

# A 3 COMPANY OF THE FUTURE

3.1 Which creates value

3.2. With a consolidated corporate strategy

3.3 How does it respond to the challenges and opportunities in the sector

3.4. With its activity it contributes to meeting the objectives of the 2030 global agenda

## 3.1 WHICH CREATES VALUE

The ACS Group has consolidated a business model that guarantees maximum returns for its shareholders while, in turn, generating value in the form of social and economic development in the areas in which the Group companies operate.

The ACS Group is characterised by a highly decentralised structure in its three areas: Construction, Industrial Services and Services that carry out its activity through dozens of specialised companies that ensure the Group's presence throughout the entire value chain of the infrastructure business. This complex but highly-efficient organisation encourages the Group's companies to compete and carry out their work independently, while at the same time sharing common guidelines that add value to their activity.

Each ACS Group company is managed and operated autonomously, with an independent functional management and flexible and sovereign executive bodies, although they have a common culture and values. This enables each company to individually contribute numerous valid and profitable management formulas, thanks to the multiple factors involved in their decision making that generate know-how and good practices that are also independent.

[201-1] Economic value generated, distributed and retained (€mn)	2015	2016
Total income	33,291	31,975
Finance income	224	186
Disposals	1,827	2,068
<b>(1) Economic value generated</b>	<b>35,342</b>	<b>34,229</b>
Operating and purchasing expenses	24,504	23,738
Staff costs	7,103	6,752
Corporate tax	292	407
Dividends	345	326
Finance costs	699	526
Resources for the community	9	12
<b>(2) Economic value distributed</b>	<b>32,951</b>	<b>31,761</b>
<b>Economic value retained (1-2)</b>	<b>2,391</b>	<b>2,469</b>

### INPUTS

#### OPERATING INVESTMENTS

€ 440 MN

#### PROJECT/ FINANCIAL INVESTMENTS

€ 1,106 MN

#### EMPLOYEES

176,755

#### SUPERIOR AND MID-LEVEL

#### GRADUATES

19.1%

#### R&D INVESTMENT

€ 39 MN

#### R&D ONGOING PROJECTS

161

### DIALOGUE WITH STAKEHOLDERS

#### NUMBER OF MATERIALITY SURVEYS

2,819



### CONSUMPTION

#### WATER

46,570,928 m<sup>3</sup>

#### TOTAL ENERGY CONSUMPTION

8,810,053 MWh

#### TOTAL TIMBER PURCHASED

412,209 t

#### TOTAL STEEL PURCHASED

1,116,409 t

#### TOTAL CEMENT PURCHASED

5,637,466 t



Construction/civil works

## SHAREHOLDER/INVESTOR

Investment ↓ ↑ Dividends



**... DEVOTED TO THE INFRASTRUCTURE SECTOR ...**

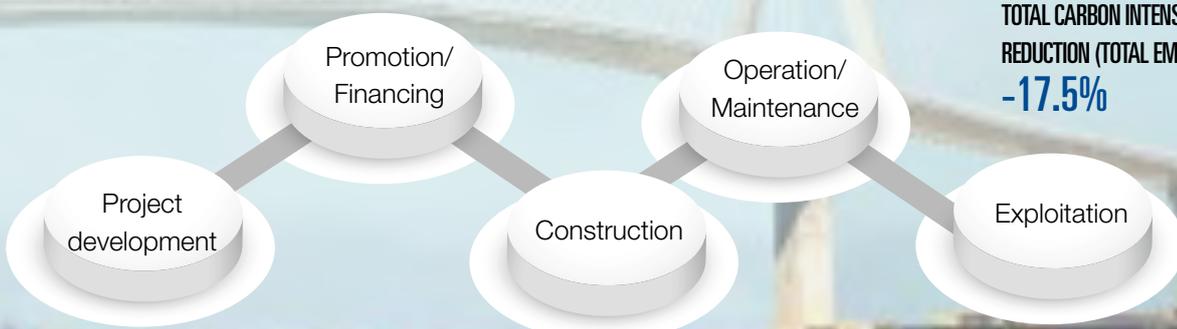


**Industrial activities**



**Other Services**

**... AND WITH PRESENCE IN ALL THE CHAIN VALUE ...**



## OUTPUTS

### REVENUES

€ **31,975 MN**

### NET PROFIT

€ **751 MN**

### DIVIDENDS PAID AND TREASURY STOCK

€ **457 MN**

### PERSONNEL EXPENSES

€ **6,752 MN**

### %EMPLOYEES WITH SAME NATIONALITY AS HEADQUARTERS

**80.2%**

### ORDER BOOK

€ **66,526 MN**

## CONTRIBUTION TO THE COMMUNITY

### SOCIAL ACTION INVESTMENT

€ **11.6 MN**

### % LOCAL SUPPLIERS

**75.0%**

### CORPORATE TAX

€ **407 MN**

## CONSUMPTION

### SCOPE 1 EMISSIONS REDUCTION

(VS 2015)

**-30.0%**

### SCOPE 2 EMISSIONS REDUCTION

(VS 2015)

**-5.2%**

### TOTAL CARBON INTENSITY RATIO

REDUCTION (TOTAL EMISSIONS / SALES)

**-17.5%**

## 3.2 WITH A CONSOLIDATED CORPORATE STRATEGY

The ACS Group operates in an increasingly complex and competitive environment, with numerous risks, as well as opportunities, for its businesses. In order to face these challenges, the Group has developed a strategy that guarantees sustainable returns for its shareholders and value creation for all of its stakeholders.



### Pursuing global leadership

- Positioning itself as one of the main players in all sectors in which it takes part as a means of boosting its competitiveness, maximising value creation in relation to its customers and continuing to attract talent to the organisation.
- Meeting the needs of customers by offering a diversified product portfolio, innovating daily and selectively investing to increase the range of services and activities offered.
  - Continuously improving the quality, safety and reliability standards of the services offered.
  - Expanding the Group's current customer base, through an ongoing commercial effort in new markets.



### Optimising returns on resources

- Increasing operating and financial efficiency and offering attractive returns to the Group's shareholders.
- Applying strict investment criteria in line with the company's strategy for expansion and growth.
- Maintaining a solid financial structure that facilitates obtaining resources and keeping their cost low.



### Promoting sustainable growth

- Improving society by helping to grow the economy, generating wealth through the ACS Group's own activities, thereby guaranteeing the well-being of citizens.
  - Respecting the economic, social and environmental context, innovating in the establishment of company procedures and respecting in each of the activities carried out by the Group the recommendations of the major domestic and international institutions.
- Helping the economy to grow by creating stable, respectable and fairly-remunerated employment.

The ACS Group's strategy extends to the various companies that compose it and that, individually, contribute to achieving the Groups overall goals that are brought about as follows:

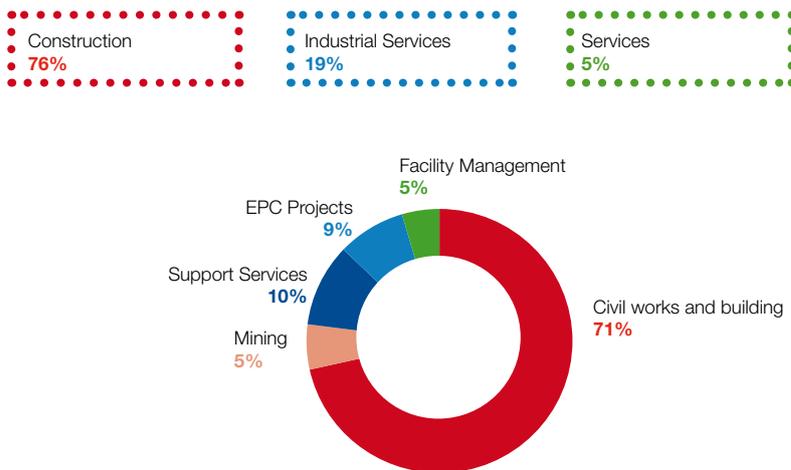


## PURSUING GLOBAL LEADERSHIP

### Diversification of activities:

The ACS Group's goal is to maintain positive leadership in all the activities related to the infrastructure and industry sector. To that end, its presence throughout the value chain through its various companies is important because it enables synergies to be created between them, thereby increasing efficiency and profitability, identifying opportunities and accessing new customers and markets.

### Diversification of activities (% revenues)





## PURSuing GLOBAL LEADERSHIP

### Selected international growth

Geographic diversity and international growth are two of the main strategic priorities of the Group, which seeks to grow in countries that fit its risk profile. Therefore, the Group has established rigorous investment criteria, prioritising growth in developed countries, with a stable regulatory and financial framework and with growth potential, where there is a need for the development of new infrastructure.

Therefore, the ACS Group is very well-positioned in strategic markets and where the activity is expected to grow significantly.

Likewise, the Group carries performs its business in certain emerging markets that meet its investment criteria and where the demand for new infrastructure is expected to increase notably.

### Proximity to the customer

All of the Group's activities are distinctly customer oriented, with a spirit of service and an eye to the future. The Group companies must develop solid long-term relationships based on trust and mutual knowledge.

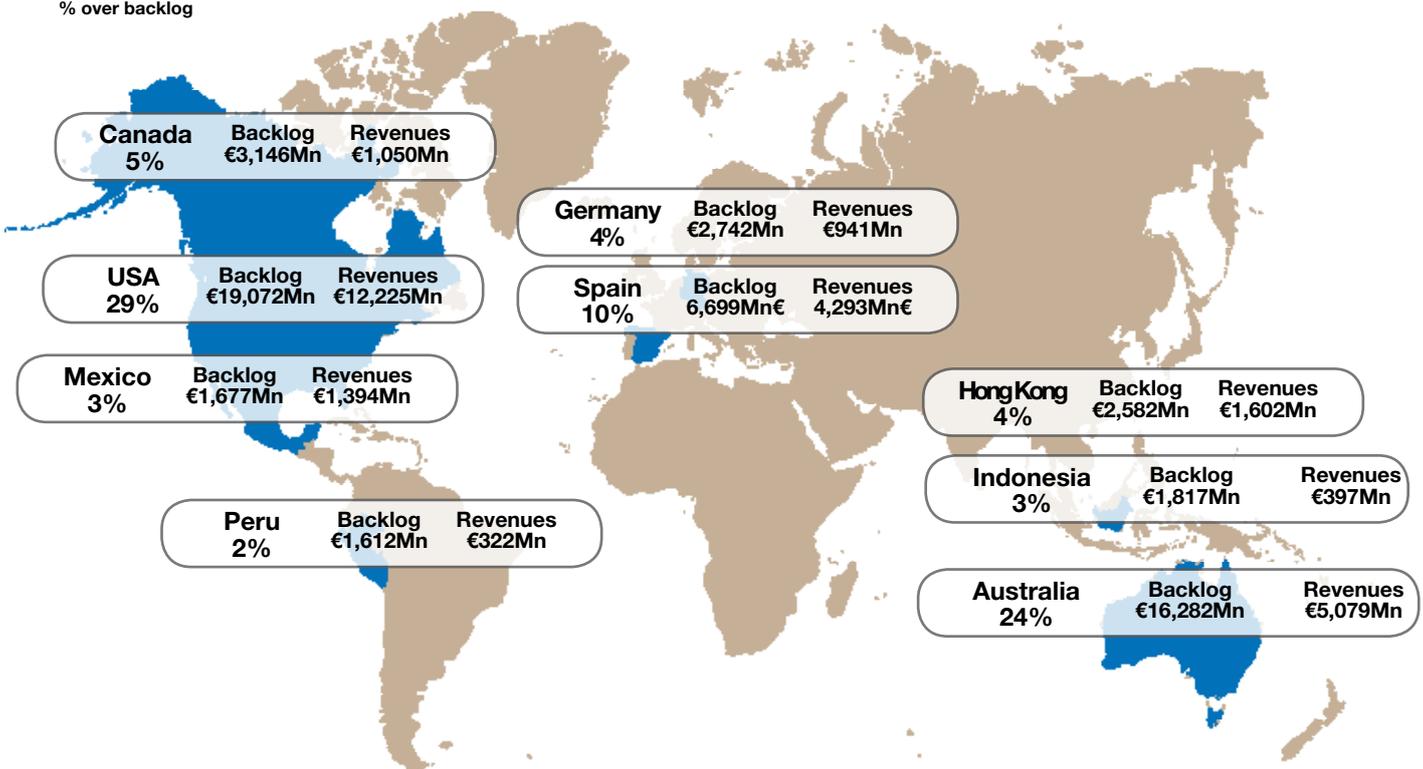
The culture of decentralisation and delegation of responsibilities, together with the local origin of many of the Group companies, represents a competitive advantage when building these relationships, as it enables them to interact more directly and closely with customers, helping to understand their needs, identify opportunities and offer more appropriate solutions.



For further information:  
[Managing relationships with customers](#)  
[6.6.2 Customer relationships](#)

### Main geographical markets 2016\*

% over backlog



\*Countries with backlog > €1,000 Mn



**OPTIMISING RETURNS ON RESOURCES**

**Operational decentralisation**

Each ACS Group company is managed autonomously, with an independent functional management and flexible and sovereign executive bodies. The flexible and decentralised Group structure promotes the responsibility and entrepreneurship of its employees, which is a basic tool for maximising profitability and encouraging the excellence necessary to offer the best services and products to customers.

**Exhaustive management control systems**

All ACS Group companies have sophisticated management and control systems that seek to continuously improve operating and financial efficiency in all of the activities and projects they develop, enabling them to make the resources as profitable as possible, offering larger returns to the Group's shareholders.

**Financial strength**

Another strategic priority for the Group is to maintain a solid financial structure that facilitates the process of obtaining resources and keeping their cost down.



**For further information:**  
[Improved financial structure](#)  
[2.2 Reinforcement of leadership](#)



**For further information:**  
[Management and control systems](#)  
[7. Risk management at the ACS Group](#)





## PROMOTING SUSTAINABLE GROWTH

### Contribute to the development of the areas of operation

One of the Group's primary goals is to create value in the areas in which it operates, acting as a driver of economic and social development that can generate new infrastructure development opportunities. The dual commitment to remain and grow, together with open dialogue with its stakeholders, give the Group companies a key competitive advantage when creating trusting relationships in the areas of operation.

To maximise value creation, ACS prioritises the use of local resources, favouring the exchange of knowledge, the transfer of technology and the weaving of an industrial fabric that aids economic growth and contributes to social well-being.

**80.2%**

EMPLOYEES WITH  
SAME NATIONALITY AS  
HEADQUARTERS

**75.0%**

PURCHASES FROM  
LOCAL SUPPLIERS

**11.6**

MILLION EUROS INVESTED  
IN SOCIAL ACTION LOCAL SUPPLIERS

### Response to global challenges

The ACS Group wants to provide responses to the major global challenges through its activities. Consequently, it analyses these challenges and identifies the business opportunities that emerge from them, to focus its activity and position itself as a global leader in innovative and sustainable solutions.



**For further information:**  
**ACS's response to global trends**  
**3.3 How does it respond to the challenges and opportunities in the sector**

### Corporate Social Responsibility Strategy

In relation to Corporate Social Responsibility, the ACS Group's commitment to society is summarised in four fields of action:

- Respect for ethics, integrity and professionalism in the Group's relationship with its stakeholders.
- Respect for the social, economic and environmental context.
- Promotion of innovation and research in its application to infrastructure development.
- Creation of employment and well-being, as an economic driver for society.



**CSR Policy**

To face the challenge of the ACS Group's Corporate Responsibility policy, given its characteristics of operational decentralisation and geographical scope, a functional, strategic and operational paradigm related to the ACS Group's Sustainability known as the One Project has been developed.

The One Project seeks to promote good management practices and assess the common principles and objectives defined in the ACS Group's Corporate Social Responsibility Policy and is framed within the Group's general strategy, focused on strengthening its global leadership.



The promotion of good management practices focuses on the following major areas:



- The Group's position in terms of Ethics.



- in terms of Efficiency, involving Client, Quality, Supplier, Environmental and R&D+i policies.



- in terms of Employees, Personnel, Health and Safety and Social Action policies of the ACS Group.

In 2016 the ACS Group developed its 20-20-20 Plan in line with the goals established in the Corporate Social Responsibility Policies.



**For further information:**  
**6. The ACS Group and Corporate Social Responsibility**  
**2.2. Reinforcement of leadership**

# 3.3 HOW DOES IT RESPOND TO THE CHALLENGES AND OPPORTUNITIES IN THE SECTOR

The current environment and macroeconomic outlook, although uncertain and challenging, are an opportunity for growth and for the ACS Group to consolidate its global leadership in the infrastructure sector.

The environment in which ACS will carry out its activity in the coming years will be marked by the following factors:

Growth of the world's population

The global population is expected to increase from 7.3 billion today to 9.7 billion in 2050.<sup>3</sup> For the most part, growth will be concentrated in developing countries, mainly in Asia and Africa.

<sup>3</sup> World Population Prospects (2015), United Nations

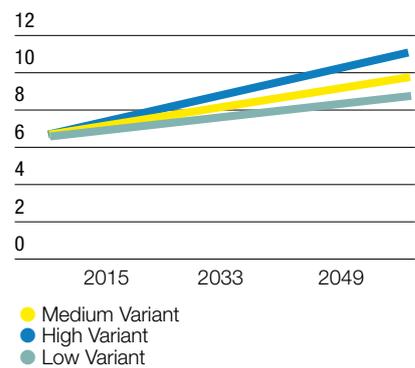
## Urbanisation

Parallel to population growth, there is a process underway in which people are being displaced from rural areas to urban areas. Therefore, the United Nations estimates that the urban population in 2050 will be double that of 1950.

Currently, the most urbanised regions are North America (82% of inhabitants in 2014), Latin America and the Caribbean (80%) and Europe (73%). All regions are expected to continue the urbanisation process in the coming decades, although Africa and Asia will do so more rapidly than the rest, reaching 56% and 64% of their population, respectively, in 2050.<sup>4</sup>

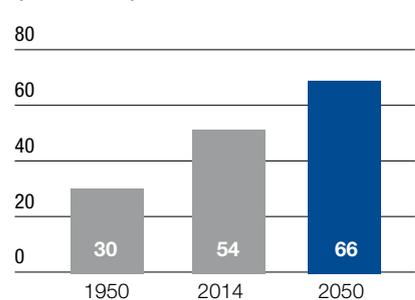
<sup>4</sup> World Urbanization Trends 2014, United Nations

**World population estimates**  
(thousand million)



Source: World Population Prospects (2015), United Nations

**Urban population estimates**  
(% over total)



Source: World Urbanization Trends 2014, United Nations



## Climate Change

The Marrakesh Climate Change Conference was held in November 2016. During the conference a roadmap was created for attaining the goals established the year before in the historic Paris Agreement in which 196 countries, including the United States and China, defined their contributions in the fight against climate change through the publication of their INDC<sup>5</sup>.

Compliance with these commitments is a transition towards a low carbon economy entailing significant changes in the current production and consumption models and that affect, to a large extent, the infrastructure sector.

<sup>5</sup> Intended Nationally Determined Contributions

On the other hand, climate change is causing an increase in extreme weather events that have a considerable impact on infrastructure.

### Need for alternative financing

Today, the resources available to finance the development of infrastructure are not as abundant as in the years before the economic crisis.

On the one hand, the business fabric of the majority of emerging countries seems to have accumulated excessive debt and these countries are likely beginning a long process of deleveraging. However, the majority

of these regions are implementing expansionary economic policies with an increase in the public spending budgeted by the respective governments.

On the other hand, developed countries, mainly European countries, are in the final phase of reducing both public and private debt. Policies to rein in public spending will continue to affect State budgets, restricting investment in infrastructure development. However a slight recovery of investment levels on the part of the private sector is expected.



**This situation is creating a series of challenges and opportunities for the infrastructure sector worldwide. The ACS Group's current positioning and future strategy are focused on leading the global response to these emerging challenges:**

## INFRASTRUCTURE DEFICIT

According to estimates, to reach the economy's expected growth levels, globally, \$49.1 billion must be invested in the 2016-2030 period, with an average annual investment of \$3.3 billion.<sup>6</sup>

Around 60% of infrastructure expenditure will be concentrated in emerging economies, particularly Asian countries, while the United States and Canada will account for 22% of total expenditure.

In developed countries, infrastructure demand is focused mainly in major cities, where the existing infrastructure network is in need of renovation and adaptation.

In the US, the sector is in a new cycle of expansion and recovery and in the coming years annual growth is expected to be in the region of 4%.<sup>7</sup>

ACS's position

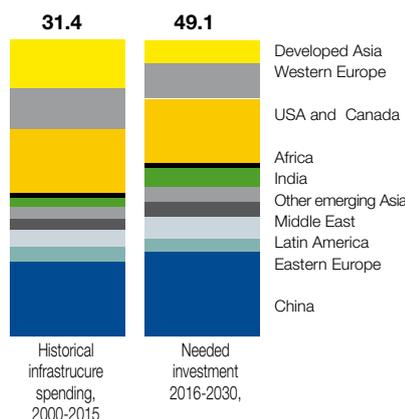
**Growth in developed and stable countries**

- ACS occupies a position of leadership in the major international markets.
- The diversity of the Group's activities allows it to respond to the emerging needs in its business areas.
- Its technical ability to tackle projects that are large in scale and very complex allows it to respond to these challenges.
- ACS's strategy includes periodically reviewing the situation of the various markets to identify new opportunities in countries that meet its investment criteria. The group is actively working in emerging markets with infrastructure needs such as Peru, where it is building the Lima underground railway system and South Africa, where Cobra has won significant contracts for the construction and operation of thermal solar plants.

<sup>6</sup> Bridging Global Infrastructure Gaps, McKinsey Global Institute

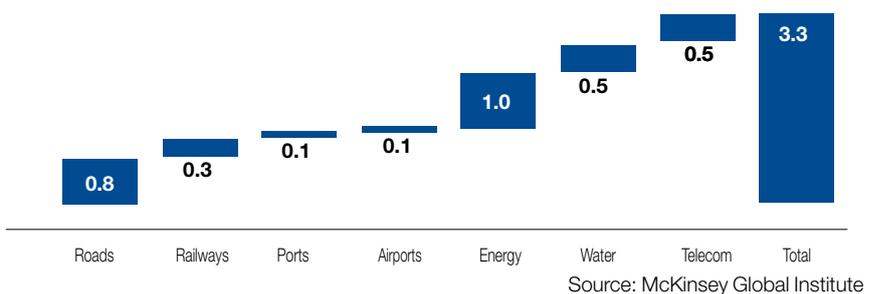
<sup>7</sup> Construction Outlook 2016, FMI

### Investment needs by region (US \$ Trillions)

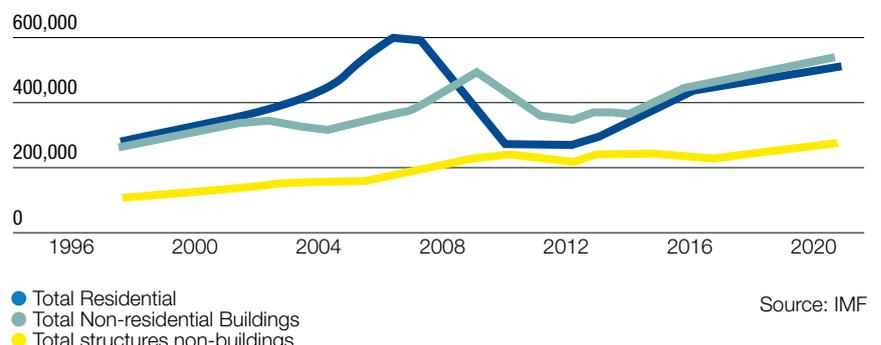


Source: IHS Global Insights, ITF, GW, National Statistics, Mc Kinsey Global Institute Analysis

### 2016-2030 Annual needs (US \$ Trillions)



### Estimated infrastructure investment in the US (Mn US \$)



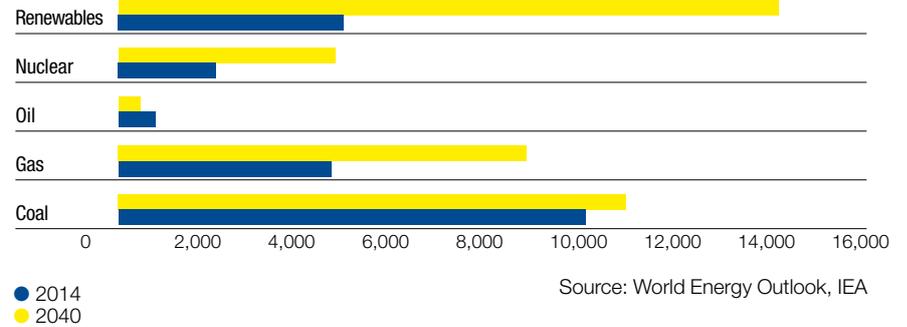
## A NEW ENERGY MODEL

The energy system of the future is dependent upon two global factors that will impact investments in energy infrastructure at medium and long-term:

- Global demographic growth, associated with an increase in the population's quality of life will have a significant effect on energy consumption in emerging countries, particularly in China and India.
- The decarbonisation of the global energy system as a result of climate change commitments undertaken by countries. This trend is being driven by an increase in the competitiveness of renewable energy sources. In order to guarantee compliance with these commitments, the European Union and other emerging countries have established official objectives for the use of renewable energy sources.

According to the New Policies Scenario of the World Energy Outlook, investments in the energy sector worldwide will exceed \$66 billion between 2016 and 2040.

### Electricity generation by source (TWh)



Of these investments, more than \$26 trillion will be allocated to the supply of oil and gas, \$23 trillion to energy end-use efficiency, \$9 trillion to renewable energy and other low-emission energy sources and \$8 billion to supply networks.

Demand for electricity is expected to grow 65% by 2040, representing almost a quarter of energy consumption. Renewable energy will represent almost 60% of new installed capacity worldwide by 2040. This represents an increase of 4,000 GW between 2016 and 2040, four times the increase in the installed capacity of carbon over the same period.

Growth of intermittent renewable energy sources within the most advanced electricity systems will require flexible solutions enabling the preservation of their balance, as well as the security and quality of the supply.

On the other hand, according to estimates, compliance with the objectives established in the Paris Agreement will require an investment of \$13.5 trillion in the energy sector worldwide.<sup>8</sup>

<sup>8</sup> Energy and Climate change. World Energy Outlook Special Briefing for COP21. IEA.



## A NEW ENERGY MODEL

ACS's position



**Diversification of activities: development, operation and maintenance of energy infrastructure**



**Response to global challenges: decarbonisation of energy**

The ACS Group is a leader in executing thermal solar and wind projects under the EPC system, it has a growing presence in large PV projects around the world, it is

the regional leader in small hydro projects in Latin America and other countries, and develops biomass plants.

From a technological growth standpoint, the main objectives of the Industrial Services companies' innovation projects are reducing the cost of solar and offshore wind power and combining various renewable sources to increase the flexibility and integration of renewable energy in electricity systems.

In other types of investments, such as those related to the distributed generation and demand-side

management (through, for example, smart meter installation programmes), the Group has a growing presence through its specialised subsidiaries.

On the other hand, the Group is starting from an excellent position with respect to developing technologies that guarantee the security and quality of supply, thanks to its experience in large transport lines, both in alternating and direct current, as well as in hydroelectric plants.



## NEW SOURCES OF FINANCING

Traditionally, infrastructure development has been mainly financed through public funds. However, within the current context of limited public spending, contribution from the private sector and other entities is increasingly necessary in order to keep up with demand in the different regions of the world.

Given the situation, new financing models are arising, such as public-private partnerships (PPP), which are useful tools and that are being used increasingly more. The private sector's participation brings significant benefits because of its capacity to obtain financial capital and optimise resources and control costs.

The US is one of the countries in which public-private collaboration is key to financing infrastructure projects. Not just because of growth potential and market needs, rather because it is underdeveloped.

On the other hand, the flow of financing is being driven by institutional investors willing to put their capital to work. In addition to growth of the capital they manage, the investment portfolio is diversifying towards infrastructure, and the number and volume of these types of agreements reached is increasing.

An example of the rise in this type of partnership is the Australian pension system ("Superannuation Funds") that favours the private sector's participation in the financing of infrastructure projects. Superannuation Funds, which are very active investors in the infrastructure sector, are the largest pension fund in the Asia-Pacific region and the fourth largest

### US P3 Market: decade in review (US \$ Bn)

	2005-2014
Announced Transactions	48
Announced Transaction Value	60.7
Completed Transactions	40
Completed Transactions Value	39.0

Fuente: InfraAmericas

globally, with AU\$2.6 trillion in assets under management, and forecast to reach AU\$3.6 trillion in 2025.

In addition to these new sources of financing, there has been an increase in the investment activity of multinational and sovereign enterprises. Multilateral banks may provide significant support for financing infrastructure in the future. For example, the new Asian Infrastructure Investment Bank (AIIB) has indicated that it will use a portion of its \$100

billion to encourage private sector investment.

In addition, the use of other financing models, such as green bonds, is increasing. In 2014 this new market set a record with new issues of more than \$35 billion, more than triple the previous year.

### ACS's position Financial strength



In 2016 the ACS Group was once again the world leader among concession groups, both with respect to the number of assets, as well as investment volume. For another year, it has maintained its privileged position as a worldwide reference in the development and management of infrastructure, as again acknowledged by the specialist journal Public Works Financing, which places ACS at the top of the ranking of the world's main concession groups, both by number of assets and by investment volume.

(See list of Iridium concessions Appendix 9.4.2)

Likewise, the Group has financed its activity by way of various financial instruments, such as syndicated loans, corporate bonds, exchangeable bonds, USD senior notes, among others, a breakdown of which can be found in the Group's consolidated financial statements.

## SMART INFRASTRUCTURE

At medium-term, population growth, climate change and the ageing of the population increase the pressure the population applies to infrastructure.

With the exception of telecommunications, the infrastructure sector has, for quite some time, remained cut off from the technological revolution occurring in many other sectors. However, potentially disruptive technologies are being developed that could affect the manner in which infrastructure is planned, designed, developed and operated: the Internet of things, digitalisation, the gradual implementation of autonomous vehicle technology, etc.

Technological advances and consumer demand will result in the concept of mobility progressing towards one that is more efficient, safe and intelligent. Consequently, this will require the infrastructure that supports transport to evolve, facilitating services that until now were not demanded. These changes will mobilise new investments in reconstruction and maintenance.

ACS's position

**Diversification of activities: Innovation of services**

**Response to global challenges: sustainable growth of cities**




The ACS Group is active in the development and management of collective transport, both in the world of railway infrastructure (trains of all types, trolleybuses, trams), and through technology for managing fleets of urban buses.

The Group's companies are global leaders in the technology used for managing urban and motorway traffic, which, together with its role as a provider of support services to electric and communication utilities allows the Group to participate in the technological advance towards "Smart Cities".

The combination of these capacities, together with specific technological developments in the field, is enabling the Group to lead Spain in the development of electric vehicle charging networks, use of which in the coming years will become widespread in many of its target markets.



# EVOLUTION OF OPERATING MARKETS

These trends are particularly relevant and create new business opportunities for developing infrastructure in the main countries in which the ACS Group operates<sup>8</sup>:

European Union	US	Canada
<ul style="list-style-type: none"> <li>• GDP: +17.9% until 2021</li> <li>• European Fund for Strategic Investments: \$21 billion that will attract a total investment of €315 billion for infrastructure projects, among others.</li> <li>• Evolution of PPPs: Downward trend in recent years although with a positive outlook in Germany, Ireland, Turkey, Lithuania and the Netherlands.</li> <li>• National Climate Change Commitments (INDC): -40% emissions in 2030 (vs 1999)</li> </ul>	<ul style="list-style-type: none"> <li>• GDP: +9.9% until 2021</li> <li>• Estimated investment in infrastructure: \$1 billion in the next 10 years</li> <li>• Evolution of PPPs: Although opportunities vary between states, the outlook is positive, mainly in motorways, student housing, telecommunications, water and social infrastructure.</li> <li>• National Climate Change Commitments (INDC): -(26-28)% emissions in 2025 (vs 2005)</li> </ul>	<ul style="list-style-type: none"> <li>• GDP: +10% until 2021</li> <li>• Infrastructure bank: C\$120 billion in 10 years</li> <li>• Evolution of PPPs: There is an influx in projects, being led by Ontario, and opportunities in the states of Alberta, Nova Scotia and British Columbia.</li> <li>• National Climate Change Commitments (INDC): -30% emissions in 2030 (vs 2005)</li> </ul>
Australia	Mexico	Saudi Arabia
<ul style="list-style-type: none"> <li>• GDP: +15.2% until 2021</li> <li>• Infrastructure Plan: AU\$92 billion in investments in priority projects</li> <li>• Evolution of PPPs: The PPP market remains strong with new large transport projects.</li> <li>• National Climate Change Commitments (INDC): -(26-28)% emissions in 2030 (vs 2005)</li> </ul>	<ul style="list-style-type: none"> <li>• GDP: +14.5% until 2021</li> <li>• National Infrastructure Plan 2014-2018 Estimated investment of MXN\$7.7 billion</li> <li>• National Climate Change Commitments (INDC): -22% emissions in 2030 (vs 2013)</li> </ul>	<ul style="list-style-type: none"> <li>• GDP: +12.2% GDP until 2021</li> <li>• Development of alternative energy sources and desalination infrastructure</li> <li>• National Climate Change Commitments (INDC): Promotion of renewable energy and energy efficiency</li> </ul>

<sup>8</sup> Projections for cumulative GDP growth at constant prices between 2016 and 2021 at current prices: World Economic Outlook 2016, International Monetary Fund INDC updated at 31/12/2016: <http://www4.unfccc.int/Submissions/INDC/Submission%20Pages/submissions.aspx>



# 3.4 WITH ITS ACTIVITY IT CONTRIBUTES TO MEETING THE OBJECTIVES OF THE 2030 GLOBAL AGENDA

In September 2016, the General Assembly of the United Nations adopted the 2030 Agenda for sustainable development, a plan of action for people, planet and prosperity. It also seeks to strengthen universal peace and access to justice.

The new strategy will govern development projects for the coming 15 years. By adopting it, the States undertook to mobilise the means necessary for its implementation through alliances focused particularly on the needs of the poorest and most vulnerable.

The ACS Group, through its development activity, contributes to fulfilling certain of the goals and objectives on the global agenda. This contribution is amplified by its size and international presence in developed, as well as developing countries.



## GOAL 5: ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

The ACS Group rejects any type of discrimination, in particular that due to gender, as well as age, religion, race, sexual orientation, nationality or disability. This commitment extends to its hiring and promotion processes. In addition, the ACS Group develops policies that promote the development of women’s professional careers and allow them to attain a work-life balance.

### SIZE OF THE CONTRIBUTION

- Women in management positions: 1,512
- Work-life balance measures: Accumulation of maternal breast-feeding periods, part-time maternity and paternity leave, flexible schedule and reduced work days to care for children.
- ACS Group companies have different initiatives in place to attain gender equality, such as Thiess’ “Sisters in Mining” programme, which had 23 indigenous women participants 2016.



## GOAL 6: ENSURE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL

Through its Industrial Services business, which develops water desalination, purification and filtering infrastructure, the ACS Group contributes to guaranteeing access to potable water and improving waste water quality.

### SIZE OF THE CONTRIBUTION

- Number of water treatment infrastructures in which the ACS Group participates at 31 December 2016.

Other concessional assets	N°	Capacity	Average ACS Group ownership interest
Desalination plants in operation	2	272,000 m <sup>3</sup> /day	59%
Desalination plants under construction	1	100,000 m <sup>3</sup> /day	40%
Water treatment plants	32	1,774,961m <sup>3</sup> /day	99%

- Volume of water treated in (m<sup>3</sup>): 430,412,097



## GOAL 7: ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL

The ACS Group, through its Industrial Services business, designs, constructs and manages various energy infrastructures that contribute to guaranteeing universal access to energy.

A portion of this activity focuses on renewable energy facilities (solar, wind and small hydro), certain of which are in developing countries. It also offers services to improve energy efficiency for its customers, thereby contributing through its activity to a more efficient use of energy and cleaner energy, in all areas.

### SIZE OF THE CONTRIBUTION

- MW of renewable energy managed by concessions under operation in 2016 at 31 December 2016: 511.4 MW
- Gwh of renewable energy produced by concessions under operation in 2016 at 31 December 2016: 1,029
- Kilometres of transmission lines managed by concessions in 2016 at 31 December 2016: 6,740



## GOAL 9: BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION AND FOSTER INNOVATION

Through its infrastructure and industry development activity, the ACS Group significantly contributes to the economic progress of societies and people's well-being.

Through its international business with a strong local focus, it contributes to developing the capabilities and the industry of the areas where it operates, where particular importance is placed on its commitment to remain.

The Group maintains a growing investment in R&D, which results in greater productivity, quality, occupational safety, as well as the development of new materials and products and the design of more effective production processes or systems.

### SIZE OF THE CONTRIBUTION

- Revenue from infrastructure development in 2016 (civil engineering, building, mining and integrated projects): €27,013 million
- Investment in R&D in Construction and Industrial Services in 2016: €39 million



## GOAL 8: PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

The ACS Group is an active defender of the human and labour rights recognised by various international organisations. The company promotes, respects and protects its workers' freedom to unionise and freedom of association.

The Group also understands the important role that having local roots and being sensitive to each place's unique features has in the company's success. Group companies maintain their commitments to remaining in the areas where they operate, actively contributing to the economic and social development of such areas and they promote hiring local workers and executives.

### SIZE OF THE CONTRIBUTION

- Number of employees: 176,755
- % of employees who are unionised: 21.97%
- % of employees with same nationality as headquarter: 80.2%
- % of local senior executives: 53%



## GOAL 10: REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES

Clece, the ACS company dedicated to, among other things, providing services to people, has a distinct social nature and is committed to including and integrating people, thereby contributing to a reduction in inequality. In addition to providing services to vulnerable people, it also hires staff in such circumstances.

On the other hand, the Foundation ACS has an Accessibility Programme for disabled persons, aimed at architects, engineers, urban developers and all professionals involved in design and universal accessibility.

### SIZE OF THE CONTRIBUTION

- Clece, manages 132 centres for vulnerable groups.<sup>9</sup>
- 9.6% of Clece employees are disabled persons at risk of social exclusion or victims of gender violence. .
- Investment by the Foundation in accessibility: €0.948 million

<sup>9</sup> Residences and day centres to care for the disabled, centres for minors at risk of exclusion, centres for the protection of women, occupational centres and other centres for the homeless.



## GOAL 11: MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE

The ACS Group, through its various activities, provides services that contribute to creating more efficient and sustainable cities. Among these services, it is worth highlighting sustainable building, the construction of public transport systems, traffic management services, etc.

### SIZE OF THE CONTRIBUTION

- Sustainable buildings built: 654
- Iridium manages public transport project contracts (mainly underground railway systems) with a total investment of €11,600 million including the Lima underground railway system and the Ottawa light rail.



## GOAL 12: ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

The ACS Group promotes the efficient use of natural resources in all of its projects, from design to execution, rationalising water and energy consumption, promoting the use of sustainable materials and properly managing the waste generated.

### SIZE OF THE CONTRIBUTION

