

GLOBAL COMPACT COMMUNICATION ON PROGRESS REPORT 2016-2017





COMMITMENT RENEWAL LETTER

Mr. Antonio Manuel de Oliveira Guterres Secretary General United Nations New York, NY1001117

Dear Mr. Secretary General

I am pleased of addressing you to present our Progress Report 2016-2017, in compliance with the task of informing all our stakeholders about Eurofinsa's commitment to the Ten Principles of the Global Compact.

This is the fourth report, and we have wanted it to reflect on the progress made with regards to human rights, labor standards, the environment and the prevention of corruption. In this sense, it is my pleasure to mention the achievement of our new ISO 50001 certification, which allows us to continuous improvement in energy efficiency in our central office and which is in addition to ISO 9000, ISO 14000 and

OSHAS 18001, that in one more year they have been satisfactorily renewed.

Eurofinsa maintains, since 2013, a public and voluntary commitment to sustainable development and our values, with special emphasis on quality, excellence, teamwork, diversity and transparency. That commitment is driven by the partners of the company and led by its executives, with the indispensable collaboration of all our team that works both from our headquarters and from the many projects we are developing in the 4 continents. Together we have achieved, one more year, to design, finance, build and



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manage infrastructure that improves the quality of life of people and contributes to stimulate the local economy.

During 2016, the construction and infrastructure sector has undergone a credibility crisis and a complex financial situation. However, this experience has allowed us to focus on strengthening our controls, analyzing the risks of our business and being more aware than ever that our activity has a social significance, which must be based on transparent business models and relationships with the public institutions that have the respect of citizens.

I would like to point out that the results of Eurofinsa could not have been achieved without the support and trust that our customers, partners and suppliers have given us. In addition, I want to thank our team, for their commitment, effort and spirit of achievement, key to face the challenges of our business and achieve the goals that we had set.

Yours sincerely,

Mauricio Toledano

Sole Manager



The UN member states, together with NGOs and citizens from all over the world, generated a proposal of 17 Sustainable Development Goals (SDGs) with goals by 2030. This new development agenda was officially discussed at the Sustainable Development Summit held in September 2015 in New York, where 193 world leaders committed to meet these 17 goals to achieve extraordinary progress in the next 15 years.

We believe that from the private sector we can and must contribute so that the countries where we operate achieve these goals. During 2015 and 2016, we have contributed with our work to the following SDGs:



GOAL 3

Ensure healthy lives and promote well-being for all at all ages

Both the construction and management of health facilities in Peru and Panama have been a contribution to improving the health indicators of people who have used our infrastructure and equipment, and have been assisted by our health personnel.



GOAL 6

Ensure access to water and sanitation for all

We have worked in the improvement of sanitation systems in Nicaragua and in the wastewater treatment in Spain, both to improve the water management that benefits the community.



GOAL 7

Ensure access to affordable, reliable, sustainable and modern energy for all

Our hydroelectric projects under construction in the high Andean region of Ancash (Peru) will provide clean energy to the national electricity grid.



GOAL 9

Build resilient infrastructure, promote sustainable industrialization and foster innovation

We have designed roofs with a non-developable surface to mitigate the effects of extreme climates like those of Middle Eastern countries.



GOAL 10

Reduce inequality within and among countries

The labour and social integration of people with disabilities is part of our projects of concessions and support to non-profit organizations in several countries.



GOAL 11

Make cities inclusive, safe, resilient and sustainable

We have invested in the development of construction systems to mitigate the weather effects on buildings in places with extreme climates, such as Qatar. In addition, we are developing a recyclable waste treatment plant in the Canary Islands (Spain).



GOAL 14

Conserve and sustainably use the oceans, seas and marine resources

We have worked in the development of a port project that protects mangroves in Colombia as well as biofiltration systems for wastewater treatment in Madrid (Spain).



GOAL 17

Revitalize the global partnership for sustainable development

Our collaboration with non-profit organizations has been developing for decades on several continents. We firmly believe in collaborative work and networks to achieve social goals and we support organizations specializing in education, health and disability problems.

>> In December 2013, we adhered to the Global Compact with the purpose of improving the management of our business through the integration of the social and environmental impacts of our projects from design to planning and execution. TRANSPARENCY IN MANAGEMENT AND **COMMITTED TO GOOD GOVERNANCE** THE WELFARE Since then, we have continued the INDEX OF THE PEOPLE progression to face new challenges related to the social responsibility of our activity, with an approach that aims at the 17 Sustainable **Development Goals.** ORGANIZATIONAL CULTURE **EXPERIENCE AND** AND CONTINUOUS TRAINING LEADERSHIP IN **INFRASTRUCTURE PROJECTS** FOR THE BEST TEAM **OUR COMMITMENT** INDICATORS TABLE TO THE GLOBAL COMPACT

SCOPE

This report reflects the main facts related to the economic, social and environmental performance associated to the 10 commitments of the Global Compact and our Corporate Social Responsibility policy during the period between 01.09.2016 and 31.08.2017 in the countries where Eurofinsa operates, in Europe, America, Africa and Asia.

The information included has been gathered thanks to the collaboration of all the management areas related to our activity, both administrative and production, especially those that generate direct impacts on our main stakeholders.

We engage with our clients from project financing, through design and execution to infrastructure management.





ABOUT US

The Eurofinsa group is a corporate group specialized in the development of public works, implementation of building projects and integral equipment for public institutions.

The group is a leader in the execution of public works and "turnkey" equipment projects EPC (Engineering Procurement and Construction) and concessions, thanks to its global expertise, technical knowledge and financial backing.



+500 infrastructure works support our experience



hospital infrastructures
(hospitals + primary health care

facilities and hemodialysis)



hospitals built (15 already completed)



24% Increase of turnover



5,800 employees around the world



€ 425
million business
portfolio

TIMELINE **Our recent history**

2007 Opening of a branch in Angola, China and Indonesia.

2009

au Gabon.

Constitution of Acquisition of Ceddex Succursale Ellipse Project S.A.S. (France)

2013

Opening of a branch in Brazil, Kenya and Oatar.

Adhesion to the Spanish Network of the United Nations Global Compact.

Concession of the first hydroelectric power plant project (Peru)

2015

Opening of a branch in Zambia, Chad and Guinea.

Conadis Award "Soy Capaz", recognizing IBT as an Inclusive Company.

Obtaining the quality certifications ISO 9001, ISO 14001 Environment and OHSAS 18001 Health and Safety at Work.

2017

Opening of a branch in Sri Lanka.

The launch of the "IBT School" for employee training.



2003

International **Business** and Trade INC. is established.

Start of activity in the Dominican Republic and Argentina.

2008

International **Business and Trade** INC. based in Miami. becomes the current IBT Group.

Construction of "Ruas de Angola".

2010

Opening of a branch in Peru and Panama.

Signature of the first health concession agreement in Peru for 30 years.

Start of construction of "Ciudad de la salud" (Panama).

2012

2011

Opening of a branch in Nigeria, Colombia, Ecuador, Ghana.

2014

Opening of a branch in Bolivia, Costa Rica, Senegal, Cameroon and Niger.

The health concession of Peru ranges from 26 to 2773 employees in a year in that country.

The launch of the inclusion project for people with disabilities through the opening of the call center of the hospitals in Peru.

First workshop of the Training Program in Social Responsibility for employees.

2016

Opening of a branch in El Salvador.

Obtaining the ISO 50001 certification **Energy Management** System.

PROJECTS AND INTERNATIONAL PRESENCE

Eurofinsa is present throughout the world due to its wide range of projects, whether turnkey -EPC, equipment, connational services and other activities aimed at the needs of its customers.

We wish to continue applying our experience of over 40 years in the development of projects that contribute to reduce the infrastructure gap that still persists in many countries, and which is a challenge to fight against inequality and lack of access to quality public services for all citizens.















Collection System for Improvement and Expansion of the Sanitary Sewer System of the City of Masaya.



COSTA RICA

Design and construction of the highway La Abundancia -Florencia and Radial Ciudad Ouesada, San Carlos Road, in La Abundancia - Florencia.



ECUADOR

Construction of the bridge over the Daule River and the overpass on Av. Samborondon.

PANAMA

PFRU

Management of the Hospital

Fuente and Alberto Leopoldo

Construction of 6 hydroelectric

plants in the Ancash Region.

Barton Thompson, in Lima.

Complexes Guillermo Kaelin de la

- Construction of the Women's Rehabilitation Center (CEFERE) in Pacora.
- Construction and rehabilitation of housing. "Techos de Esperanza" program



- Wastewater Treatment Plant of Cervantes de Buitrago and El Berrueco, in Madrid.
- Waste treatment plant of the Zurita environmental complex, in Fuerteventura
- Canary Islands.

NIGER

Construction of the embassy and residence of Saudi Arabia in Niamey.



QATAR

Design and construction of the Marina Yacht Club Nautico of Lusail.



CAMEROON Construction of the

embassy and residence of Saudi Arabia in Yaounde.



Asphalting of the highway between Ríos-Palos Blancos, in Tarija.



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



Construction of the

embassy and residence of Saudi Arabia in Lusaka.

MISSION AND VISION

Our Mission is to provide integral solutions for construction according to the needs of our customers, offering in addition to design, planning, execution and construction, financing solutions and service management.

The principles governing this mission are the following:

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

ic, social and environmental goals, based on sustainability criteria, is essential for the maintenance of our leadership and for its reinforcement in the future. Therefore, we integrate social responsibility policies as a key factor of competitiveness, sustainability and commitment to stay in the markets where we operate.

• We promote public-private partnerships as a formula for technology transfer and knowledge, which helps improve the quality of life of communities and strengthens the capabilities of public institutions in each country.

By means of this strategy, we want to comply with our Vision of being the international benchmark in the construction of major customized works, with the highest standards of quality and integral service. We want to be a corporate group that creates infrastructure to improve the quality of life of the communities where it operates, generates local employment, respects the environment and promotes prog-

OUR VALUES



We work every day to gain the trust of our customers by offering an excellent service that builds long-term relationships.



We promote continuous improvement and innovation to achieve the highest quality from criteria of profitability and implementation of smart and eco-efficient technologies.



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



DEVELOPMENT OF HUMAN POTENTIAL

We develop the potential and we promote the talent, providing access to career opportunities based on professional merits. In addition, we encourage teamwork to aim for common goals that develop 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.



ETHICS

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



Our social and environmental commitment is part of our activities from conception to delivery of work. We respect the environment and the communities in the area where our operations are carried out.

EUROFINSA IN FIGURES

Our experience and internationalization has meant that our billing has diversified both geographically and by activity. This diversification gives us a stability and security that strengthens our commitment to continue growing and improving the infrastructure we build and manage. Our international activity already represent 97.72% of the turnover, which motivates us to improve our ability to operate in different cultures, with a diverse human resources, with different legal frameworks and public entities with increasingly demanding requirements. All this provides us with better capabilities to

face the challenges we face in a global market, where, the quality of public infrastructure is essential to provide citizens with better essential services such as health, energy and infrastructure, which protect the population in developing countries against challenges such as the consequences of climate change.

PROJECT PORTFOLIO

275,72

International activity in construction 2016 (in millions of €)

North America (USA and Canadá) 0,00 Europe EU: 9,71 Others: 0,02

Asia 40,46

Central America Africa 70,4

Middle East[©]
28,87

Oceania / Australia
0,00

 Afghanistan, Bahrain, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Syria, UAE and Yemen (north and south)



billed worldwide in 2016

INCOME

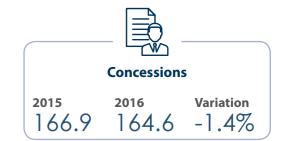
The main economic parameters show the following results:

Data in MM€	2015	2016
Sales	343.7	425.2
% var	10.0%	24.0%
Gross margin	103.5	137.9
Margin %	30.0%	32.0%
Personnel expenses	-39.4	-35.2
% var	39.0%	-11.0%
% about sales	11%	8.0%
Overheads	-64.1	-67.9
% var	-5.0%	6.0%
% about sales	19.0%	16.0%
Other income	24.7	4.3
Extraordinary items	-	-
EBITDA	24.7	39.0
Depreciation of fixed assets	-11.8	-11.3
Impairments and provisioning	-0.1	0.3
Other results	-0.3	-0.5
OPERATING INCOME	12.5	27.5

The distribution of the net amount of our turnover by category of activities in € MM is:







The information and mechanism for monitoring and follow-up are the basis on which the commitment with our investors, business partners and employees is based.



ORGANIZATIONAL STRUCTURE

In 2016 we completed our merger process in order to improve the efficiency of our management, prevent duplication and develop more transparent processes. This has enabled us to unify our values and business culture among the central services, the business areas and the branches.

Furthermore, we have invested resources to professionalize the purchasing and logistics teams, studies and bidding, projects and financial, focus on optimizing the quality of service to our customers.



MANAGEMENT COMMITTEE

On the basis of the Management Committee, the highest decision-making body and assurance of compliance with the Code of Conduct, a series of committees have been created to support management for applying the best practices of good corporate governance, such as such as the Operations and Risks Approval Committee and the Monitoring and Operations Committee.

- CEO
- CFO
- · COO
- Manager of Latam
- Manager in France
- Legal Compliance Director

- Legal Director
- International Finance Director
- Director of Studies and Contracts
- Director of Construction
- Human Resources Director

the experience, talentand professionalism of our employees. Developing their potential is our best investment.



OUR EMPLOYEES IN THE WORLD

Eurofinsa has a strong multidisciplinary team, composed of 5,798 professionals from 35 nationalities, who work in the four continents to ensure the quality of service and respect for our management principles and social responsibility.

The main value of our team is its diversity, professionalism and commitment, which enables us to create a culture of partnership in order to take advantage of the qualities of each of our professionals and improve company performance.













EUROPE









12 pp 42 >50 years

ASIA











AMERICA

5,416
staff
members
members
members
members







AFRICA

182 014 women











EDUCATION

Eurofinsa wants to offer an attractive career project that generates empathy and identification of employees with the corporate culture, and involves them in all our activities.

We offer a wide variety of courses, workshops and person-centered activities for promoting the development of the full potential of our people, with special emphasis on soft skills such as interpersonal communication, team management and conflict management. We also promote leadership, providing coaching sessions to team leaders.

We are currently developing the IBT School, a training project to train and develop the skills and leadership of our employees, supervisors, chiefs, managers and directors in Peru. The process begins with a welcome training and induction, which involves 14 hours of dedication during the first month of our new employees.

75,73 Training hours worldwide in the period September 2016 - August 2017



Safety and Health 32,391



Environmental 4,294



Corporate Social Responsibility

165



Languages 26,623



Expatriate Management 2,755



Health Management 6,437



22,634



People Management 697



Others 36

IBT SCHOOL



SCHOOL FOR EXECUTIVES

Team Breakthrough



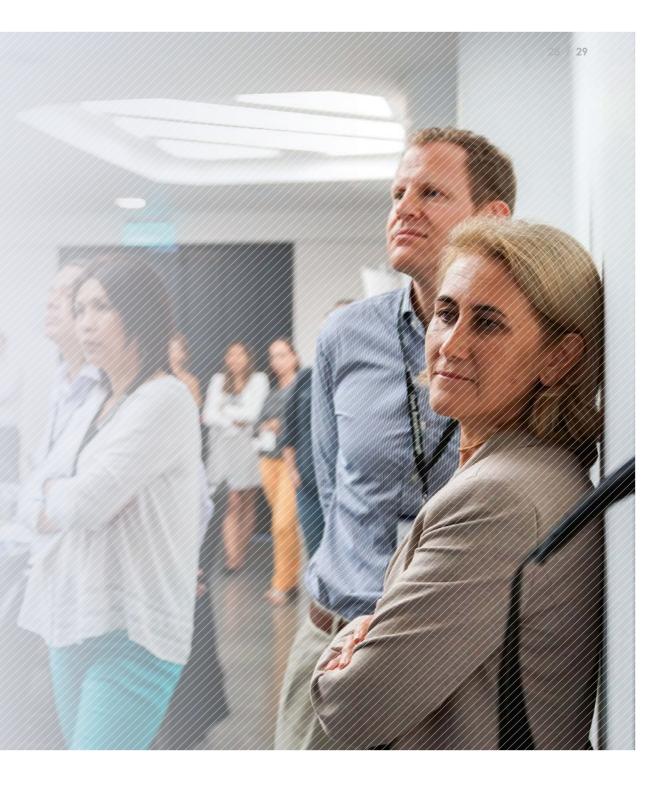
SCHOOL OF LEADERS

- Training of high performance teams
- Leadership of high performance teams
- Coaching



GROWTH PROGRAM

- Customer service
- Communication
- Conflict management
- Stress management
- Relationships
- Teamwork



in dozens of countries with very different social and cultural realities, and we get involved with local institutions that work to improve the living conditions of citizens.



SOCIAL RESPONSABILITY

Eurofinsa invests in social welfare in the countries where it operates. We focus on the impact on quality of people's life, social development and environmental improvement in local communities. In Eurofinsa we are proud of the positive effects our projects have on society.

The social responsibility policy is structured around 9 fundamental goals:

Respect the current legislation in the countries where we operate, adopting, in a complementary manner, international standards such as the ILO Conventions, where there is no legislation that ensures the application of our principles and values.

Adopt corporate governance practices in line with internationally recognized recommendations of good governance, and based on transparency and mutual trust with partners and investors.



3 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 work environment for our employees.

Respect human rights and labor rights, as established in our Code of Conduct.

5 Establish transparent relationships with our suppliers, encouraging the improvement of their skills and their level of quality and service. In addition, we commit ourselves to transmit our social and environmental responsibility policies along the value chain, to maximize its multiplier effect and the positive impact of our operations, through a selection and hiring process that prioritizes responsible management.

OUR STAKEHOLDERS

6 Promote a culture of respect for the environment and biodiversity, minimizing the environmental impact of our activity in all phases of our projects.

Reject any form of corruption, by not allowing the company and its employees to illegally obtain advantages that do not respect the rules of transparency and free competition.

Promote dialogue with different stakeholders to achieve a balance between our business goals and social expectations, through responsible communication with local communities and other groups related to our activities.

Provide relevant and truthful information about the main activities carried out, subjecting it to internal and external verification processes that ensure their reliability.

Although at Eurofinsa we have decided to prioritize our efforts on direct stakeholders, we consider it very important to engage with other groups that are also involved in the development of our activity:



SOCIAL **ACTION**

We are a company that develops its operations on a global scale and in many geographies. We are in a social environment with a high deficit of health services, sanitation, education and infrastructure.

This reality leads us to decide for a growth strategy based on a transparent and innovative model that generates values for all in a responsible manner with the environment, contributing to local development and working to maintain respectful relationships with all social agents in the environment of the operations.

And because we keep an open line of communication with the different stakeholders, we listen and pay special attention to collaborating with institutions that share our values and contribute to mitigate the absence of social protection.

For the purpose of ordering the process for granting and unifying the Company's policy in this regard, we have approved the Social Support Protocol, a document that includes the whole itinerary from receipt of a request for social support to follow-up and evaluation of the aids granted.







COOPERATING WITH NON-PROFIT ORGANIZATIONS

DISABILITY

In Eurofinsa we believe that disability is not an inability for people, therefore we bet on them through two ways:

- Supporting non-profit organizations that work for its development, such as the Fundacion Tambien, which seeks the social integration of disabled people through sports in Spain.
- Promoting our labor inclusion project of disabled people in hospital complexes of Peru, where 65 people with disabilities are already working with us.



CHILDHOOD

Because children are the future and we are concerned about their physical, emotional and educational development, we try to support both specific needs identified in the impact areas of our operations and projects of non-profit organizations that work for the welfare of children.

In Panama we collaborate with the Asociacion Pro Rescate de la Niñez y la Juventud to encourage children from very poor areas to practice sports as a healthy lifestyles and with the scholarship program for low-income children of the Asociacion de Damas Españolas Panameñas.

We provide school materials to two schools for low-income children in Santo Domingo, the Dominican Republic.

In Ecuador, we support the children of the community where our project operates, through play, health and educational support activities.

In Peru, we collaborate with The Hogares Infantiles de Nuevo Futuro that foster children in situation of abandonment.

In Ghana, we support the Universal Wonderful Street Academy, a non-profit organization that seeks to alleviate extreme poverty and improve the living conditions of children in Accra. We provide water with tanker trucks to the school and to the families of the Jamestown community, whose homes do not have running water.







HEALTH

In Peru, we contributed to the shelter of the Peruvian Cancer Foundation that receives low-income families living outside the capital during the treatment period and in Panama we support the Association of Friends and Volunteers of the National Oncological Institute.

ENVIRONMENTAL

The biodiversity conservation is also a factor that Eurofinsa takes into account from the conception of projects, because it is aware that the development of societies is directly linked to the use of natural resources. respect for all forms of life related with the ecosystems and the communities

that live on the resources derived from them.

Waste management, energy efficiency and recycling are implemented in our projects, with special emphasis in our concession contracts, as the permanence in the management and administration of health facilities enable us to set ambitious and scalable environmental improvement goals, which last and result into a better environmental management that also leads to economic savings.

In Peru, we collaborate with the NGO Ciudad Saludable for the recycling of recoverable solid waste produced in our hospital complexes, contributing both to the environment and to the training program for waste pickers living in a situation of exclusion.

In the Dominican Republic, we contributed to the environmental rescue of Constanza through the planting of 4,000 plants of different species and with which we add more than 40,000 trees planted in the area.



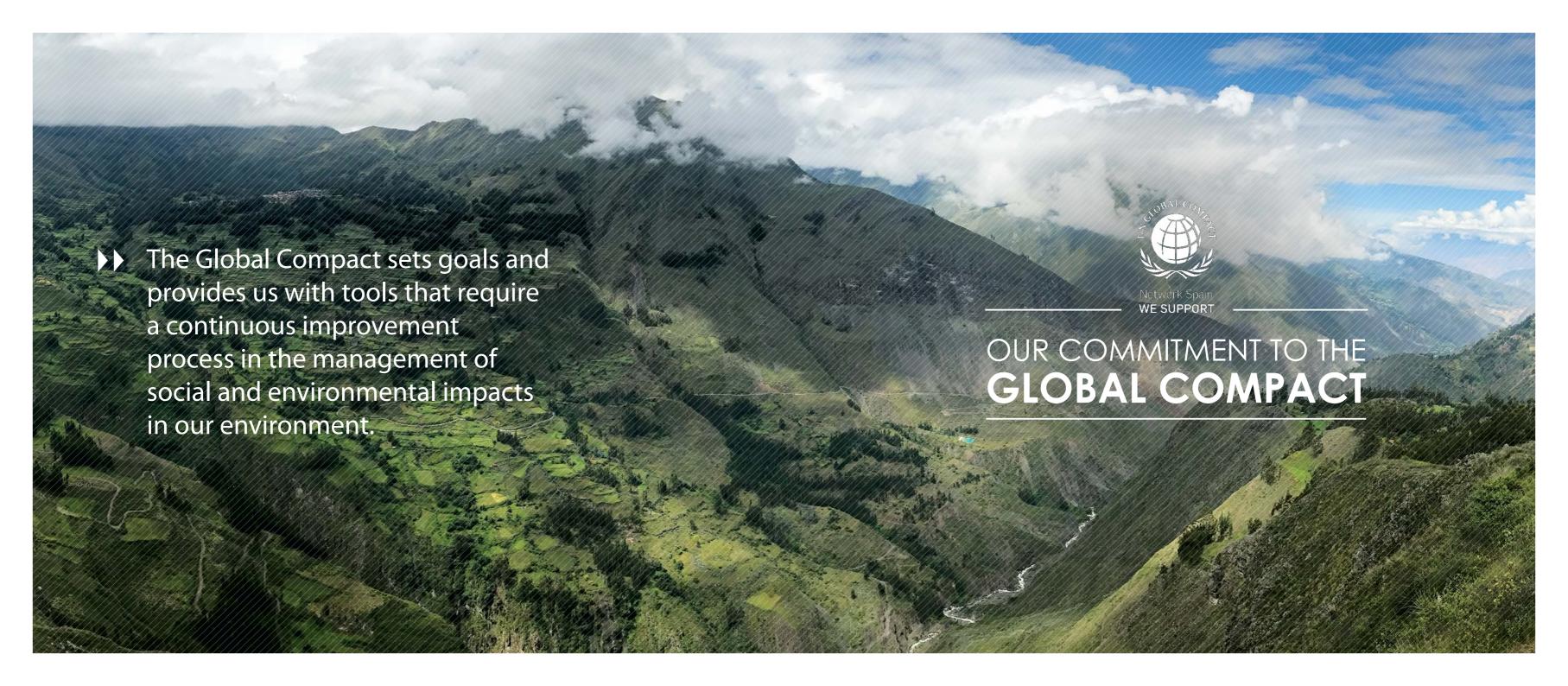
EMERGENCIES

The unusual number of mudslides that have affected diverse zones of Latin America in the last years is one of the consequences of the climatic change. The El Niño Phenomenon occurred throughout 2016 would also be one of the main causes of these devastating natural phenomena.

Owing to the mudslides that affected Peru in March due to the floods caused by the El Niño Costero Phenomenon, we have contributed financially from

Spain with the Fundacion Santos Toledano for the benefit of those affected by these floods and from our office in Lima with different actions of solidarity both by the company, as the donation of medicines to the NGO Ayudando Peru, as well as by the employees with the financial donation to Cáritas del Perú and also with clothing and food to the National Campaign #Una sola fuerza.





Eurofinsa S.A. joined the Spanish Network of the Global Compact in December 2013. This document is the fourth Progress Report that the company presents after its accession and includes the activities carried out directly by the company from September 2016 to August 2017.



Network Spain **WE SUPPORT**

Since our accession to the Global Compact, we work to comply with the 10 principles that govern it. This has been a fundamental guide to focus our efforts on respect for human rights, labor regulations, the environment and the prevention of corruption, as an essential part of our management.

It is very important for us to ensure respect for these principles not only in our sphere of direct influence, but also on the part of our suppliers, contractors and business partners, who are committed to the same social and environmental standards in which we believe.

Internally, we start with the commitment of senior management to the principles of the Global Compact, involving the whole company with this example and through the training of our employees in the content of these principles and their application, as well as the knowledge of our code of conduct, which governs our behavior.

The Progress Report will be public through the mechanisms of the Global Compact and the Spanish Network of the Global Compact. It will also be available on the corporate website of Eurofinsa (www.eurofinsa.com), and distributed electronically and on paper to its relevant stakeholders.

The ten Principles of the Global Compact are based on universal declarations and conventions applied in four areas:



HUMAN RIGHTS

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

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



LABOR STANDARDS

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

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

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

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



ENVIRONMENT

Institutions should maintain a precautionary approach favoring the environment.

Entities should encourage initiatives that promote greater environmental responsibility.

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



ANTICORRUPTION

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





PEASANT COMMUNITIES

Due to our interest to contribute to the socioeconomic development in the areas of direct influence of our projects and to have the support of the respective communities, we include the study of the local community, their culture, traditions and expectations regarding our projects, from the design phase.

This comprehensive approach establishes communication channels with the community that allows a fluid dialogue that anticipates the concerns and doubts of the community and its representatives, that sometimes arise from the activity of the private sector in areas where the presence of State institutions is very limited. Among other commitments, we include the promotion of local employment and the promotion and financing of sustainable productive projects that generate progress in the area, beyond the life of our projects.

In our construction project of 6 hydroelectric plants in Peru, we have continued to hire local labor from the peasant communities and the rural environment of Ancash.

In parallel, we have provided counseling and training for the implementation of three restaurants and a laundry promoting the employment and economic growth of the area, and we have given financial and in-kind contributions for a livestock production project and educational and sports activities of the schools in the area.

2 ACCREDITATION OF THE JOINT COMMISSION INTERNATIONAL

Throughout 2017 we have worked so that the two Hospital Complexes of which we are concessionaires in Peru obtain the Joint Commission International accreditation, a certification that is given only to health institutions that comply with the highest levels of safety and quality for the patient.

Joint Commission International (JCI) is the international division of The Joint Commission, the leading accreditation body of healthcare organizations in the United States, which evaluates more than 20,000 health care programs around the world through a voluntary accreditation process. Both are non-governmental and non-profit institutions.

JCI accreditation responds to the growing demand worldwide for health care assessments based on international standards. The purpose is to offer the international community objective processes based on standards for the evaluation of health organizations, aimed at promoting the constant and sustained improvement

of health organizations, through the application of international criteria, goals for patient safety and the support of measures and indicators.

This accreditation, which we expect to obtain in 2018, entails our commitment to achieving 6 goals:



Identify patients correctly.



Improve effective communication, thus protecting the patient's individuality, who must participate in the decisions and processes of their care.



Improve the safety of high-risk drugs.



Ensure a safe surgery



Minimize the risk of infections associated with health care.



Minimize the risk of patient damage caused by falls.

These goals will enable us to further ensure the protection of human rights and the individual dignity of our patients.



3 TRAINING IN SOCIAL RESPONSIBILITY

The implementation of our social responsibility policy is not possible if its content and practical application is not transferred to the whole organization. For this reason, 165 hours of face-to-face training have been carried out in four countries within the framework of the Training Plan in Social Responsibility that began 3 years ago. The following contents have been included in the workshops performed:

Workshops	Goals
Definition of Social Responsibility	 What is RSC How to measure corporate CSR Good practices of CSR
Business and Human Rights	 What are the risks of violation of Human Rights in our business? Regions with the highest risk of human rights violations How to protect Human Rights in the development of our activity
The United Nations Global Compact	 The ten principles of the Global Compact Our commitment to the Global Compact
The duties of the Social Responsibility Area	 Duties and activities of the CSR area Eurofinsa's social action in the world
Content and application of our Code of Conduct	 What is the code of conduct and what are its goals? Practical cases of application and ethical dilemmas

TRAINING IN CSR



manager



2'2% niddle level officials hours of face-to-face training in 4 countries within the framework of the RSC Plan.



64%



LABOR STANDARDS



1 SAFETY AND HEALTH TRAINING

The training and information of our employees is an essential part of our culture. Each year, we extend the internal training offer, so that we develop the maximum potential of our team, and we provide them with the skills, abilities and information needed for the performance of their work and professional career.

Out of a total of 95,731 hours of training in the 12 months of this report, most of it was dedicated to safety and health, with a total of 32,391 hours, as it is a fundamental aspect to protect the rights of our employees and create a safe, healthy and pleasant work environment for all.

2 INTEGRATION OF PEOPLE WITH DISABILITIES

Our branch in Latin America, IBT Group, has led our first labor inclusion project of people with disabilities that, in constant growth and evolution, enables us to establish an employee management model

increasingly integrating, giving opportunities to those who wish to develop their professional skills and contribute with their talent to the success of our business.

In 2014, the Project was initiated with the support of the Integralia Foundation, a Spanish non-profit organization with more than 17 years of experience in the labor inclusion of people with disabilities, with whom we have collaborated for two years, advising the



have minors or elderly people under their care.



have previously had more informal jobs than formal ones.

implementation and consolidation of the project.

There are currently 65 people with disabilities who work with us in the Hospital Complexes of Peru, mostly in the Admitting Department (call center and attention in person).

We have already started a second stage with the incorporation of a mentor, hired by the company, to ensure the sustainability of the project and we

68%

have never received support from a public or private entities because of their disability.



½ 2/%

of all cases, their salary is the only family income.

have set as a new goal the incorporation of increasingly qualified professionals, to be incorporated in the different areas of the company. There are already three professionals in the areas of Physical Medicine and Rehabilitation, Human Resources and Nursing.

In 2017, we carried out an impact assessment of the workplace in which 81% of employees with disabilities have participated and the results are the following:



+70%

claim to have been subjected to employment discrimination because of their disability.



of all cases, their salary maintains more than 3 people in their household.

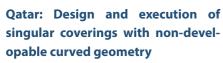
It is worth mentioning that, according to data from the National Institute of Statistics of Peru, extracted from the last Specialized National Survey conducted in 2012, 5.2% of the Peruvian population has some disability, which is 1.6 million inhabitants. And only 21.7% of that percentage, who are of working age, work or seek employment, mainly for reasons of health, mobility and level of education.



INNOVATION WITH ENVIRONMENTAL IMPACT

During the last year we have obtained the I+D+i Certification issued by ENAC - Entidad Nacional de Certificacion in Spain for three projects directly related to energy eco-efficiency and protection against climate change and other environmental impacts that affect health and safety of people and the sustainability of the planet:





This project in its second year generates a constructive system for roofs with non-developable surface with the maximum levels of effectiveness, lightness and efficiency to mitigate the meteorological effects on buildings in places with extreme climates, and developing the necessary palliative systems.









The project proposes a new solution from the perspective of environmental protection and minimum environmental impact, for which the implementation of a remote port terminal is proposed about 5 km from the coast, for avoiding damage in a protected area of mangroves in the littoral, preserving the biodiversity of the ecosystem.





Spain: New design of advanced biofiltration systems for tertiary wastewater treatment

This project proposes to design and develop a filtration system for the elimination of nutrients (nitrogen and phosphorus) that allows achieving better levels of water discharge quality, which will help the conservation of the fauna and flora of the region, as well as a improvement of the quality of life in the local community.





CERTIFICATIONS

Our management system is based on continuous improvement by means of internal audits, on-site observation of processes and continuous improvement, the training of each employee, the classification of subcontractors and the monitoring of customer satisfaction.

Over the past year, we have renewed our certifications in terms of quality, labor and environmental, and achieved, for the first time, the ISO 50001 certification, which leads us to continuous improvement of energy efficiency in our head office.











Companies	Ertified Standards	Official Certification Company	National Accreditation Agency	Scope Country	Scope Activity	ISSUE	Expiration				
	ISO 9001:2008				The construction of		14.09.2018				
	ISO 14001:2004	-			the following types of work: earthworks and drilling; bridges, viaducts and large structures; buildings, hydraulic; vials, tracks, transportation of	28.05.2016	14.09.2018				
	OHSAS 18001:2007						28.05.2019				
Eurofinsa S.A	ISO 50001:2011	AENOR	ENAC	SPAIN	SPAIN	SPAIN	SPAIN	SPAIN	petroleum and gaseous products; water treatment plants; electrical and mechanical installations; drilling, injections and piles, painting and metallizing, gardening and plantations.	10.11.2016	10.11.2019
Suministros de Comercio Exterior S.A	ISO 9001:2008	ICDQ	ENAC	ENAC PERU	Execution of projects PERU and turnkey hospital works	PERU	and turnkey	25.11.2016	14.09.2018		
Perú Branch (SUCOMEX)	ISO 14001:2004					hospital works	25.11.2016	14.09.2018			
IBT HEALTH S.A.C.	ISO 9001:2015	AENOR	ENAC	PERU	Provision of services: Operation of Sterilization Department in health facilities. Operation of Hemodialysis Units in health facilities. Operation of Supply Chain (Purchases, Logistics, Pharmacy) and distribution to points of consumption in health facilities.	22.07.2017	22.07.2020				

3 ENVIRONMENTAL MANAGEMENT OF OUR CONCESSIONS

We execute different public-private collaboration projects that involve the management and maintenance of infrastructures. Our most important projects are located in Peru, where we are concessionaires of two large hospital complexes, formed by two hospitals and two polyclinics, which serve more than half a million insured persons of the Social Security System of Peru, and which are in the two first places in the satisfaction surveys of the country's social insurance.

The main consumption indicators of our health facilities in Peru during the period September 2016- August 2017 are the following:

HOSPITALS AND MEDICAL CENTERS IN PERU

Consumption indicators

	Sept 15 - Aug 16	Sept 16 - Aug 17	Evolution
Active energy (Kw.h)	11,391,748	12,053,531	2.82%
Diesel (Gln)	71,000	88,420	10.93%
GLP (Gln)	6,850	12,769	+86.40%
Water (m³)	98,183	108,641	5.06%

WASTE MATERIAL (Kg)	Sept 15 - Ago 16	Sept 16 - Ago 17
Bio-Hazardous waste	590,986	611,896
Especial waste	12,836	14,717
Cutting Puncture Box (unit)	24,214	15,111
Sharp waste	22,798	18,771
General waste	372,485	462,082

Hospital management involves the production of a large amount of waste. All categories of waste have increased due to the increase in the demand for care in health facilities and the greater number of services provided.

We continue to rely on the collaboration of our team, which is involved through training and environmental awareness and during this period has meant an investment of 4,294 hours of training, as part of our culture of integral environmental responsibility of the projects we manage. This has enabled us to carry out the collection for recycling of the following materials:

RECYCLED MATERIALS Amounts in Kg

Cardboard / paper	88,198
Hard plastic	6,691
Other	9,835

In 2016 we created the "Portal del Trabajador", where our employees can consult all the digitalized documentation related to their payroll, certificates, request for vacations and other aspects related to their contract, which has meant a substantial elimination of paper consumption.

During 2017, we implemented the digital signature of 3,700 payrolls, which meant a saving of 9.21 kg of paper. This project, which is in its initial phase, will be expanded to reach all our employees in Peru. In addition, we have digitized 749,386 medical records, with the final goal already achieved of eliminating medical records on paper.

Finally, it should be mentioned that no Eurofinsa company has received a fine for non-compliance with environmental legislation or regulations during the period of this report.



ANTI-CORRUPTION

CODE OF CONDUCT

Our Code of Conduct governs the ethics we expect from the behavior of our employees, partners, suppliers and collaborators, regardless of their level of responsibility, position within the organization and the commercial or contractual relationship, provided that their activity is linked to our activity.

This Code expressly prohibits any form of corruption, including bribes, gifts or undue attention in

exchange for favors, privileges or other advantage for the purpose to obtaining or maintaining business with us. This also includes other risk situations such as conflicts of interest, unfair competition, deceptive or fraudulent conduct, money laundering and commercial relations with countries penalized by some governments. Its formulation has taken as reference the US "Foreign Corrupt Practices Act" and the guidelines for multinational companies of the OECD.



2 PREVENTION OF CORRUPTION

Our team in Peru represents 61% of the global workforce, and this is where most activity is found between workers and suppliers. With the object to advance in active anti-corruption policies, in August 2017 we began the implementation of a Corruption Prevention Model to minimize the risk of Eurofinsa engaging in illegal acts by its employees or collaborators. For this, during 5 months we will be working on the following steps:

- Assessment of risks that Eurofinsa presents in Peru according to its behavior patterns in the area of contracting with the State.
- Establishment of measures and protocols, both commercially and in management, in order to avoid, prevent and punish illegal acts committed by the employees and collaborators of Eurofinsa.
- Training of personnel responsible for the prevention system, and those most directly involved in high-risk areas, such as contracting with public entities, to achieve an effective application of the prevention model. Sequentially, extend the training to the rest of the organization.

Likewise, we have appointed a Compliance Officer who reports directly to the General Manager, and who will monitor the steps to be taken until the implementation of the prevention model in all IBT companies in Peru. These steps will lead us to have defined by December 2017 the monitoring and control measures, supervision protocols and the management of adequate financial resources to prevent situations that violate our principles and values.

→ ANTI-CORRUPTION **D** TRAINING

During the Social Responsibility Training Plan that we carry out annually, the prevention of corruption and the violation of our Code of Conduct are inherent content. In addition, as part of the Corruption Prevention Model to be implemented in 2017, specific training is included for the new Compliance Officer as well as his direct collaborators and those involved in the areas of higher risk, to ensure the optimal implementation of the Model.







GRI INDICATORS TABLE REALTED TO THE PRINCIPLES OF THE GLOBAL AGREEMENT



Indicator	Page	Comments
	PRINCIPLE 1	
Investment		
G4-HR2: Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	46	We have introduced this year a module on "business and human rights" within the RSE workshops.
Grievance mechanisms in terms of human rights		
G4-HR8: Indigenous Rights		There have been no incidents related to the rights of indigenous people.
G4-HR12: Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanism.		The organization has not received any grievance regarding human rights through formal mechanisms.
Local communities		
G4-SO2: Operations centers with significant potential or actual negative impacts on local communities.	44	All our projects respect the national legislation, which includes assessment or environmental impact studies that take into consideration the damages that could be caused to the people. As an infrastructure provider, the local population is benefited by our projects, especially those in the health area.

Indicator	Page	Comments
	PRINCIPLE 2	
Assessment of suppliers in terms of human rights		
G4-HR10: Percentage of new suppliers that have undergone human rights screening.		More than half of our suppliers are Spanish and are bound to comply with their national legislation, which ensure respect for human rights.
G4-HR11: Significant, negative, potential and current human rights impacts in the supply chain and actions taken.		We have not identified any negative impact on the human rights of our suppliers due to our activity.
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 violated or take significant risks and measures taken to support these rights.		We have not received any formal communication confirming that our suppliers violate the freedom of association of their workers. Eurofinsa respects the right to join collective agreements.





Indicator	Page	Comments
	PRINCIPLE 3	
Relations between workers and management		
G4-LA4: Minimum notice periods regarding operational changes and possible inclusion of these in collective agreements.		The "Procedure of Communication, Participation and Consultation of the employees" includes consulting, in advance, of the planning and organization of the work and the introduction of new technologies, but it does not establish the minimum term.
	PRINCIPLE 4	
Forced or compulsory labor		
G4-HR6: Operations and suppliers identified as having a significant risk for incidents of forced labor and measures		All our employees freely sign an employment contract and receive financial compensation for their work in accordance with national labor legislation.
taken to contribute to the elimination of all forms of forced labor.		We have not identified any case of our suppliers using forced labor or slavery regimes. They are informed of their prohibition through the Code of Conduct.
	PRINCIPLE 5	
Child labor		
G4-HR5: Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.		We have not identified any case of our suppliers using child labor, and they are informed of our prohibition to such a practice through the Code of Conduct.

Page Indicator Comments PRINCIPLE 6 Investment G4-10: a. Indicate the total number of employees by employment contract and sex. b. Indicate the total number of permanent employees by type of employment and sex. c. Indicate the staffing table by employees, hired wor-There is not a substantial part of the work done by kers and gender. d. Indicate the staffing table by region self-employed workers. Due to the nature of the cons-26, 27 and sex. and. Indicate whether a significant part of the truction projects, there is a variable number of contractor organization's work is performed by legally recognized workers on site. self-employed workers, or by persons who are not employed or hired workers, such as employees and employees subcontracted by contractors. Market presence **G4-EC6:** Percentage of senior managers hired from the 61% of our Directors / Managers are local. local community at locations of significant operations. Non-Discrimination **G4-HR3:** Total number of incidents of discrimination and No incidents of discrimination have been identified. corrective actions taken. Diversity G4-LA12.b: Indicate the percentage of employees belonging to the following diversity categories, broken down by professional category, sex, age: less than 30 years, 27 between 30 and 50, older than 50; minority groups; and

other diversity indicators, if applicable.





Indicator	Page	Comments
	PRINCIPLE 7	,
Energy		
G4- EN1: Materials used by weight and volume.		We do not have consolidated data globally.
G4-EN3: Energy consumption within the organization.	54, 55	We do not have consolidated data globally. Since we work for projects, the withdrawal of water for their execution varies significantly. We enclose the data at the level of
G4-EN8: Total water withdrawal by source.		health facilities management, which means the highest energy and water consumption of all the projects carried out between 2016 and 2017.
Emissions		
G4-EN15 al G4-EN20: Greenhouse Gas Emissions and ozone-depleting substances.		We do not have data on greenhouse gas emissions.
	PRINCIPLE 8	3
Energy		
G4-EN6: Reduction of energy consumption.	54, 55	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 withdrawal of water.		No significant effects have been identified on water sources in any of our projects during 2016-2017.

Indicator	Page	Comments
Biodiversity		
G4-EN11: Own, leased, operating facilities that are managed in or adjacent to protected areas and other areas of high value for biodiversity		
G4-EN12: Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.		We have not identified any protected area or high biodiversity in the environmental impact assessment carried out prior to each project. These assessments provide the mitigation of any potential negative impact on the natural
G4-EN13: Habitats protected or restored.		environment and their species.
G4-EN14: Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations.		
Effluents, and Waste		
G4-EN23: Total weight of waste by type and disposal method	54	
G4-EN24: Total number and volume of significant spills.		There has been no significant spill during our activities.



Indicator	Page	Comments
Compliance		
G4-EN29: Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.		We have not received any environmental fines.
Overall		
G4-EN31: breakdown of environmental protection expenditures.		There is no defined budget for environmental protection but in each project we include the necessary investment to ensure strict compliance with environmental regulations and legislation.
· ·	PRINCIPLE 9	
Suppliers environmental assessment		
G4-EN32: Percentage of new suppliers that were screened using human rights criteria.		All our suppliers are required to comply with national and local legislation and regulations in the countries where w operate through the acceptance of the Code of Conduct is our contracts.
G4-EN33: Significant negative , actual and potential environmental impacts in the supply chain and actions taken		No found
Environmental grievance mechanisms		
G4-EN34: Number of grievances related to environmental filed, addressed and resolved through formal grievance mechanisms.		We have not received any grievance related to environmental matter.
G4-56 a: Describe the values, principles, standards and standards of the organization, such as codes of conduct or ethical codes.		



Indicator	Page	Comments
PRINCIPLE 10		
Ethics and Integrity		
G4-56: Describe the values, principles, standards and norms of the organization, such as codes of conduct or ethical codes.	57, 58	
G4-57: Describir los mecanismos internos y externos de asesoramiento sobre una conducta ética y lícita y para consultar los asuntos relacionados con la integridad de la organización.	57, 58	
G4-58. Describe internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity.	57, 58	The Code of Conduct of Eurofinsa establishes channels for employees to send their communications on matters related to the Code of Conduct, confidentially and without fear of reprisals.
Fight against corruption		
G4-SO3: Number and percentage of operations assessed for risks related to corruption and the significant risks identified.	57, 58	
G4-SO4: Communication and training on anti-corruption policies and procedures.	46	
Public policy		
G4-SO6: Total value of political contributions by country and recipient		"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".



WE CARE ABOUT YOUR OPINION

In this report we expressed our firm commitment to the Principles of the Global Compact and the conviction that our activity must be developed taking into account our environment and each of the stakeholders. However, we know that we can and must improve from day to day to optimize the social and environmental impact of our business. Therefore, we invite you to give us your opinion on this report and we will appreciate any suggestions for improvement, by contacting:

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