



2 Corporate Social Responsibility Report

Message from the Honorary Chairman

At Grupo ALDESA, we are aware that Corporate Social Responsibility is part of the company's corporate culture and, therefore, we understand that in order to generate value in the communities we work, we have to focus on projects that are aligned with our business, where we can really be an agent of change.

With more international than national business, we are fully aware of how important it is to work in countries like Mexico and Peru, establishing a continuous dialogue with the communities in which we operate, since they are part of our operation and activity. In other countries, the strategy continues to concentrate on generating value through improvements in infrastructure and education, developing projects directly or through the institution with which we collaborate.

Since adhering to the Global Compact, we have identified two key goals for sustainable development:

Number 9: industry, innovation and infrastructure, and Number 11: sustainable cities and communities. In this regard, we perceive infrastructure as a means to improve the environment and, thus, the life of people. We believe that healthy and sustainable communities are those in which education, values and collaborative work are critical for development.

Other strategic objectives for the GROUP within the scope of Corporate Social Responsibility are the R&D&I projects based on sustainability and optimising the improvement of construction processes in civil engineering projects and building. Construction is undergoing a change due to the arrival of new technologies in projecting and executing works. These, added to the lessons learnt in our over 40 years of experience developing complex works in 3 continents, will undoubtedly make us stronger.

We want to implement all these initiatives in the collaborating companies and suppliers, with the aim of guaranteeing that the guidelines are fulfilled throughout the value chain. We are convinced that, if we all collaborate, we will create a multiplying effect and the impact will be a success.

I would also like to say that none of these projects would be possible without people contributing to making them a reality. People who give the best version of themselves, people who make it worthwhile every day. Because Grupo ALDESA is a reality thanks to its Team, to the people who work on the most difficult of tasks and can create new opportunities from any challenge.

Antonio Fernández Rubio
Honorary Chairman
Grupo ALDESA

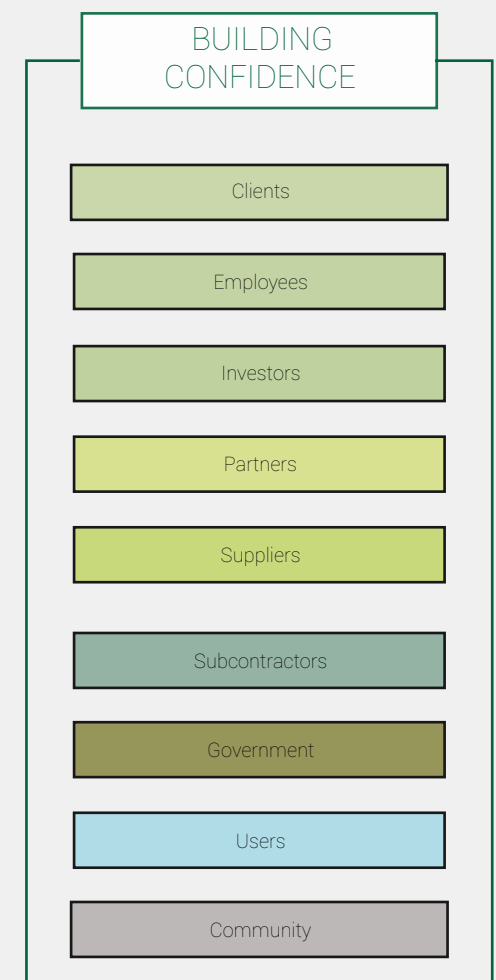
The Global Goals for Sustainable Development



Building confidence

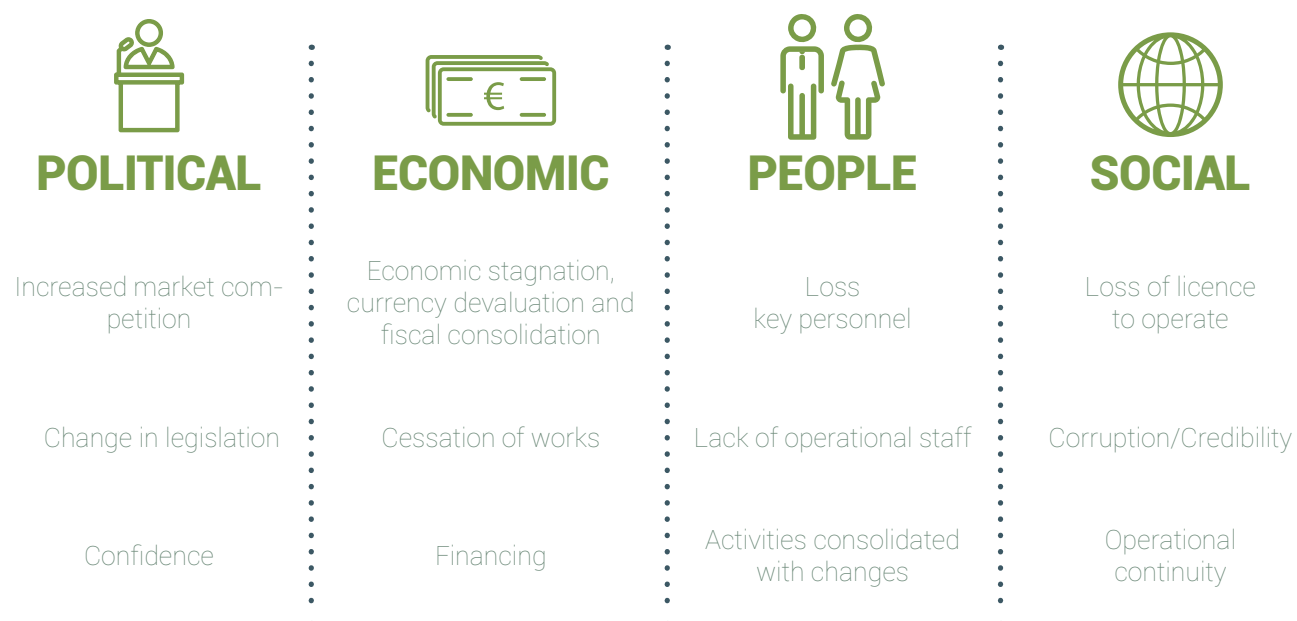
The Group's Corporate Responsibility strategy, summarised in the slogan "**Building confidence**", is based on a series of corporate values which extend to every level of the organisation and aim to be not simply a hallmark, but a genuine commitment to all stakeholders: clients, employees, partners, suppliers, subcontractors, public authorities, users and society in general.

All these values take the form of a series of areas and management systems establishing the implementation of the corresponding policies and action plans in order effectively to fulfil all these undertakings.



Generation of Value

By managing certain risks, we can detect new business opportunities. At ALDESA, we identify the different risks that arise from the nature of our business activity and the countries in which we operate. We have detected these risks and assessed them with the purpose of mitigating their potential impact.



The group and corporate social Responsibility

Commitments

- **Solid backing to Human Resources with high-level technical skills.** Aldesa is aware that its success has been made possible by its human team. The growth registered by the Group over recent years demands the continuous recruitment of professionals with an ambitious approach and high-level technical skills in all fields of the business. One of the cornerstones of employee development within the Human Resources policy is internal promotion and specialist training.
- **High level demands in Safety and Risk Prevention.** Occupational safety is a fundamental cornerstone for Aldesa in structuring all activities it undertakes, and is just as important as profitability, quality output. The Group has a serious commitment to safety and occupational risk prevention, establishing a series of undertakings and directives expressed in its Health and Safety policy, which must be fulfilled by all employees, thereby involving them in the preventive management of safety.
- **Application of sustainability and new technologies.** Aldesa has in place the capacity to use the most advanced techniques in the execution of its projects, selectively incorporating the most appropriate technology. The available technological options are analysed in order to enhance construction methods, with a particular emphasis on the efficiency of processes and on sustainability.

It likewise works on advanced technological projects connected with electrical engineering and telecommunications.

- **Compliance with the most demanding quality standards.** Aldesa has for more than a decade now held certification for its Quality Management, thereby guaranteeing compliance with client requirements in terms of satisfaction, as well as legal and regulatory requirements to reduce defects and establish a framework for the continuous improvement of the Group's processes. One of the aims of the Aldesa Quality Policy is to make quality a fundamental element of the organisational culture, and to ensure that all personnel identify with and sincerely commit to this goal.
- **Strict fulfilment of established delivery deadlines.** No detail is overlooked in the planning of tasks required by each project, and if the periodic monitoring of partial deadlines detects the slightest delay, consideration is given to increasing the team and working shifts, avoiding any unnecessary inconvenience of clients and users.
- **Environmentally friendly management.** Aldesa's environmental policy places a particular emphasis on prevention and the establishment of continuous improvements to the Group's environmental performance, with a high level of involvement throughout the organisation. Aldesa has for some 10 years now had in place its ISO 14001 Environmental Management certification,



The group and Corporate Social Responsibility



guaranteeing compliance with the applicable environmental regulations and legislation, and the use of processes which avoid, reduce and control pollution.

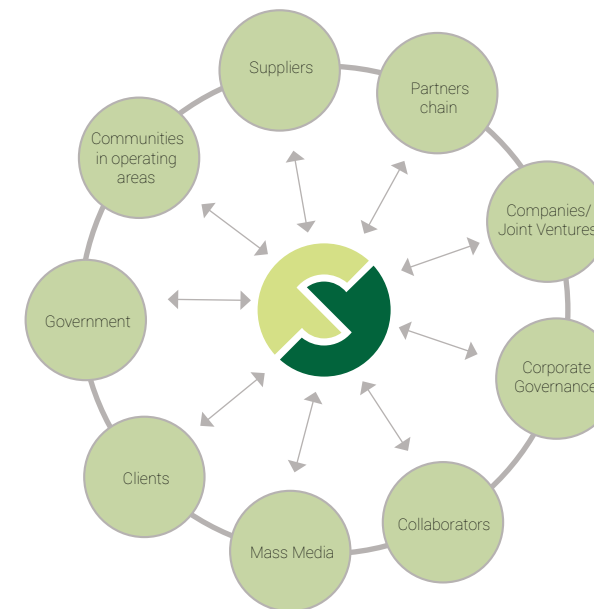
- **Support for initiatives which create value for the community.** Aldesa's social initiatives focus on the development of projects connected with its operations to generate value for the community by satisfying their fundamental needs. These projects correspond essentially to support for the development of infrastructure in the world's poorest regions, providing the population with

access to basic infrastructure services, and the social integration of the most underprivileged individuals in those communities where the Group operates.

Convinced of the need to maintain a sustainable business model, the Board of Directors of the Aldesa Group is committed to the approval of policies which affect the various spheres covered by Corporate Responsibility, to ensure they are aligned with the expectations of stakeholders and the strategic objectives which have been set.

Stakeholders

One of the most important focuses in our Corporate Social Responsibility strategy is the communication with our stakeholders. They will see the results of our work so it's important to listen to what they want, what we can do and how we can collaborate for a win-win outcome. We're applying different tools in order to know stakeholder expectations regarding our commitment.



DISTINCTIONS





The group and Corporate Social Responsibility

Sustainable Development Goals

In Aldesa, we have included our commitment to collaborate in the **goals for sustainable development** based on the developed objectives of the millennium, this as part of our operative strategy. Although including climate change, inequity in economics, innovation sustainable consumes peace and justice among others.

In this context, the challenge for the company's is to contribute to accomplish the goals locally. Aldesa has the capacity and the will to contribute to this transformation and be the development cause. In this way, Aldesa has identified two objectives that can be contributed as part of the development of his activities:

- **Objective 9:** Industry, Innovation and Infrastructure
- **Objective 11:** Sustainable Cities and Communities

Although, there are other objectives in which Aldesa has a more direct relation, as drinking water and sanitation, decent employment and renewable energy.

Adherence to UN Global Compact

As a significant step and in its duty with society, in 2015 Grupo Aldesa signed the union to the UN Global Compact. In 2016 has renovated its commitment, implying firmly in the objective of aligning its activities and business strategies with the ten universally accepted precepts in the areas of human rights, labor standards, the environment and the fight against corruption.

To this international United Nations initiative that takes place in 2000 year, more than 12,000 entities in around 150 country's had joined, this is why the United Nations Global Compact the is today the most important volunteer initiative of global social

corporate responsibility. We develop the quality manual that applies to the working centers of civil works, so we can work with the same guideline.

Promotion of sustainable development

During 2016 Grupo Aldesa undertook internal awareness-raising campaigns addressing the need to apply the principles of sustainable development, and took part in various

events, including congresses, seminars and conferences, connected both with the promotion of its activities and Corporate Responsibility, giving it the opportunity to inform the wider business fabric of various aspects connected with sustainability. The Group's companies likewise play an active role in organisations and associations which promote the responsible development of their respective sectors.

Leading associations and organisations supported by Group companies in 2016

AEC – Spanish Association of Roads

AECMA – Spanish Association of Management Construction

AEE – Wind Power Business Association

AENOR - Standardization Committees

AETOS - Spanish Association of Tunnels and Underground Works

AMDEE – Mexican Wind Energy Association

AMITOS – Mexican Association of Tunnel Engineering and Underground Works

ANCI - National Association of Independent Builders

APREAN – Association of Developers and Producers of Renewable Energies of Andalusia

Chamber of Contractors of the Valencia Region

CAMESCOM – Spanish Chamber of Commerce in Mexico

CCOC - Official Chamber of Works Contractors of Catalonia

CMIC – Mexican Chamber of the Construction Industry

COGENERA México – Association of Cogeneration sector

CSIC - Higher Scientific Research Council

Construction Employment Foundation

ITS Spain Intelligent Transport Systems

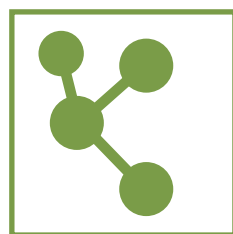
ITS Polska – National Association of Intelligent Traffic Systems of Poland

PHIG – Polish-Spanish Chamber of Commerce

PZPB – Polish Association of Construction Industry

UNEF – Spanish Photovoltaic Union





People

Behind every success there is a group of people that made it happen


2,598
people


57%
university graduates


38
average age


5
average seniority

People are the cornerstone of ALDESA and, thus, our human resources are the GROUP's most valuable asset.

One of our main objectives is our commitment towards the employees in a healthy and discrimination-free environment, where we can also attract and foster talent with a long-term vision.

In a changing environment and an industry which has been immersed in one of the worst crisis in living memory in Spain, the development of people and human resources has been a key element in facing the adversities of recent years. In this sense, we have made of ALDESA a GLOBAL company with a team that can perform its role in the required project anywhere in the world.

Today we operate with a global team that are able to drive a project to success. This team intends to provide effective, efficient answers to the needs of the company, and this has consolidated ALDESA as a corporate reference in all the sectors where it operates and as one of the best companies to work for.

Therefore, considering the environment, market and current needs, we

are immersed in a **process of transformation** that we have defined in 3 main points:



Grupo Aldesa continues its expansion beyond our borders. All this is the result of consolidation and growth in countries such as Mexico and Poland. In this sense, working for a company like Aldesa provides numerous options for promotion, mobility and professional development that are emerging as a result of the diversification





People



The risk prevention activity in Grupo Aldesa is organised through the **Joint Prevention Service** with the collaboration and support of other areas and departments of the organisation.



and expansion process being experienced by the company.

In **Spain** we collaborate with a series of public and private institutions, which include the Civil Engineering School of the Valencia Polytechnic University, the European University, Confemetal Foundation, and the Madrid Civil Work Engineers' Association.

In **Mexico** we work closely with the National Autonomous University of Mexico (UNAM), Tecnológico de Monterrey (TEC) and the National Polytechnic Institute (IPN) to incorporate into our teams the best, recently graduated engineers and architects through the Aldesa Cantera Programme. This high performance programme involves recent graduates entering a comprehensive development plan for a period of three years.

In **Poland** we hold the Engineers-in-Training programme with the same characteristics than in other countries, and we continue collaborating with the University of Technology in Lublin. In addition, we also took part in the Absolvent Talent Days, which is an event organised by students and graduates from Warsaw as a networking platform for the future job market.

In the other countries we have established a collaboration with the main universities aimed at promoting young and qualified employment, while we also focus on contracting local and national personnel.

OCCUPATIONAL RISK PREVENTION

The integration of the Occupational Risk Prevention is for Grupo Aldesa a key element of its corporate culture.

This is a commitment that runs through the entire organisation, with the aim of establishing the best conditions of safety at work and a high level of protection for all employees.

In compliance with the legal requirements of Occupational Risk Prevention, the risk prevention activity in Grupo Aldesa is organised through the Joint Prevention Service with the collaboration and support of other areas and departments of the organisation.

In 2016, Grupo Aldesa's companies in **Spain** subjected their Occupational Risk Prevention management system to legal audits and compliance with OHSAS 18001:2007 (Occupational Health and Safety Management System), successfully passing the audits to ensure that our organisation is among the leading firms in this regard. This system not only satisfies the legal requirements, but also establishes the requirements to be fulfilled by organisations wishing to optimise the performance of their Occupational Health and Safety Management

System. From the perspective of employees, the risks associated with the activity undertaken by the company are minimised, thereby achieving the continuous enhancement of working conditions and moving closer to the goals of eliminating risks and hazards and of "Zero Accidents".

During 2016 the targets set in the Risk Prevention Plan were fulfilled. The key initiatives comprised providing further information and specific training at the work sites, with the priority focused on promoting strict compliance with legal demands. Similarly, a continuous and effective inspection of the different sites and work facilities has been carried with the purpose of detecting and controlling possible risks in order to eliminate them and improve working conditions.

Likewise, a great effort has been invested in promoting the Policy and the management system to all collaborating companies and subcontractors, demanding a level of compliance identical to that of Grupo Aldesa at our work facilities.





People



As a direct consequence of this effort, the accident rate figures achieved in 2016 by the companies of the Group have dropped considerably with respect to the previous year and are well below the average for the sectors within which it operates.

The specific safety and health management projects in 2016 were targeted, on the one hand, at achieving a safe work environment and, on the other hand, at disseminating Grupo Aldesa's commitment to the prevention of occupational risks.

In **Mexico** Aldesa achieved in 2016 the milestones established in the Occupational Risk Prevention Action Plan for the year, unquestionably thanks to the effort and commitment of the organisation for the integration of Risk Prevention at every level. This effort has been critical to maintaining

low accident rate indices and always well below those in the industry. These results have been maintained mainly thanks to the effort made by the organisation in monitoring and controlling the work carried out in the different facilities through its departments, Occupational Risk Prevention and production.

Last year, we saw the successful renewal of the Health, Safety and Environmental Management System certificate, based on compliance with standard OHSAS 18001:2007, since the Management System was certified in 2012, and thus the standardisation is consolidated in terms of safety within the organisation.

With regard to **Poland**, an excellent accident rate has been maintained thanks to the different actions



designed to consolidate the health and safety standards in Grupo Aldesa's work centres.

Some of these actions include reviewing and improving the Occupational Risk Prevention Management System, adjusting it to the Polish legislation and context, and carrying out a successful effort in communicating and monitoring its compliance in the organisation.

In addition, the establishment of Health and Safety technical procedures and the implementation of a specific health and safety training plan are also worth mentioning.

Grupo Aldesa in **Peru** has worked efficiently in 2016 to control the risks in the various activities of the different projects awarded. In this sense, we have

successfully obtained, for the first time, the safety certification OHSAS 18001, which means that the Grupo Aldesa enjoys this certification for all the countries in which it operates.

Among the main actions carried out by Aldesa in Peru last year are consolidating the implementation, dissemination and compliance of the Occupational Risk Prevention Management System and establishing and achieving the proper functioning of the Central Committee on Security and the Subcommittees in the different projects. Similarly significant is the in-house training on health and safety at work undertaken, which extended to subcontracted personnel. The positive results achieved in the accident rates with respect to previous years are also worth highlighting.



Commitment to Value Chain

This commitment is set out in the Quality Policy which ensures that the final product is safe, reliable and complies with all applicable specifications, standards and codes

QUALITY

The Aldesa Group has a long-standing commitment to provide high quality products and services to its clients. This commitment is set out in the Quality Policy which ensures that the final product is safe, reliable and complies with all applicable specifications, standards and codes.

The **general objectives** of the Quality Policy focus on:

- Consolidating quality as a basic element in the culture of Aldesa Group companies.
- Strengthening the identification and sincere commitment of all employees to the Quality Policy.
- Bolstering participative quality management which takes advantage of the capabilities of the entire workforce.
- Permanently optimising the global business process.

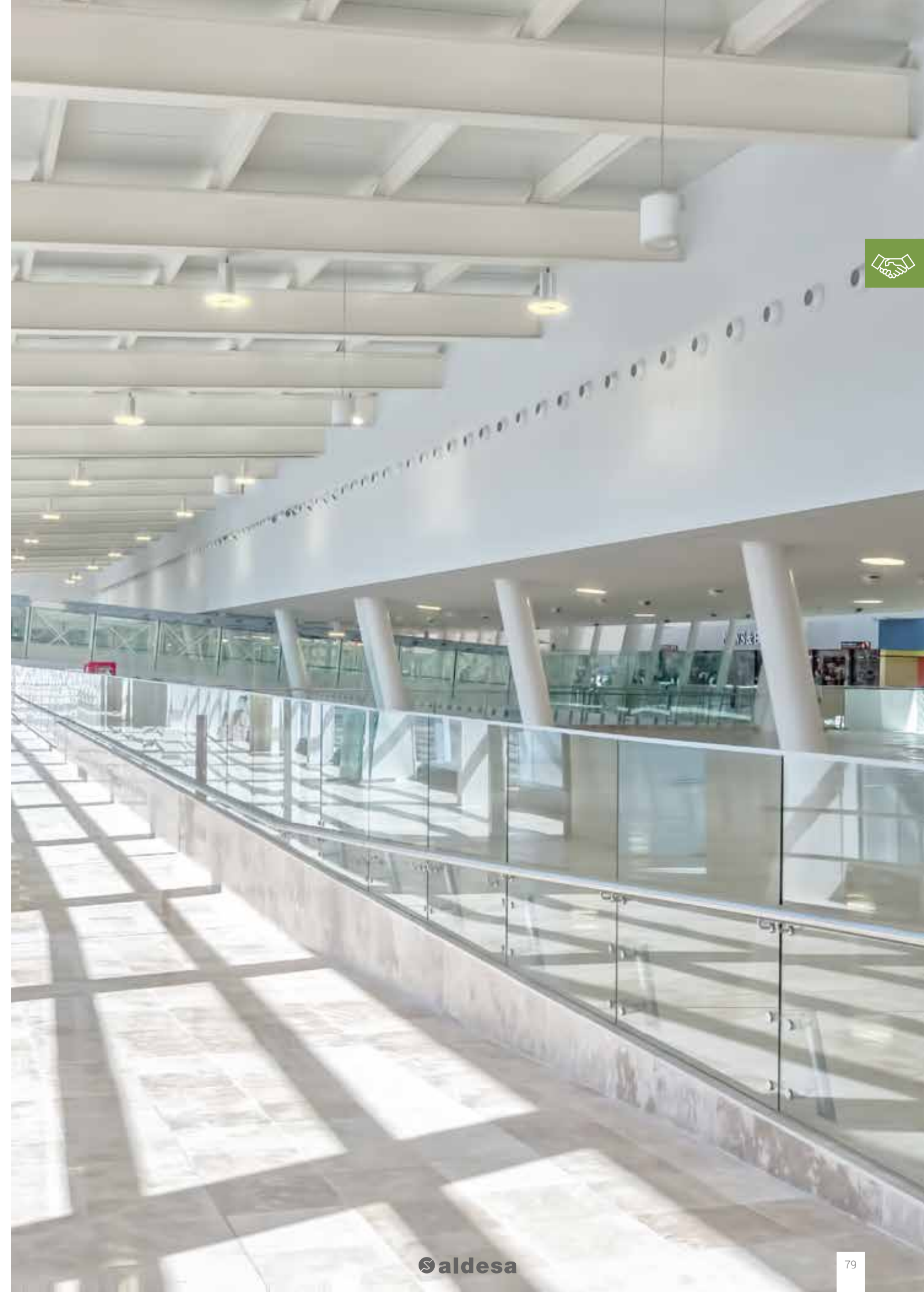
Quality Policy

- Ensuring that the products and services supplied to our clients are safe, reliable and meet the applicable specifications, standards, legislation and codes.

- Reducing faults.
- Establishing actions aimed at prevention and not only detection.
- Supplying products and services that meet our clients' expectations in terms of value for money.
- Maintaining permanent contact with clients, collaborating together to improve our products and services.
- Instructing, motivating and involving all the staff in the management and development of the Quality System that has been implemented.
- Keeping the commitment to constantly improving the Environmental Management System.

For Grupo Aldesa, Quality Management Systems are essential for achieving the objectives defined by the company, generating an added value that makes it easier to comply with and go a step beyond in fulfilling the initial expectations of its clients.

The different companies comprising the Aldesa Group in **Spain** have implemented quality management systems at all their work sites. Aldesa Construcciones, Proacon, Coalvi and Acisa are certified as per the ISO 9001 standard and their





Commitment to value chain



scope includes all types of projects as well as the various activities carried out in the Industrial Area.

The unification and integration of the Management Systems of Aldesa Group companies are also worth mentioning. This has made it possible to combine criteria, setting up a single work system within Group companies, creating a more effective and efficient data analysis methodology that encourages System feedback and hence improvement.

Satisfaction surveys

One of the greatest concerns of the Aldesa Group is the satisfaction of its clients. To this end, direct surveys and interviews are conducted periodically to obtain their point of view on the fulfilment of their expectations and their perception of the final quality of the projects executed. This serves as the basis for establishing improvement measures every year. The level of satisfaction of the Group's clients is high, according to the satisfaction surveys conducted when projects and services awarded have been completed. This fact is borne out by the clients' trust in awarding their main projects to Aldesa.

Most of the quality objectives in each of the company's operating processes were fulfilled in 2016, ensuring the constant improvement of processes.

Commitment to chain value

Grupo Aldesa views the involvement of its suppliers and subcontractors in

continuous enhancement processes as a priority. Hence the fact that procurement and subcontract management is the cornerstone of its Quality Management System.

The Group has a specific system that specifies the lines to be followed for proper procurement management. The first step is an initial assessment of suppliers, which analyses their ability to supply products and services in accordance with the requirements stipulated by the Aldesa Group. The aspects which are evaluated include their human and material resources, products and services certified by accredited bodies, as well as their commitment to the environment.

This initial approval enables the inclusion of the Group-approved suppliers in the database, which are then assigned a specific activity group and an initial score.

When each of the projects for which they were contracted is completed, a reassessment is carried out to rate aspects such as meeting deadlines, quality levels, Environmental guidelines and their legal obligations, and a score is then assigned. This makes it possible to obtain a supplier rating based on the merits or demerits accumulated in the different projects executed.

A minimum threshold is defined below which the supplier is excluded as an approved supplier and not readmitted until it demonstrates reliably that it has improved in these aspects. This approved supplier database is computerised and its use and consultation are mandatory

in all procurement processes. So far a list of almost 39,000 evaluated suppliers has been built up in four categories.

The computer application that handles the evaluation of suppliers has online access, which means that all operational centres and work sites can pass on information about the performance of each supplier instantaneously and in real time, and so the results of the evaluation take effect from the point at which the process is performed at each work site.

Quality assured in every process and service

Grupo Aldesa Group implements **Quality Assurance Plans (QAPs)** for each project and service. These plans include, inter alia:

- Project review to detect possible shortcomings, undefined aspects, proposed improvements, etc.
- Strict control of the documents used (blueprints and necessary technical documentation).
- Carrying out documented inspections upon receipt of materials and their subsequent traceability, and controls and inspections at the start, during and at the end of the execution of each project unit or during the rendering of each service to ensure that all requisites specified by the clients are complied with as well as all applicable legal and regulatory requirements.

Each Plan also includes the preparation and execution of tests by the major approved laboratories in which the materials used are controlled and the pertinent final tests are conducted to ensure that the project complies with all requisites. A calibration and verification programme is established for the different measurement equipment used at projects to ensure that their measurements are accurate. The optimal condition of the Group's own ancillary resources and those of collaborating companies is also subject to control and follow-up.





Commitment to value chain



Quality Assurance Plans (QAPs)

1. Project review

2. Strict control of the documents used

3. Documented inspections

QUALITY ASSURED

It is also ensured that all employees involved in each of the project phases or who render services are duly qualified in terms of the required training and experience. In addition, a methodology has been defined that is used for evaluating suppliers and subcontractors, **all of which ensures compliance with each and every project requirement and the fulfilment of clients' expectations.** Information videos have also been produced in order to enhance and underpin the effectiveness of the training given in this field to the Group's workers.

Quality-focused software

Grupo Aldesa has IT tools applied to management, which contribute added value and make it possible to:

- Manage and expedite the Quality Systems through online IT tools.
- Have information in real time on the Quality at all of Grupo Aldesa's projects and work sites.
- Ensure the filing of records in electronic support to prevent losses.
- Generate reports that contribute to the decision-making process at all levels and the processing of a larger number of indicators.
- Eliminate, to a large extent, the use of paper and minimise administrative tasks.
- Have a common platform that is applicable at all Grupo Aldesa companies.

- Have a solid and exportable solution that can grow into new functionalities.

Thanks to all these measures, Grupo Aldesa enjoys a high level of competitiveness in the sectors where it operates, achieving constant improvement and fulfilling the expectations of its clients.

As regards to **Mexico**, during 2016 the Integrated Management System was recertified in quality, environment and multi-site occupational health according to standards ISO 9001, 14001 and OHSAS 18001.

Likewise, in the edification unit we standardize the operative procedures, focused on the needs and reality of the business, with the goal of simplify the integration of new team collaboration in the construction site to increase and improve the mobility of the collaborators in the different functional areas and to give coverage to all the required actions for the execution of the projects and optimize the investment, as well as the management of the subcontractors.

For the certify renovation, Aldesa overcome satisfactorily the audits and external certification processes, and complied in detail the approved internal audit program.

Among 2016 performances, the following milestones stands out:

- Implementation of economic indicators in the centers of civil work, related to divers controls and/or operational tools used on site.

- Development of technical execution procedures for the Industrial business based on updated CFE regulations, for all possible activities and for business building, in accordance with construction regulations and applicable standards for civil works, coverings and facilities.

- Quarterly Management Committees were implemented in all businesses, with the purpose of presenting the advances or improvements in the Group's approved preventive activities and objectives.

- Implementation of online audits for the working centers from the corporate offices through the use of digital platforms, in order to improve documentary control in each project without the need of performing face-to-face audits reducing all costs.

- Among with the Archive Department, an "Inactive File Control" protocol has been developed, so that all contractual information is supported both physically and digitally in order to be able to close the project in a timely manner, as well as the collection of bonds.

- The role and responsibilities matrix has been developed, as a tool to manage the different fronts of action on site, job descriptions with their corresponding performance evaluations, the job catalog of the building unit, which was presented to the Human Resources area, the corporate interaction matrix structure and works; based on this the operational procedures of the unit are being.

- In terms of quality on site, four operational procedures have been developed, focused on servicing the works and guaranteeing the technical





Commitment to value chain

and administrative closures thereof, in order to reduce the period of completion of works, reduce the cost of indirect for closures of work and to recover retentions of guarantee in a shorter time. These operating procedures are quality of work, quality of installations, control of documents and control of constructive documents, each of which has a diagnosis to measure compliance.

- In terms of process-oriented quality, an operational structure under the PMP (Project Manager Professional) methodology has been developed in the building unit, focused on standardizing the operation of the business and facilitating the interaction of the various functional areas and the corporate.

In **Poland**, during 2016 Aldesa Nowa Energia has successfully passed certification audit under the ISO 9001 standard. This is a relevant fact, as it is consolidating Aldesa's continuous improvement work culture in this country. In addition to turning Aldesa Nowa Energia into the reference company of the Industrial Division of the Group that has such certification in Poland.

In addition to these major achievements, work also continued on the implementation of compliance procedures and internal processes at the company itself, along with the development and continuous enhancement of quality standards. Among others, for example, it has improved the systematic approval of suppliers and purchases by reporting each of the

projects on the performance of these companies, which ensures that only the best suppliers can participate in the implementation of the activities.

At the same time, over the course of the past year the objectives that had been set were fulfilled, thereby contributing to the progressive consolidation of the Quality system.

As a result of Grupo Aldesa's strong commitment to continuous improvement, rigorous Quality assurance plans are prepared for in each customer's project, developed by applying strict inspection programmes and operational activities to ensure that the quality of the projects meets and exceeds the requirements and expectations of our customers.

As regards to **Peru**, the main actions carried out by Grupo Aldesa in 2016 include:

- Standardization of the various activities in works and in central headquarters according to the requirements of ISO 9001.
- Establishment and fulfillment of strategic quality management objectives according to ISO 9001.
- Satisfaction evaluation of our clients during and at the end of our projects, adopting measures in order to continuously improve the perception of our clients.
- Establishment of Process Indicators that allow to mediate the objectives of each one of the areas of Aldesa Peru.
- Certification in ISO 9001: 2008 by Bureau Veritas Certification.
- Certification to SGS of our Design, Planning and Execution of Works activities for transmission lines

and substations, obtained a qualification of level "A" with a quality management score of 94%.

INNOVATION

In Grupo Aldesa, R&D&I is understood as a differentiating element that promotes the organisation's activities and competences, ensuring resource optimisation and improving both service quality and efficiency. For these reasons, it constitutes a strategic axis within the company's management model.

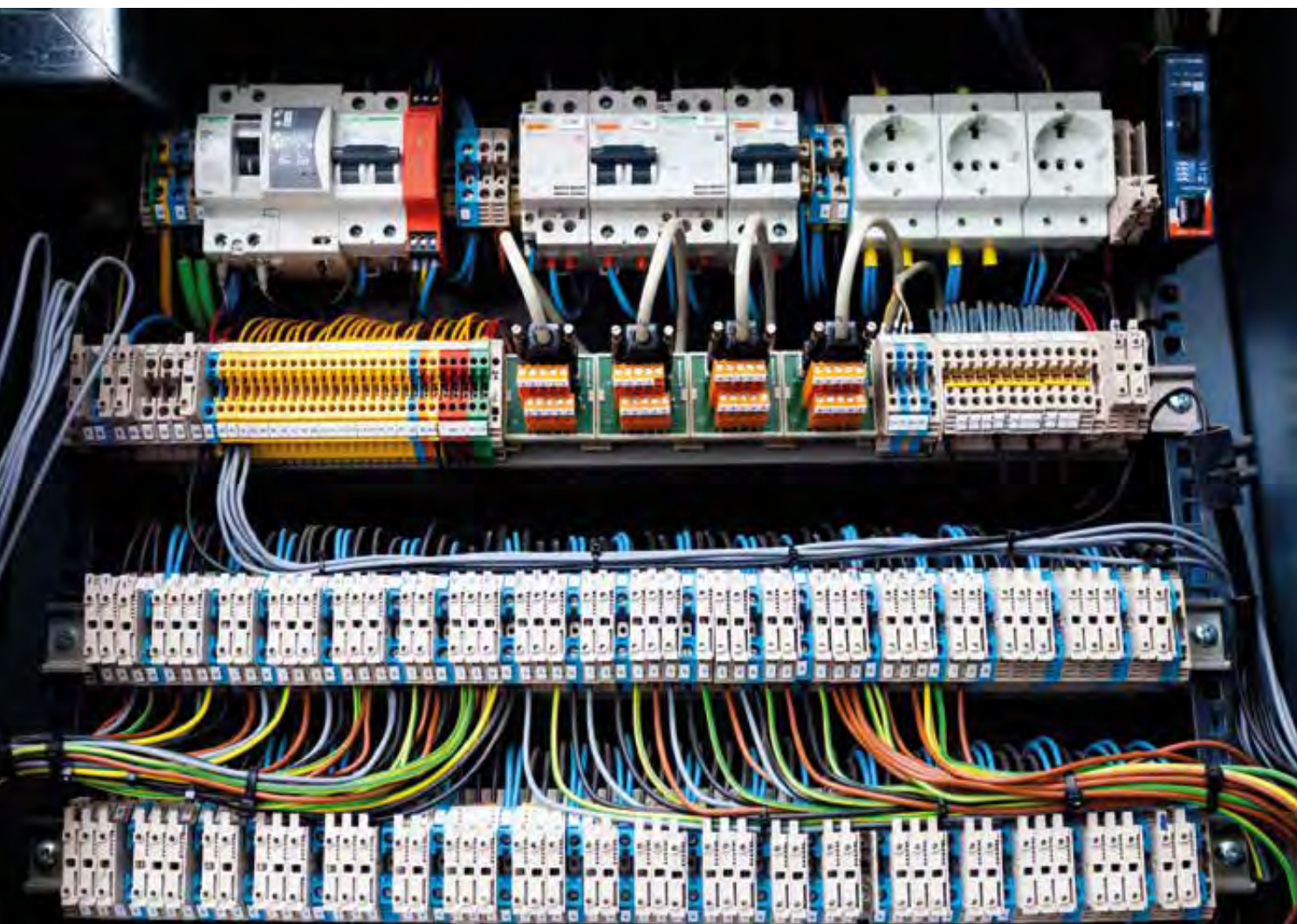
The vocation of the Group is to remain a leading exponent for its clients in all business areas in its commitment to R&D&I, investing every year in both technical and human resources, as a vital activity in response to the constant demand for new technologies and products. Proximity to the market and an understanding throughout the organisation provide the channel for information sources generating new innovative projects which will act as the driving force of the corporation's growth.

Given the current market circumstances, with ever-increasing globalisation and high levels of competitiveness, **the internationalisation of Innovation is vital as a means of business growth.** Grupo Aldesa, as a company operating in sectors demanding products or services derived from substantial R&D&I activities, is convinced of the need to transfer knowledge and to deploy the latest advances and technology in new international markets, with the ability to incorporate innovations or launch new products within potential priority business areas, thereby increasing the competitiveness of the Group's companies against an international backdrop, positioning itself at the forefront of technology in Europe and worldwide.





Commitment to value chain



Solid backing to Technological Solutions Division

Technological Solutions Division is a new business line focused on offering complete solutions in the field of technology and innovation. The Group knows how important it is to create value to respond to the current needs of customers.

Technological Solutions will develop an offer of own solutions, advanced services and high added value in technology, which allow them to solve the most critical issues and improve processes, efficiency,

profitability in the activities: ITS, Communications and Systems or Technologies for Smart Cities.

These achievements position Aldesa as a constructor group with an innovative policy to optimize the organization's technological innovation processes. It also enables the Company to set objectives in line with current activities and services, expand its knowledge and improve the management of R&D&I activities.

Innovative or R&D&I activities are often seen as the inherent business of a specific department

and personnel. However, at the Aldesa Group the ability to innovate is an asset which belongs to all businesses and departments, as an implicit activity at every area of the organisation, with the national and international areas representing the main focus driving forward new developments at the Group in the present.

Activities and projects

Centralised monitoring of R&D&I activities, in accordance with a progressive but decisive task of coordination, detection and support of novel initiatives in all the Group's operational areas, has facilitated effective management of technology projects connected with sustainable, construction, engineering and telecommunications activities, along with comprehensive work to improve documentation, as reflected in the considerable number of projects classified by accredited bodies.

70
key
certified
projects

+15%
during
2017



Grupo Aldesa currently has **70 key certified projects**, a figure which is expected to rise by 15% during 2017. Many of these projects have also been supported by a wide range of bodies, including the CDTI (Industrial Technological Develop and Centre), the Regional Government of Andalucía, the Autonomous Region of Madrid and the Ministry of Industry, Energy and Tourism (MINETUR).

In 2016 the Aldesa Construction Division focused its innovation operations in **Spain** on projects to optimise the execution of major civil engineering projects, the mitigation of environmental impact, sustainable construction and energy efficiency. At the same time, this division has continued with





Commitment to value chain



Industrial

Design of intelligent solutions for architectures deployed in cloud computing environments.

R&D of innovative solutions for new technologies of control systems in the cloud.

New technologies for energy efficient installations within an environment Industry 4.0.

Design and development of an intelligent system with new integrated communication functionalities that allow optimizing the data capture, processing of the measurement and the management of the information received.

Development of an urban traffic management system based on the principles of standardization and innovation.

R&D of new technological solutions for the predictive management of fleets by shipped unit.

Development of new technology products for innovative traffic management systems that respond to the current needs of smart cities.

Development of a user information system for efficient and sustainable driving in urban centers.

R&D of technological processes for the design of sustainable engineering in automated ecosystems.



GRUPO ALDESA NOTEWORTHY R&D&I PROJECTS

Years 2015/2016*

* Certified or in the process of certification according to the UNE 166001:2006 standard



Construction

Development of new engineering solutions for the construction challenges posed in railway tunnel infrastructures.

Constructive process for the stabilization of areas located in infrastructures under highly unstable environments.

Innovative solutions in tunnelling using new generation technology.

Development of a local data network for energy management in buildings.

Development of technological improvements applied to typological EPB tunnelling machines for optimization in the assembly and drilling advance (with Proacon).

R&D of new construction applications for materials in terms of multiobjective sustainability criteria.

Design of mixed structural solutions under high impact environmental conditions.

Research of a linear transport system powered by solar energy.

R&D of new solutions in civil engineering at the forefront of sustainable constructive innovation.

R&D in railway technology solutions based on sustainable criteria of efficiency and integration.





Commitment to value chain



The Industrial Division has continued to focus its efforts on the development of projects related to smart traffic and transport management, the engineering of industrial processes, and telecommunications.

projects initiated in 2015, meeting the high expectations placed.

Aldesa Construcciones promotes knowledge through the innovation and research in the construction sector. In this way, it has established a Framework Collaboration Agreement with the Higher Council for Scientific Research (CSIC) in order to join efforts in the sustainable development of construction activities, mainly in the fields of building and urban and interurban transport infrastructures. This agreement started in 2015 with a local data network for energy management in buildings. It consists of a project capable of integrating and optimizing the energy performance of a building. Information comes from a set of sensors and actuators located on the premises and local equipment, relevant systems or external systems and general Internet networks. It also has the support of the Center for Industrial Technological Development (CDTI) through the FEDER Operational Program of Madrid.

The Industrial Division, the Group's main technological area, has continued to focus its efforts on the development of projects related to smart traffic and transport management, the engineering of industrial processes, and telecommunications, being a major pillar of the company in recent years innovation in Smart Cities, researching various topics such as the balance of emissions resulting from the prioritisation of public

transport, pattern generation using Big Data analysis, cybersecurity, digital trust, management, guidance and refuelling of electric vehicles, cloud computing, and information for the driver to adapt their progress for better progression in signalised networks. In 2016, ACISA, as the leading technology company, has developed three new projects:

- *Design intelligent solutions under architectures deployed in cloud computing environments.*
- *Research and development of innovative solutions for new technologies of control systems in the cloud*
- *New technologies for energy efficient installations within an Industry 4.0 environment.*

Two projects started in 2015 and are still in progress:

- *Design and development of an intelligent system with new integrated communication. The goals are optimizing the data capture, processing of the measurement and information received.*
- *Development of an urban traffic management system based on the principles of standardization and innovation.*

Both projects have the support of the Center for the Development of Industrial Technology (CDTI) through the FEDER Operational Program in Madrid.





Commitment to value chain

Global Innovation

The completion of the many certified R&D projects in Grupo Aldesa in Spain has generated extensive innovative own know-how which is being currently applied as a differentiating factor for the organisation in the largest international projects, making it possible to offer clients a technological leap in services.

Mexico

- *The Emisor Poniente II drainage tunnel (TEP II).* Construction of a 5.52-km hydraulic tunnel using a TBM-type tunneller, connecting the West Interceptor with Rio San Javier, with an excavation diameter of 8.4 m and 7 m when the tunnel is finished. Structurally it consists of a ring of segments and a secondary coating of reinforced concrete. This project is being implemented with technological improvements that have enabled the optimised assembly and progression of the tunneller.
- *Energy Loss Reduction in Distribution Project.* Execution of all necessary activities for the construction and installation work to reduce losses with 23 kV voltage, a total 116,616 MVA transforming power, line construction and measurement assurance. These activities involve the removal, supply and installation of 156,669 AMI-type meters communicated through an innovative integrated smart system with new features that optimise data capture, the processing of measurement-taking and the management of the information received.

Peru

- *Tunnels of Puruchuco and accesses in Ate (Lima).* One project for the construction of two parallel tunnels with 77 meters and 3 vials. The most important aspect is the great difficulty of executing it in a little mountain. This project is located in a particularly sensitive sector that needs the least possible affection in surface, being a pre-Inca zone pertaining to Mayorazgo Hill. The background in experience of the construction of false tunnels and stabilization of slopes has allowed the development of solutions for the completion of a technically very complicated work, showing again its our leading position in Peru in the specific sector of civil engineering.

Norway

- *Installation system DAI Hvaler tunnel.* Installation of an Automatic Incident Detection (DAI) system in a 3.70 km underwater tunnel in the Norwegian town of Hvaler, near Oslo. The project will provide the interior of the tunnel with 75 fixed cameras with DAI system, which consists of a combination of software and hardware that, through a dynamic analysis of the images of the cameras, allows detection of any anomalous situation in the tunnel.





Environment

The Group's commitment is borne out in the guidelines of its environmental policy

The Aldesa Group has a long-standing interest in achieving and demonstrating a great commitment to the respect for the Environment and to the preservation of the natural surroundings. The Group's commitment is borne out in the guidelines of its environmental policy.

Environmental Policy

- To commit to protecting the environment, including other specific commitments in the field.
- To comply with prevailing environmental legislation and regulations, as well as the requirements that the company subscribes for these purposes.
- To use processes, practices or materials that avoid, reduce or control pollution, under an overall prevention commitment.
- To continuously strengthen environmental management in order to secure improvements in the company's environmental performance.
- To regularly establish and review environmental objectives and goals, according to the commitments undertaken in this declaration.

- To notify and involve staff regarding how to develop and apply the environmental management system.

These environmental policy principles are undertaken within the framework of an Environmental Management System based on the **ISO 14001 standard** which ensures compliance with applicable environmental law and regulations and the use of processes that prevent, reduce and control pollution, stressing prevention and establishing on-going improvement in the company's environmental performance.

The main companies comprising the Aldesa Group in **Spain** – Aldesa Construcciones, Proacon, Coalvi and Acisa – have their own environmental management systems that have been certified pursuant to the ISO 14001 standard.

With a view to complying with the requirements of this standard, Aldesa has implemented an **Environmental Management Plan** at each of its projects and work sites where the following actions are carried out, inter alia:

- The environmental aspects generated by the activities which are carried out at these sites are identified and evaluated (mainly waste, atmospheric emissions, spillages and noise). The





Environment

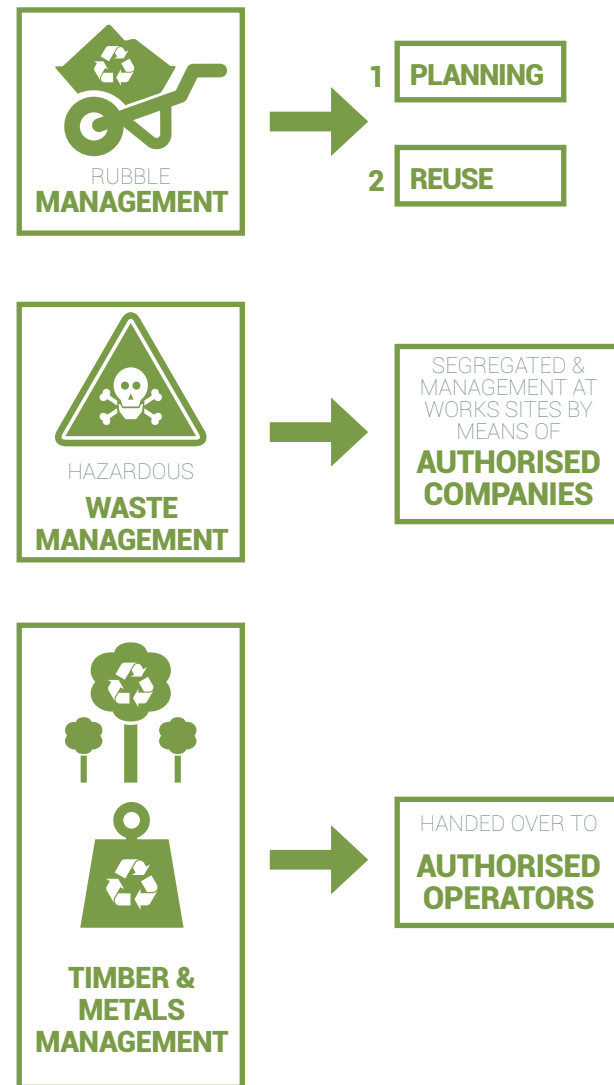
criteria applied in conducting this assessment of environmental aspects are: its nature and toxicity, magnitude, impact on the receiving environment, likelihood of occurrence and severity of the consequences.

- Subsequently, the applicable environmental legislation is identified (EU, State, Autonomous Community and local), as well as the possible environmental requirements contemplated in licenses, authorizations or environmental impact statements. To facilitate this identification task, a specialised external service reports any legal novelties as they arise.

- Once the requirements and obligations have been identified, compliance by the employees and subcontractors and collaborating companies is controlled. To this end, an Environmental Inspection Programme (PIM) is established which sets out the inspections to be carried out, those responsible for doing so, their frequency and their results.

Periodically, environmental improvement actions are established by defining environmental objectives.

In the Construction Area the main impact of works is the volume of inert waste generated. This is mainly the product of excavation and demolition, rubble, timber and rebar. Along these lines and with the commitment to environmental improvement, work is carried out each day to reduce the volume of waste so that it does not end up in landfill sites. Prevention comes first, properly planning the activities and analysing construction alternatives to prevent, reduce, and minimise waste. For waste that cannot be prevented, alternatives are sought, such as reusing it at the work site or sending it to other projects that require excavated material thereby avoiding the need for new quarries. Another alternative to landfill is to use the surplus material for agricultural improvement.



In the case of timber and surplus rebar and metals, they are handed over to authorised operators for subsequent recycling. As for hazardous waste (such as empty containers for aerosols, paint, resins, foams and silicone, along with machinery waste, such as brake fluid, filters, used oil, etc.), this is segregated and managed at each of the works sites and centres by means of authorised companies.

At the same time, to prevent spillages at work sites, several systems for containing possible spillages are established such as fuel storage sites. Other



types of spillages, such as those produced when cleaning the concrete-mixing drums or bentonite sludge frequently used in construction projects, are collected at recycling sites for their subsequent treatment.

As to the control of noise and emissions to air, the machinery used at work sites is controlled and

preventive maintenance and the use of recently-manufactured machinery is required also confirming that official technical inspections are up-to-date.

In the Industrial Area, similar environmental control guidelines, adapted to the specific activities and peculiarities of this division, are implemented.



Environment



ALDESA CONSTRUCCIÓN SPAIN



Inert waste generated year 2016

Waste	Amount (kg)
Total	197,467,889



Hazardous waste generated year 2016

Waste	Amount (kg)
Total	12,021



ALDESA INDUSTRIAL SPAIN



Inert waste generated year 2016

Waste	Amount (kg)
Total	2,068,035



Hazardous waste generated year 2016

Waste	Amount (kg)
Total	7,165

The Group's recycling policy for offices also contemplates systematic collection of waste such as paper or printer and photocopier toner by authorised companies for subsequent recycling and reuse, respectively. One indicative figure is that during 2016, 4.78 tonnes of paper and 1,105 kg of RAEE-registered electronic equipment were recycled.

We should also mention that last year IT tools were also applied last year to environmental management. We already have real time information on the environmental performance at all of the Group's work sites and centres. The reports that are generated contribute to the decision-making process at all levels, also making it easier to handle a greater number of environmental indicators.

Control of consumption of natural resources

Controlling the use of natural resources, including water, fuel, and electricity, is another key aspect of the Group's environmental policy.

In addition to raising awareness among employees, several specific measures were implemented last year to optimise fuel consumption at work sites: the functioning hours of generators were adjusted in cases where the use of this equipment is essential, also encouraging the use of machinery manufactured more recently to ensure that the use of resources is kept at a minimum.

Regarding consumption of electricity, used mostly in office buildings, a study was conducted last year to determine the sources of consumption. Adjustments have been made to power ratings, the scheduling of start-up times and proper temperature regulation in accordance with the orientation of the building, so as to reduce and optimise consumption, thereby helping to cut CO₂ emissions.

In this spirit, studies are being conducted on energy efficiency at the Grupo Aldesa headquarters

(replacing the current lighting with LED- type lighting, placing timers in various public areas, etc.), which is expected to contribute to a continuous reduction in CO₂ emissions.

Raising environmental awareness

With a view to completing the environmental improvement measures, since 2000 different environmental awareness-building campaigns have been carried out aimed both at its own workers and those of collaborating companies. These include the dissemination of operating guidelines for sustainable management at the offices and the publication of various good practice manuals which encompass the different activities in projects involving construction, machinery, masonry, structures, electrical installations and fixtures and fittings.

Aldesa also shares its concern for the environment with suppliers and collaborating companies, particularly when their activities could have a major impact on the projects, ensuring that their workers have the training and environmental awareness required for carrying out their activities.

Several awareness-building campaigns were conducted throughout 2016 at all the work centres in order to raise awareness among employees to ensure that they use water, fuel, and electricity in a responsible manner. Educational videos have also been used as a tool to improve and underpin the effectiveness of the training delivered.

Control of Greenhouse Gas Emissions

One of the main environmental issues in modern society is climate change. Reducing carbon dioxide emissions to air has become a key concern at the Aldesa Group and the reason for considering it a priority objective.





Aldesa continues to promote initiatives and actions to reduce its ecological footprint and minimise greenhouse gas emissions (GGE), by implementing a reporting system for this field.

The objective of the Emissions Inventory Project is to provide a precise idea of GGE generated by each activity to compare the situation against its peers and to identify improvement options. In 2016, work was ongoing on the calculation, analysis, and measurement of emissions based on three different scopes:

- Scope 1: Direct sources of emission. Those associated directly with production activity.
- Scope 2: Indirect emissions. Emissions which are generated indirectly. An example would be those emitted to produce the electrical energy consumed by the company.
- Scope 3: Other sources such as the emissions generated by employees' travel and business trips, supplies and services acquired, etc.



SCOPES OF EMISSIONS

1

Direct
sources of
emission

2

Indirect
emissions

3

Other
sources

Growing energy consumption and the increase in the transport sector mean that CO₂ emissions are currently a serious problem that must be taken into consideration since these emissions are the main cause of global warming. In view of this situation of environmental degradation, Grupo Aldesa has promoted environmental innovation focusing its efforts on producing energy from renewable sources:

- More efficient production of solar-based electric power to replace conventional sources with renewable sources and the development energy storage technologies.
- Creation of new systems for hydrogen production from renewable sources and mechanisms for efficient storage.
- Implementation of energy efficiency and CO₂ capture improvements.
- Improvement in the efficiency of the management of industrial waste.
- Creation of new solutions in the end-to-end water cycle.
- Measurement of the impacts of our activity on the environment.

During 2016 the initiative to reduce emissions generated by the Group's fleet of vehicles continued, maintaining the key criterion in vehicle selection that they should produce the lowest possible CO₂ emissions. So, last year standard vehicle emissions have successfully been reduced by 2.22%.

As a result of the commitment to reduce CO₂ emissions, Grupo Aldesa

has carried out the Carbon Footprint Voluntary Report in 2016. This report has been verified by the accredited entity Bureau Veritas and has been registered with the Ministry of Environment.

BREEAM sustainable building

During 2016 new building construction projects were undertaken to be certified under BREEAM (Building Research Establishment Environmental Assessment Methodology). This certification serves to promote more sustainable construction, generating economic, environmental and social benefits for all parties associated with the lifespan of a building (developers, owners, tenants and/or users), while also conveying the Corporate Social Responsibility of the company with regard to society and the market, in an unmistakable and easily perceptible manner.

In **Mexico**, during the 2016 fiscal year, the ISO: 14001 certification for the Environmental Management System has been maintained.

The activities carried out during that year have been focused on interacting more closely with the operation of the different businesses and on developing practical tools to ensure compliance with the applicable requirements, specifically by unit and type of works:

- Specialization in the integrated management of LEED certified projects (Leadership in Energy & Environmental Design), in its





Environment

different levels and types. In the area of building, the responsible for sustainability, quality, production and technical office have been trained as LEED GA and LEED AP.

- The sustainability operational procedure, which integrates environmental management and LEED, has been standardized in building works. It is measured through a diagnostic report, which allows to calculate the percentage of compliance and formulate plans of action in the short term.
- Verification and compliance with the applicable legal requirements by zone and/or state have been improved, by making specific identifications

and specific work plans for the different works in execution.

- In the building unit, a DPT (Job Description) has been developed for sustainability supervisor, which is associated with the operational procedure, the compliance diagnosis and a semester performance evaluation. This allows to manage environmental issues and LEED in coordination with the other specialties of the works and in agreement with the professionals assigned to the projects.
- Preparation and application of environmental diagnoses prior to the start of the project, avoiding legal breaches.

- Application of matrices for monitoring and compliance with terms and conditions of environmental resolutions.
- Implementation of mitigation measures for rescue and relocation of wildlife with own personnel, reducing costs.
- Improvement of handling, control and disposal of electrical and electronic waste.

- Implementation of preventive activities with the aim of highlighting the actions of our Environmental Management system, as well as endorsing our commitment to continuous improvement.

The collection and treatment of waste by managers approved by local environmental authorities are among the activities regularly performed. The aim is to guarantee the proper handling of waste generated during execution of each project headed by Aldesa Group Mexico.



	MSW (tn)	SW (tn)	HW (tn)
C. Aldesem	772.591	6462.094	24.438
Proacón Mexico	1.56	26101.2	4.382
ADM	52.846	380.47	7.46
Concesionaria	10.35	—	0.400

During the year 2016, important work has been carried out in **Poland** in the implementation process of environmental management systems, which began with the identification of the country's regulatory requirements and then adapt them and improve them with the own environmental management guidelines marked by Grupo Aldesa, which are, in some cases, more demanding than the regulations of each country. All this process culminated with success, obtaining finally the certifications mentioned, and ensuring compliance with environmental legislation.

In the field of awareness-raising, a series of courses is furthermore being staged to increase the environmental sensitivity of employees, along with a number of evaluations derived from different aspects requiring supervision during projects. In 2015 major efforts were dedicated in this sense through the provision of initial training activities at

the time of the incorporation of new workers to each project.

The various Quality Plans required by each of our clients, investors or contract supervisors also include the identification and assessment of environmental aspects affecting every project, as well as the appropriate implementation of preventive actions to ensure the optimal environmental performance of the Aldesa Group in Poland, viewing this as a priority issue, along with Health and Safety at construction sites, in other words, value-added as regards our clients.

Among the main actions undertaken by Grupo Aldesa in **Peru** in 2016 the following stand out:

- Adapting the Environmental Management System and construction projects subject to the issuance of the LEED certificate (Leadership in Energy &



Environment

Environmental Design), the sustainable building certification system developed by the US Green Building Council.

- Certification of the Environmental Management System according to ISO 14001:2004 by the Certification Bureau Veritas Certification.
- Standardization of the various activities in works and in central headquarters according to the requirements of ISO 14001.
- Establishment and fulfilment of Strategic Environmental Management Objectives according to ISO 14001.
- Monitoring of environmental legal requirements to ensure rigorous compliance in the various projects.

- Monitoring of compliance with the requirements established in the environmental impact studies of the projects in execution.

- Approval by SGS of our Design, Planning and Execution of Works activities for transmission lines and substations, obtaining a qualification of Level "A" with a puncture in environmental management of 100%.

As for waste management, collection and treatment of waste is carried out by companies authorised by the environmental authorities and they are some of the activities carried out regularly, which aim to ensure the proper management of waste generated during the execution of each project.

In 2016 Grupo Aldesa has performed in Peru a range of activities in order to minimise environmental impact. Those undertaken during the past year include in particular:



Identified Impact	Environmental Control Measure
Impaired air quality due to gaseous combustion emissions (SO ₂ , CO and NO ₂).	<ul style="list-style-type: none">• Periodic technical review of the machinery to be used.• It will be checked that the machinery is provided with catalytic converters, which reduce the concentrations of combustion gases by at least 75%.• The contractor will be asked that their mobile units (machinery) have a document certifying that they have passed their maintenance, thus reducing the concentrations of the parameters that are emitted from the tailpipes and therefore their degree of toxicity to the worker's health and/or neighbouring population.
Impaired air quality due to emissions of particulate matter and dust generated by construction activities (earthworks) and movement of mobile units.	<ul style="list-style-type: none">• Soil and/or construction aggregate drenching.• Anti-dust perimeter screens will be installed in the boundaries, retaining dispersing particles.• During transportation of removal material, the material will be fully covered by a wet blanket or other suitable material.• Order and cleanliness will be maintained in work areas.
Increased level of environmental noise generated by construction activities (earthworks, operation of machinery).	<ul style="list-style-type: none">• Noise levels will not exceed those under National Environmental Quality Standards for Noise S.D. 085-2003-PCM. These are 70 dB during daytime and 60 dB during night time.• It will be checked that the contracted company use their hearing protection equipment to avoid any effects on health of the worker.• It will be checked that the machinery has undergone preventive maintenance.• Construction activities will be performed only during daytime
Increased levels of vibration caused by the activity of earthworks.	
Solid household waste generation.	<ul style="list-style-type: none">• Household waste will be disposed of by the Municipality of the City.
Generation of excess material and hazardous waste (rags with grease, solvents, etc.)	<ul style="list-style-type: none">• Recycled paper will be handed over to Aldeas Infantiles, NGO that offers a recycling programme called "Fulfil Your Role", with which we would be serving a dual purpose: environmental prevention and social responsibility, because the money collected by the sale of the paper contributes to the welfare of the abandoned children that attends this NGO.• For the proper disposal of solid waste, a company that provides solid waste services authorised by DIGESA will be hired.• Solid waste containers (cylinders) will be temporarily installed for the segregated storage of solid waste.• Signs indicating where the temporary storage is will be placed.





Commitment to the Community

Aldesa's social initiatives focus on the development of projects that are connected to its activity and create value for the community by at least satisfying their basic needs.

In the current sustainability economic environment, the company must set goals that go beyond achieving the maximum profit and must establish not only an economic objective, but also a social objective. For this reason, Aldesa's list of commitments with its interest groups is completed with its Social Action programme, which confirms the Group's desire to allocate resources that contribute to reducing social inequalities. This plan was designed with the goal of linking the corporate strategy with the community's social and economic needs.

Aldesa's social actions are focused on developing projects related to its activity that create value for the community, by satisfying at least its basic needs. These projects are based around two spheres of activity: promoting infrastructure development in the poorest regions of the world and the social integration of those less fortunate in the communities where it operates.

The key operational strategic approaches in this regard are as follows:

- Access to basic infrastructure services for the population, such as drinking water supply and sanitation

- Sustainable management of the area's natural resources, in order to boost the development of the most disadvantaged rural areas
- Developing initiatives aimed at training in countries where Grupo Aldesa operates, as well as integrating people with disabilities into the job market

In **Spain**, Aldesa runs a number of campaigns among its employees intended to promote collaboration in initiatives undertaken by a range of NGOs.

For the eighth year running, Aldesa initiated the blood donation campaign organised by the Spanish Red Cross at its corporate head office, encouraging employees to take part and facilitating the deployment of a mobile Donation Centre unit. In 2016 the clothes donated by employees in the "Solidarity Wardrobe" biannual campaign was given to Cáritas Sevilla.

Grupo Aldesa's headquarters in Madrid hosted twice the Charity Market organised by the Capacis Foundation, whose mission is the social and occupational inclusion of disabled people, while also incorporating other social and environmental concerns. The Group's employees





Commitment to the community



had the chance to purchase donated products and others produced by the students themselves at their workshops. The money raised was allocated in full to funding of the Occupational Classroom project (Aula Laboral), through which the foundation provides training suitable for disabled people to develop their social skills and facilitate their incorporation into the job market.

Meanwhile a campaign for collecting plastic caps was launched, with the intention of it being permanent. The profits obtained from managing this type of waste is used for helping children with serious health problems that need medical treatment or an orthopaedic treatment not provided by the public health system.

In the Christmas campaign, the Group chose once again a charitable cards platform to send out its Christmas greetings in digital format, working specifically with the Josep Carreras Foundation against leukaemia.

During Christmas too, Aldesa collaborated for the first time with the Make-A-Wish Spain Foundation,

which is a non-profit organisation whose mission is to contribute to the resilience of seriously ill children and of their families by involving them and making them participate in achieving their biggest wish. Aldesa contributed in a unique and special way to materialising children's wishes by participating in the "Stars for Wishes" campaign and acquiring stars that were distributed among the entire staff in the head offices.

In keeping with its Corporate Social Responsibility Plan, one of Aldesa's objectives is to help people who encounter difficulties in finding a job and to ensure that they find a quality job in the job market, always putting the emphasis on their capabilities rather than their limitations. In this sense, in 2016 it launched a new initiative that consisted in inviting students of the Capacis Foundation to visit the corporate offices in Madrid as part of their training programme so these young people, with intellectual disabilities, can learn about the reality of the business environment and complete the development of their professional skills before entering the job market.

Meanwhile, as part of Aldesa's collaboration agreements with several universities in the country to participate in the training of the sector's future professionals, it is worth highlighting the visit of students from the Barcelona School of Building Construction of the Polytechnic University of Catalonia (EPSEB-UPC) to one of its works under construction. The aim of this visit was for the students to see in first person the activities and controls that are explained in the subject Quality in Building and which Aldesa has implemented in its Integrated Management System for Occupational Prevention, Quality and the Environment.

In **Mexico** Aldesa has also joined the Make-A-Wish Mexico Foundation's initiative to make a wish come true for a twelve year old girl diagnosed with leukaemia. This girl's dream is to become a video-blogger and help other children that suffer her same illness.

The Group has carried out, since the onset of its activity in the country, various programmes to support local communities in the areas in which

their projects take place, by extending this support to cooperatives in rural communities.

In 2016, Aldesa supported for the fourth consecutive year communities in a critical situation in the areas of Guerrero, Chiapas and Oaxaca, via the Fair Trade initiative for corporate Christmas gifts, through foundations and companies that directly support communities in areas with high indices of poverty.

In addition, Aldesa economically contributed to buying warm clothes for people in vulnerable or critical conditions, who are assisted by volunteers from the Church of Santa Rosa de Lima, located at the Cuauhtémoc neighbourhood in Mexico City. These volunteers are in charge of delivering them basic items on a monthly basis.

In the environmental scope, during 2016 Aldesa continued with its corrective activities aimed at minimising the environmental impact of the Group's activity in Mexico, including in particular reforestation campaigns along with the monitoring of the reforestation performed in previous years





Commitment to the community



to increase the survival rate of the saplings and, basically, their success.

Aldesa also maintains the forest nursery created in 2014 for the Siglo XXI motorway project. Located in the municipality of Jonacatepec (Morelos State), it has capacity for 40,000 plants and covers a surface area of 4,000 m². It houses species rescued in accordance with environmental programmes and has facilities including security huts, a germplasm processing area, a shade mesh shed and an irrigation system. In August a reforestation day was organised in the area of Las Estacas, specifically in the ejidos (common land) "Tecomalco" and "7 de Marzo". It consisted in replanting 170 hectares of forest in accordance with the environmental impact authorisation that was established for this gesture.

On the other hand, among the activities undertaken by companies of Grupo Aldesa in 2016 aimed at transferring different sustainability-related issues to the business, and specifically related to the environment, mention should be made of the Group's presence at Mexico Wind Power 2016, the most important trade fair and series of international conferences focusing on wind energy in the country, which is held in Mexico City.

It provides a meeting point for public authorities responsible for the generation of strategies, policies and sustainable energy regulation and project development companies, components and equipment manufacturers, technical and financial service providers and companies engaged in R&D&I activities, among others. In addition, its participation in the Annual Congress held by the Mexican Wind Energy Association and the ExpoForo Environmental Mérida, which sponsored this event, is also worth mentioning. This initiative was led by the National Chamber of Commerce, Mérida Services and Tourism and the Secretariat for Urban Development and the Environment, with the aim of promoting clean energies and conservation practices in the State of Yucatán.

In the areas of training, employability and recruitment, Aldesa has been present in the most representative fora on employment, such as the recruiting fairs held by the National Polytechnic University and the Technological Institute of Higher Education of Monterrey and the job fairs organised by the National Autonomous University of Mexico.

In **Poland** Aldesa Nowa Energia has been organising educational workshops for children from schools

near the route of the Gdańsk Przyjaźń-Żydowo Kierzkowo power line, which show what electricity is and how to handle it in a fun way. The idea and objective of the project are to reinforce, from an early age, the awareness of what electricity is and how it benefits us, while also teaching how to avoid the dangers associated with its use. Aldesa's project is organised in 18 schools in all 11 municipalities crossed by the power line that we are building.

Within the scope of employability, in 2016 Aldesa Polska took part once again in one of the most important job fairs in Poland: Absolvent Talent Days. This event, organised by students and graduates from Warsaw, was an opportunity to acquire an unforgettable experience and valuable information on the movement around the job market process. The persons responsible for Human Resources at Aldesa Polska actively participated in the rounds of consultations that Absolvent Talent Days organises on orientation in the development of a career plan.

Another event worth highlighting in which Aldesa participated as an official partner was the 4th edition of the Smart City Forum, which is a platform for dialogue and cooperation on the world of business with the central and local public administration. It is a space that allows for an effective exchange

of opinions and experiences relating to smart cities. Aldesa Polska's participation in this event represents the company's commitment towards the development of technologies that transform the life of inhabitants in cities by adopting models that are more efficient and sustainable.

Aldesa has focused its efforts in **Peru** on generating and developing local employment in the rural community Centro Poblado Alto Perú by incorporating 47% of local workers to the construction project for the road section between Tacna and Collpa, along the border with Bolivia. The company has also been involved in the life of this community, participating in the commemoration of its 29th anniversary by donating small household appliances to be used in the celebration's events and participating in its cultural activity. In addition, in Christmas it delivered toys to the three hundred children that live in this community.

Aldesa has been working with the NGO Aldeas Infantiles Peru, participating in the campaign "Recycle me: fulfil your role", through the delivery of office waste paper intended to be recycled. Thus, for every two tons of recycled paper and cardboard collected, six children receive food for a month. In 2016 Aldesa collaborated with nearly 900 kilos of paper for recycling.



SPAIN

Madrid

Barcelona

Valencia

Seville

Zaragoza

Valladolid

Málaga

MEXICO

Mexico City

POLAND

Warsaw

Krakow

PERU

Lima

Arequipa

ROMANIA

Bucharest

GUATEMALA

Guatemala City

INDIA

New Delhi

SLOVAKIA

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