate discrimination by gender, race, sexual orientation, religious beliefs, political opinions, or any other personal characteristic.

HUMAN RIGHTS

LABOR STANDARDS

ENVIRONMENT

ANTICORRUPTION



Environment

7° PRINCIPLE

Entities must maintain a preventive approach favoring the environment.

On November 5, 2015, our company Eurofinsa S.A. agreed to merge with Ceddex Construcciones Ingeniería y Proyectos S.A., Teknorail Systems S.A., Ceinsa Contratas e ingeniería S.A., Seta Proyectos Internacionales S.L., Empresa Mercantil Exportadora S.A., Ceinsa Desarrollos

y Proyectos S.L. and Ceinsa Contratas e Ingeniería Inmobiliaria S.L. After this merger, we have succeeded in including all the merged companies within our Integrated Management System (IMS) in Spain.



We seek to achieve the highest standards based on the responsible management of all our processes, especially those related to the safety and health of our workers, the service offered to our customers and our environmental impact.



G4-EN6

COMPANIES	CERTIFIED STANDARDS	OFFICIAL CERTIFYING AGENCY	SCOPE COUNTRY	SCOPE - ACTIVITY	DATES	
					ISSUANCE	EXPIRATION
	ISO 9001:2008					14.09.2018
EUROFINSA S.A.	ISO 14001:2004	AENOR	Spain	Construction of the following types of works: earthworks and perforations; bridges, viaducts and major structures; buildings, hydraulics; roads, tracks, transport of oil products and gas; water treatment stations; electrical and mechanical installations; probes, injections and piling, painting and metallization, gardening and planting.	28.05.16	14.09.2018
	OHSAS 18001:2007					28.05.2019

The construction and equipment of the hospital complexes Alberto Leopoldo Barton Thompson and Guillermo Kaelin de la Fuente required an investment of around USD50 million, which were financed by Eurofinsa in 2014. Both complexes have since been managed under the Public Private Partnership (APP, according to the Spanish acronym modality, allowing the Peruvian State to improve its infrastructure and health services, in line with a new pioneer initiative in Latin America.

Within the health services management, we include an ongoing effort in optimizing the use of natural resources and responsible processing of the waste they generate. Within the hospital waste management plan, we take into account the internal management of waste, that is, the classification at the point of generation, its internal collection cycle, its provisional storage and finally, its final storage in a specifically designed site within our facilities.

On the other hand, we assume the external management of waste, that is, segregating the course and treatment of waste according to its classification, and transporting it from the hospital to its final disposal in landfills authorized to that end.

The use of natural resources such as water, electricity and oil products are unavoidable in the management of health centers. However, we regularly evaluate opportunities to reduce consumption, in order to minimize our environmental impact

Major consumption indicators of our health centers in Peru, from September 2015 to August 2016, were as follows:

G4- EN3, G4- EN8

Major resource consumption indicators in health centers in Peru

USED RESOURCES	SEPT14-AGO15	SEPT15-AGO16	EVOLUCIÓN
ELECTRICITY			
Active energy (Kw.h)	11'338,884	11'391,748	0.47%
OIL PRODUCTS			
Diesel (Gln)	68,800	71,000	3.20%
GLP (Gln)	8,800	6,850	-22.16%
WATER (m3)			
Water	99,755	98,183	-1.58%

We have not received any fine during the scope of this report, related to non-compliance with environmental legislation or regulations.

Our hospital waste management plan takes into account both internal and external management, covering the whole cycle from its generation to its final disposal.



Objectives to improve the implementation of Principle 7

- Continue working to ensure strict compliance with environmental legislation in all countries where we operate.
- Continue to raise awareness among our staff and external collaborators to achieve greater energy efficiency and water use, better segregation of materials and greater recycling volume in the health centers we manage. In addition, to promote and expand the use of virtual documents.
- Obtain the ISO9001 certification for the services involving sterilization, logistics, pharmacy and purchasing of the two hospitals we manage in Peru.
- Expand the geographical scope of some of our certifications.

8°

PRINCIPLE

Entities should encourage initiatives promoting greater environmental responsibility.

During 2015 we have developed the **“Training in Good Environmental Practices”** program, with the aim of promoting and encouraging a culture of environmental protection within the scope of work, which includes essential concepts on sustainable development, environmental legal regulations, good practices and environmental management systems. We have also included a specific module explaining to our employees the content and importance of the 3 Global Compact principles referring to prevention and environmental responsibility, and to the development and diffusion of clean technologies. This has been an online course and was attended **by 109 employees, of which 11 are members** of the Eurofinsa management.

The hospitals we manage, Alberto Leopoldo Barton Thompson and Guillermo Kaelin de la Fuente work together with Ciudad Saludable, a non-profit association whose aim is to build healthy, inclusive cities allowing equal opportunities. To this end, we have built a new environmental solid waste management model improving the quality of life and development opportunities of recyclers in Peru. The agreement consists in donating all the generated paper, cardboard and plastic to the association for its collection, recycling and commercialization thus allowing to finance their programmed social activities.

G4- EN27, G4- EN28

RECYCLED MATERIALS IN HOSPITALS AND POLYCLINICS IN LIMA	2015	2016	EVOLUTION
Cardboard and paper	39,546	66,235	67.49%
Hard plastic	8,338	6,668	-20.03%

We have worked to improve purchasing and stock policies, increasing the amount of paper and cardboard available at the collection points. Recycled cardboard and paper between 2015 and 2016 has been equal to logging 673 trees, while plastic has saved 589,135 liters of water and 37 tons of CO<sub>2</sub>.

The generated hospital waste over the period September 2015 – August 2016 has been as follows:

G4- EN23

WASTE GENERATED IN HOSPITALS AND POLYCLINICS IN LIMA	SEPT14-AGO15	SEPT15-AGO16	EVOLUTION
TYPE OF WASTE (KG)			
Bio-contaminated	461,485	590,986	28.06%
Specials	6,724	12,836	90.89%
Sharp waste container box	14,685	24,214	30.05%
Sharp waste	17,091	22,798	33.39%
Common	226,665	372,485	64.33%

Since May 2016, we have improved the segregation of cardboard which has reduced its generation. The increase of the biocontaminated and special waste has been due to the increase in the number of patients attended. On the other hand, following compliance with the Technical Standard for Solid Waste Management has increased the amount of sharp waste container boxes.

All categories of waste have increased due to the increase in the capacity of providing care of the health centers and the greater quantity of services rendered.

**Objectives to improve the implementation of Principle 8**

To develop the #office-friendly good practices campaign, as a joint initiative of several areas of the health centers managements under concession, in order to set qualitative and quantitative objectives for our staff, recognizing best practices and fostering savings of energy, water, paper and sanitary supplies.

## 9° PRINCIPLE

Entities should promote the development and diffusion of environmentally friendly technologies.

Between August and December 2015 we received the I+D+i Certification issued by ENAC (National Certification Body) in Spain for three projects directly related to energy efficiency and protection against climate change and other environmental impacts affecting the health and safety of people and the sustainability of the planet.

### **QATAR: Design and execution of unique roofing with non-developable curve geometry**

We have designed a constructive system for roofing with a non-developable surface, maximizing its efficiency, lightness and effectiveness, so as to mitigate weather effects on buildings in places with extreme climates that allow to develop the necessary palliative systems.

### **PERU: Design of dams built at high altitudes and resisting critical meteorological phenomena**

We have designed and invented a novel constructive solution for the regeneration of a dam, located in a high altitude region and with the inevitable presence of adverse weather phenomena. Thus, it is intended to meet the need to increase the yields of agricultural and livestock production to favor the improvement of socioeconomic conditions of the population in that



region allowing to irrigate 450 ha, with an increase of 350 ha on the current irrigated area.

### **Research on the structural design of underground enclosures with high resistance to explosions**

In Spain, we have carried out a study and design of underground structures that are resistant to explosions, allowing them to maintain their integrity in underground areas, and ensuring the protection of workers under all types of environmental conditions and types of terrain. This study has led to the development of theoretical calculations that imply a technological innovation for the improvement of work safety in different situations derived from climatological changes.

We propose eco-efficient solutions to optimize our projects, so as to minimize the environmental impact they may generate.

### **Objectives to improve the implementation of Principle 9**

- Continue to develop I+D+i projects providing new technical solutions for the creation of infrastructure compatible with the natural environment protection and its resources based on eco-efficient, sustainable and affordable technology for emerging countries.
- To carry out construction and equipment projects related to the promotion and use of clean technologies and renewable energies
- Implement and certify an Energy Management System, according to ISO 50001 standard in our central offices in Madrid and in temporary centers where we develop works within the national territory. ISO 50001 is an internationally recognized standard aiming to help improve performance and energy efficiency by helping to minimize the emission of greenhouse gases.
- Introduce technological improvements in the recycling system established in the health centers managed by IBT in Peru, in particular machinery for the compaction of paper and paperboard improving the carbon footprint of the collection and treatment cycle.



nticorruption

10°  
PRINCIPLE

Entities must work against corruption in all its forms, including extortion and bribery.

G4- HR11, G4- 57, G4- 58, G4- SO4

We have a procedure enabling all our employees to check any doubts or suggest improvements in the internal control systems at our disposal in the areas contemplated by the Code. It also allows pointing out behaviors or areas where a significant risk of irregular conducts exists. The communication channel provides the corresponding email: **codigodeconducta@eurofinsa.com** as well as an ordinary post address.

This reporting channel makes it possible to inform the organization, in a confidential manner and without fear of retribution, of irregular conducts in matters covered by the Code, dealing with issues of a criminal nature as well as others, and based on the internal rules of Conduct.

These allegations are then evaluated by the Response Committee, consisting of executives from the different specialized areas. Should the Response Committee consider that the reported behaviors could constitute “irregularities of potential transcendence, especially if

they involve financial and accounting issues” they may decide transferring the decision to the administration department for further resolution.

Organizational principles, standards and norms regarding corruption

Our Code of Conduct aims to summarize the behavioral guidelines of our employees in their daily work, whatever their responsibility, their position in the organization, the contractual modality that determines their relationship with the company or the place where they carry out their activities.

Our Code of Conduct expressly prohibits payments, gifts or undue attentions to any person or entity aimed to obtaining or maintaining business or other benefits or advantages. It also prohibits our employees from accepting any of these benefits, in particular those participating in selection processes with suppliers, contractors or external collaborators. Moreover, it also establishes other situations of risk such as conflicts

of interest, activities involving unfair competition, misleading or fraudulent conduct, money laundering and commercial relations with countries penalized by some governments.

As a reference, the Code of Conduct is based on the provisions of the Spanish Penal Code, the US Foreign Corrupt Practices Act and the OECD guidelines for multinational companies.

During the 2015-2016 period, we have reached our goal of making the Code of Conduct known to 100% of our employees and 90% of suppliers.

Prevention mechanisms

Since 2013, our company Eurofinsa S.A., made up of all its member companies<sup>1</sup>, has a Manual on Prevention and Response to Crimes whose purpose, according to the Spanish Penal Code, is to establish a system of crime prevention through actions and controls to be implemented by the company so as to reduce the risk of perpetrations and in any case, to adopt the

necessary cooperation measures with the relevant competent authorities to mitigate possible damages.

This Manual includes a Prioritization Catalog of crimes and risk behaviors as well as a Response Protocol, establishing the rules of action to be followed in case an indication arises as to the perpetration of an eventual crime, within the scope of action in the Company, or by our managers or their dependents

Our Code of Conduct summarizes behavioral guidelines that should guide the daily work of our entire human team.

<sup>1</sup> Except for the companies belonging to the IBT group whose parent company is the United States IBT Group, LLC.

HUMAN RIGHTS

LABOR STANDARDS

ENVIRONMENT

ANTICORRUPTION

Purchases

After the merger, we have extended the Procurement and Subcontracting procedure to the new structure, including all our purchases made from Spain. This procedure, which is in the process of being implemented, establishes the obligation to evaluate the purchase needs and define the specifications for an offer request that allows us to make a comparison, which ensures that the purchases meet all requirements related to quality, economy, safety and health and environment. Once the selection of the supplier is approved, we forward the comparative table and the contract to the Director General for correction or approval.

Training on the fight against corruption

Within the 2016 Social Responsibility Training Plan, we have included the explanation of the content and use of the Code of Conduct and the role of the Response Committee, based on practical cases, to be applied at the work environment.

Political contributions

G4-SO6

Our business model is developed without interfering or participating in the political processes of those countries and communities where we develop our activities and we do not make political contributions.

Objectives to improve the implementation of Principle 10

- Introduce a module on social responsibility with corporate training programs, with special emphasis on the content, application and use of the Code of Conduct in order to promote respect for human rights in the relationships between our employees, collaborators, partners and suppliers.
- The management of the company will ensure compliance with the Code of Conduct through the country responsible, including the expected ethical behavior of our employees and suppliers.



GRI Table of Indicators related to the Global Compact Principles

Global Reporting Initiative (GRI) is an organization that develops and disseminates the most recognized voluntary monitoring reference standards for international sustainability reporting.

The following table shows GRI performance indicators in G4 version relating to each of the ten principles of the Pact on the most relevant aspects related to our activity.

Human rights

	Page	Comment
PRINCIPLE 1		
Investment		
G4-HR2: Total hours of employee training on human rights policies or procedures related to those aspects of human rights relevant to their activities, including the percentage of trained employees.	38	
Complaints mechanisms for human rights		
G4-HR8: Rights of indigenous peoples.		There have been no incidents related to the rights of indigenous people.
G4-HR12: Number of human rights complaints that have been filed, addressed and resolved through formal complaint mechanisms.		The organization has not received any complaints regarding human rights through formal mechanisms.
Local communities		
G4-SO2: Operation centers with significant negative or potential effects on local communities.		All our projects respect applicable national legislation, which includes the execution of environmental impact assessments or studies that take into consideration the damages that could be caused to the population. As an infrastructure provider, the local population is benefited by our projects, especially those in the health sector.
PRINCIPLE 2		
Evaluation of human rights providers		
G4-HR10: Percentage of new providers that were examined according to criteria related to human rights.	40	
G4-HR11: Significant, negative, potential and current impacts on human rights, in the supply chain and measures adopted.	40	We have not detected any negative impact on the human rights of our suppliers due to our activity.

## >> Labor standards

	Page	Comment
PRINCIPLE 3		
Freedom of association and collective bargaining		
G4-HR4: Identification of significant centers and suppliers in which the right to exercise freedom of association and collective bargaining may be infringed or be at significant risks and measures taken to support these rights.	42	We have not received any formal notice of our suppliers violating the freedom of association of their workers. Eurofinsa respects the right to benefit from collective agreements.
Relations among workers and management		
G4-LA4: Minimum notice time with regard to operational changes and possible inclusion of these in collective agreements.	42	The “Communication Procedure, Participation and Consultation of Workers” includes the consultation, in due time, of the planning and organization of work and the introduction of new technologies, but does not establish a minimum deadline.
PRINCIPLE 4		
Forced or compulsory labor		
G4-HR6: Centers and providers with a significant risk of being the source of forced labor episodes and measures taken to contribute to the elimination of all forms of forced labor.	44	All our employees freely sign an employment contract and receive financial compensation for their work in accordance with national labor legislation. We have not detected any cases of our suppliers using forced labor or slavery regimes and they are informed of their prohibition through the Code of Conduct.
PRINCIPLE 5		
Child labor		
G4-HR5: Identification of centers and providers with a significant risk of child exploitation cases and measures taken to contribute to the eradication of child exploitation.	45	We have not detected any cases of our suppliers using child labor, and they are informed of their prohibition through the Code of Conduct.
PRINCIPLE 6		
Investment		
G4-10: a) Indicate total number of employees by labor contract and gender. b) Indicate total number of permanent employees by type of employment and gender. c) Indicate size of the workforce by employees, contract workers and gender. d) Indicate size of the template by region and gender. e) Indicate whether a substantial part of the organization's work is carried out by legally recognized self-employed persons, or persons who are not employees or contract workers, such as employees and employees subcontracted by contractors.	20, 21	There is not a substantial part of the work done by self-employed workers. Due to the nature of construction projects, there is a varying number of contractor construction workers on the work site.
Market presence		
G4-EC6: Percentage of senior managers coming from the local community where significant operations are carried out.	20, 21	The percentage of executives coming from a country other than that of the activity is kept at a minimal level.
Non-discrimination		
G4-HR3: Total number of discrimination incidents and corrective measures taken.		No discrimination incidents have been identified.
Diversity		
G4- LA12.b. Indicate what percentage of employees belong to the following categories of diversity, broken down by professional category, sex, age: under 30 years, between 30 and 50, over 50; minority groups; and other indicators of diversity, if appropriate.	20, 21	

## >> Environment

	Page	Comment
PRINCIPLE 7		
Energy		
G4- EN1: Materials used by weight and volume.		We do not have consolidated data at the global level.
G4-EN3: Energy consumption within the organization.	50	We do not have consolidated data at the global level. Since we work per project, the amount of water captured for its execution varies significantly. We attach the data at the level of the management of health centers, which represent the highest energy and water consumption of all projects carried out between 2015 and 2016.
G4-EN8: Total water intake according to the source.		
Emissions		
G4-EN15 al G4-EN20: Emissions of greenhouse gases and ozone-depleting substances.		We do not have data on greenhouse gas emissions.
Materiales		
G4-EN1: Materials used by weight and volume.		We do not have consolidated data at the global level.
PRINCIPLE 8		
Energy		
G4-EN6: Reduction of energy consumption.	49	The company has an integrated environmental management system that is applied within the works of companies within the scope of certification. In all works, prior planning is carried out to minimize or eliminate all negative environmental impacts.
G4-EN9: Water sources that have been significantly affected by water collection.		There have been no significant impacts on water sources in any of our projects during the 2015-2016 period.
Biodiversity		
G4-EN11: Own, leased, managed operating facilities that are adjacent, contain or are located in protected areas and unprotected areas of great value for biodiversity.		
G4-EN12: Description of the most significant impacts on biodiversity of protected areas or areas of high biodiversity that are not protected, derived from activities, products and services.		In the environmental impact studies carried out prior to each project, we have not identified any protected or high biodiversity areas. These studies contemplate the mitigation of any potential negative impact on the natural environment and the species that inhabit it.
G4-EN13: Protected or restored habitats.		
G4-EN14: Number of species included in the IUCN Red List and in national conservation lists whose habitats are in areas affected by operations.		

	Page	Comment
Effluents and wastes		
G4-EN23: Total weight of waste, according to type and method of treatment.	53	
G4-EN24: Total number and volume of significant spills.		No significant spill has occurred in the course of our activities.
Products and services		
G4-EN27: Degree of mitigation of the environmental impact of products and services.	52	
G4-EN28: Percentage of products sold and their packaging materials that are recovered at the end of their shelf lives by product category.	52	
Compliance		
G4-EN29: Monetary value of significant fines and number of non-monetary sanctions for non-compliance with legislation and environmental regulations.		We have not received any environmental fines.
Transporte		
G4-EN30: Significant environmental impacts due to transport of products and other goods and materials used for the activities of the organization, as well as for transportation of personnel.		This information is not available to us.
General		
G4-EN31: Breakdown of expenditure in relation to environmental protection.		There is no defined budget for environmental protection but in each project we include the required investment to ensure strict compliance with environmental regulations and legislation.
PRINCIPLE 9		
Environmental assessment of suppliers		
G4-EN32: Percentage of new suppliers that were examined according to environmental criteria.		All our suppliers are required to comply with applicable national and local laws and regulations in the countries where we operate through acceptance of our Code of Conduct contracts
G4-EN33: Significant, actual and potential negative environmental impacts in the supply chain and corresponding measures.		Not identified.
Environmental Complaint Mechanisms		
G4-EN34: Number of environmental complaints that have been submitted, addressed and resolved through formal complaint mechanisms.		We have not received any environmental complaints.
G4-56: Describe the values, principles, standards and norms of the organization, such as codes of conduct or ethical codes.	23	

## >> Anticorruption

	Page	Comment
PRINCIPLE 10		
<b>G4-57:</b> Describe the internal and external mechanisms of advice on ethical and lawful conduct and to consult matters relating to the integrity of the organization.	38, 39	The Eurofinsa Code of Conduct stipulates that employees shall forward their notices on issues related to the Code of Conduct, confidentially and without fear of retributions, to the Response Committee via email to: <a href="mailto:codigodeconducta@eurofinsa.com">codigodeconducta@eurofinsa.com</a> or by ordinary mail to the following address: Pº de la Castellana 91.28046 Madrid.
<b>G4-58:</b> Describe the internal and external mechanisms for reporting unethical or unlawful conduct and matters relating to the integrity of the organization.		
Fight against corruption		
<b>G4-SO3:</b> Number and percentage of centers in which risks related to corruption and significant risks detected have been assessed.		No specific evaluations have been conducted. The Code of Conduct indicates our commitment to stakeholders. This document includes an email for inquiries or complaints that may be anonymous. No complaints were received during the period from 09.01.15 to 08.31.16.
<b>G4-SO4:</b> Communication and training policies and procedures on the fight against corruption.	38, 56	
Public politics		
<b>G4-SO6:</b> Total value of political contributions, by country and recipient.	58	No contributions are made to political parties. As established in our Code of Conduct, the company does not interfere or participate in political processes in the countries where it operates.

## >> Your opinion is important to us

Throughout this report we have expressed our firm commitment to the Global Compact Principles and the conviction that our activity should be developed taking into account our environment and each of the stakeholders. However, we know that we can and must improve day by day to optimize the social and environmental impact of our business. For this reason, we kindly invite you to give us your opinion on this report together with your suggestions, to the following address:

Eurofinsa S.A.

Pº de la Castellana 91, 2<sup>nd</sup> floor

28046 Madrid - Spain

Email: [codigodeconducta@eurofinsa.com](mailto:codigodeconducta@eurofinsa.com)



EUROFINSA S.A.  
Paseo de la Castellana, 91  
28046 Madrid-Spain

[www.eurofinsa.com](http://www.eurofinsa.com)